The House met at 10 a.m.

The Reverend W. Douglas Tanner, Jr., executive director, Faith and Politics Institute, Washington, DC, offered the following prayer:

O Lord, we gather this morning as very human beings in a setting that often discourages our humanity. We labor in an environment where trust is confused with naivete, where truth is confused with foolishness, where image is confused with substantive accomplishment.

We spend many hours away from our families—those with whom we yearn to fully share the gifts of life. We find ourselves fatigued for days on end. And time for quiet reflection can seem to be an unaffordable luxury.

Grace us, we pray, with the wisdom to find ways to deepen our humanity in this context in which we can too easily become shallow. Move within us and among us, and grant us Your peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day’s proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule 1, the Journal stands approved.

Mr. TRAFICANT. Mr. Speaker, pursuant to clause 1, rule 1, I demand a vote on agreeing to the approval of the Journal.

The question is on the Chair’s approval of the Journal.

The vote was taken by electronic device, and there were—in favor 262, nays 115, not voting 77, as follows:

[Roll No. 269]

<table>
<thead>
<tr>
<th>Yeas</th>
<th>Nays</th>
<th>Not Voting</th>
</tr>
</thead>
<tbody>
<tr>
<td>262</td>
<td>115</td>
<td>77</td>
</tr>
</tbody>
</table>

The vote was taken by electronic device, and there were—yeas 242, nays 115, not voting 77, as follows:

[Roll No. 269]

<table>
<thead>
<tr>
<th>Yeas</th>
<th>Nays</th>
<th>Not Voting</th>
</tr>
</thead>
<tbody>
<tr>
<td>242</td>
<td>115</td>
<td>77</td>
</tr>
</tbody>
</table>

So the Journal was approved. The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair will ask the gentleman from Michigan (Mr. UPTON) if he would kindly come forward and lead the membership in the Pledge of Allegiance.

Mr. UPTON led the Pledge of Allegiance.

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.
MESSAGE FROM THE SENATE

A message from the Senate by Mr. Halen, one of its clerks, announced that the Senate had passed without amendment bills and concurrent resolutions of the House of the following titles:

H.R. 936. An act to designate the building in the District of Columbia which houses the postal operations of the U.S. Postal Service as the "Zora Leah S. Thomas Post Office Building";

H.R. 4265. An act to designate the facility of the National Aeronautics and Space Administration located at South Montgomery Street in Trenton, N.J., as the "Arthur J. Holland United States Post Office Building";

H.R. 5412. An act to authorize the transfer of certain naval vessels to Greece and Taiwan;

H. Con. Res. 156. Concurrent resolution concerning the emancipation of the Bahá'í community of Iran; and


The message also announced that the Senate had passed without amendment bills, joint resolutions, and a concurrent resolution of the following titles, in which the concurrent resolutions is requested:

S. 2834. An act to designate the U.S. Post Office Building located at 100 Main Street, Middlesboro, DE, as the "John J. Williams Post Office Building";

S. 3071. An act to amend the National Science Foundation Act to authorize the Secretary of Agriculture to provide financial and other assistance to the University of Mississippi, in cooperation with the University of Southern Mississippi, to establish and maintain a food service management institute, and for other purposes;

S. 3081. An act to authorize financial assistance for the construction and maintenance of the Mary McLeod Bethune Memorial Fine Arts Center;

S. J. Res. 270. Joint resolution to designate August 15, 1992, as "82d Airborne Division 50th Anniversary Recognition Day";

S. J. Res. 326. Joint resolution designating the beach at 53 degrees 57'31"N, 166 degrees 34'15"W to 53 degrees 57'46"N, 166 degrees 34'21"W on Hog Island, which lies in the Northeast Bay of Unalaska, AK, be named "Arkansas Beach" in commemoration of the 200th regiment of the National Guard who served in the Japanese attack of Dutch Harbor, Unalaska on June 3 and 4, 1942; and

S. Con. Res. 81. Concurrent resolution expressing the sense of the Congress regarding visionary art as a national treasure and regarding the American Visionary Art Museum as a national repository and educational center for visionary art.

CONFERENCE REPORT ON HIGHER EDUCATION REAUTHORIZATION ACT HOLDS PROMISE FOR MIDDLE-CLASS YOUTH

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, today, we have a chance to tell working, middle-class America that we understand: families across this country fear they will not be able to afford to send their kids to college. The conference agreement on the Higher Education Reauthorization Act, that we take up this afternoon, will make a college education a reality for millions of Americans who could not otherwise afford to attend school.

In the last decade, working families have been battered by increased taxes, soaring health care costs, and college tuition that have gone through the roof. At the same time, Federal support for education has withered away. Fewer and fewer middle-class families are eligible for grants or loans, and those who do qualify for aid are burdened with mountains of debt.

Education cannot be available only to the few. Poverty and wealth cannot be the only standards for access to education. Education and opportunity must be universal for those who will work to achieve.

Mr. Speaker, I urge the Members to stand up for education. Support the conference agreement.

INDEPENDENCE WITH AN ASTERISK

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, on July 4, 1776, as our Founding Fathers adopted the Declaration of Independence, I am sure they did not envision 100 percent smooth sailing for free America. Some of them had foresight enough to predict that budgetary red ink would cause problems for the Federal Government. However, it seems unlikely that even the most clairvoyant founder could have anticipated the degree to which an overly restrictive trade policy would become hostage to Congress's profligate spending habits. During the 60 seconds that I speak here today, America's debt will shoot up by more than three-quarters of a million dollars. We seem to be addicted to over-spending.

On the Fourth of July this past Saturday we remembered that independence for 216 years has been a precious gift, a gift that must be preserved. But the cold hard fact is that every second of every day our independence gets more and more threatened as the debt obligation rises. Saturday's Fourth of July should be an alarm call to reverse this trend—to make America flourish once again, independent from debt and to make Congress cure itself from over-spending and waste.

A LEVEL PLAYING FIELD FOR U.S. PRODUCTS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, the United States needs a level playing field in the very worst way so that American-made products made by American workers such as the Explorer versus the Ford and the Ford versus the Japanese assembly lines are not held at a disadvantage. Two Ford assembly plants in my district can have a fair chance to be sold in international as well as national markets.

We must establish this level playing field and create U.S. jobs by passing later today H.R. 5100, the Trade Expansion Act. It contains a revival of the Super 301 sanctions which can be levied against countries that do not treat our products fairly.

There is a difference, I understand, with regard to the amendment to be offered by the majority leader, the gentleman from Missouri [Mr. GEHRARDT]. I favor that amendment which puts into law the level of imports established under the current voluntary restraint agreement which we have with Japan. But, whether or not that amendment is agreed to, and I hope it is, we must pass H.R. 5100 to establish a level trade playing field and to create American jobs here in the United States.

INTRODUCTION OF THE "DEPARTMENT OF SCIENCE, SPACE, ENERGY, AND TECHNOLOGY ORGANIZATION ACT OF 1992"

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, last Wednesday, July 1, with my Science Committee colleagues, the chairman, the gentleman from California [Mr. BROWN] and the gentleman from California [Mr. PACKARD], together with my friend, the gentleman from Pennsylvania [Mr. KOSMER], I introduced a bill which if enacted into law would establish a Department of Science, Space, Energy, and Technology.

The Department of Science, Space, Energy, and Technology Organization Act of 1992 builds upon the existing structure of the Department of Energy and its network of national laboratories, much of whose work is already devoted to general scientific pursuits. The bill would combine three independent agencies, and some of the current scientific capabilities of the Department of Commerce, into one operating unit reducing needless waste and duplication entailed by the now separate administrative, legal, congressional, and public affairs apparatuses of the existing agencies and thus save some money.

In my view, the Department of Science, Space, Energy, and Technology's main function would be to help prepare the United States for the future. It would be the one area of Gov-
We will hear that the other party is the guardian of the middle class.

We will hear that the economic boom of the eighties was an illusion.

Unfortunately, we will not hear solid facts to back up any of those claims. We will not hear how cutting taxes and eliminating special loopholes raise the percentage the top fifth of Americans pay from 6 to 61 percent.

We will not hear that the top fifth of income earners being targeted for tax increases will include Americans making $56,000 a year. That is a solid middle-class two-income family, Mr. Speaker.

We will not hear how the economy grew for 7 straight years until the raise the taxes crowd got their way; but Americans know that when the other party talks about soaking the rich, the middle class can prepare to get very, very wet.

**INVESTING IN THE WORK FORCE**

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOAGLAND. Mr. Speaker, as the House of Representatives this week votes on S. 1150, the higher education amendments, a very important bill, we are reaffirming that the American dream of access to and opportunity for a college education becomes a reality.

America faces one of its toughest challenges in recent years—revitalizing our economy. With the end of the cold war, the national strength and status of the United States as a great power depends on our ability to compete in an international economy. To compete effectively we must invest in education.

Yet, unfortunately, middle-class working families, the traditional source of productive workers, are seeing the dreams of higher education slip away as our standard of living declines.

In the last decade those with incomes below the top 20 percent saw their incomes either stagnate or decline when adjusted for inflation. Meanwhile costs at public and private colleges have increased two to three times faster than the growth in median family income.

Many families can simply not afford to pay for their children's education.

To meet the needs of working families this bill:

Increases the maximum Pell grant from $2,400 to $3,700;

Revises the programs that serve those nontraditional students who are older, independent of their parents, working and attending school part-time or going back to college for the first time;

Allows all students regardless of family income to borrow up to the maximum Stafford Loan;

Improves early outreach and intervention efforts because students and their families are frequently not well informed about financial assistance.

Bill Clinton is also proposing to make college affordable to all students. Governor Clinton's plan, the domestic GI bill, would enable all Americans to borrow money for college, so long as they are willing to pay it back as a percentage of their income over time or through national service addressing unmet community needs. Such needs might include a police officer, an inner-city teacher or taking care of children in a day care center.

Education is the key to opportunity and to jobs. For students of all ages in community colleges, universities and trade schools, their postsecondary education will mean increased job opportunities, higher salaries, and a better way of life.
Today I am introducing legislation which will provide grants to States and localities that develop plans to integrate noneducational services with the public school system. Schools are so often the place where a problem is first identified, yet we continue to leave teachers stranded as they attempt to deal with the numerous problems that fall outside the realm of their training and resources.

My legislation will also achieve systemic reform at the State and Federal levels. It is not enough to provide yet another demonstration grant to a local school district; we must be committed at all levels to reforming a fragmented system that allows too many of our children to fall through the cracks.

From now on, let us address the whole child when we speak of education reform and recognize that, as always, the unmet needs of today will become the tragic and expensive social ills of tomorrow.

SPACE STATION "FREEDOM"—GATEWAY TO THE FINAL FRONTIER

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DORNAN of California. Mr. Speaker, when our space shuttle Columbia completes another successful U.S. space mission today, we can take pride in this historic accomplishment which reflects the dedication and commitment to excellence of our astronauts, NASA ground crews, and our aerospace workers throughout the country who made this mission possible. Unfortunately, such missions are limited due to the small amount of time a space shuttle can remain in space.

According to shuttle commander Richard N. Richards, what the astronauts needs is "more time in space in order to conduct the experiments and work and research needed to get some of the answers" to scientific questions, he said of the seven astronauts. Freedom is a perennial target in Congress, but NASA plans to start building the space station Freedom when he said astronauts on NASA's longest schedule shuttle flight need more time in orbit.

"They've already been complaining here that they're looking at the calendar and seeing the de-orbit date coming up here and their work really isn't done," Richards said in a radio interview.

"What they need is more time in space in order to give them a platform to conduct the experiments and work and research needed to get some of the answers" to scientific questions, he said of the seven astronauts.

Freedom is a perennial target in Congress, but NASA plans to start building the space station Freedom when he said astronauts on NASA's longest schedule shuttle flight need more time in orbit. Shuttle astronauts have never spent more than 10 days and 21 hours in space at a time. Columbia's crew will pass that record on Monday and is scheduled to remain aloft until Wednesday.

Lawrence DeLucas, the crew's crystal expert, sounded harried as he set up more protein crystal growth experiments.

"I'm trying to do as many as I can as quickly as I can because I really have so much more to get done and it takes between five and seven days for most of these to grow. So time is of the essence here," DeLucas told payload controllers at NASA's Marshall Space Flight Center in Huntsville, Ala.

Among the crystals DeLucas activated were interferon, an antiviral substance used to treat AIDS; a protein that regulates blood pressure, and a serum that transports iron from the liver to immature red blood cells.

Researchers hope to develop better drugs with Columbia's protein crystals. Crystals produced in space are bigger and purer than those cultivated on Earth, where gravity hampers growth.

Astronaut Carl Meade, one of those who bunched time off, spent part of the day stirring up dust. He used bursts of compressed air to shoot quartz particles, the size of grains of sand, into small containers. Some of the specks clumped together, while others remained dispersed to the dust on the walls or just floated.

Scientists want to see how small particles cluster in weightlessness. They hope the tests will help them better understand atmospheric cleansing after major dust storms, volcanic eruptions, meteorite strikes and, potentially, nuclear explosions.

RUSSIA GETS CASH—AMERICA GOES BROKE

(Mr. TRAPICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAPICANT. Mr. Speaker, Boris Yeltsin crushed the G-7 summit. Yeltsin was not even wearing a black tie.

Mr. Speaker, he said, "Russia needs cash. If you do not believe me, just take a look at Chernobyl." Meanwhile, needed trade reforms were once again put on the back burner. Now, think about it: Russia gets cash, America goes broke. California is passing out IOU's not paychecks; in New York they are in a riot situation; and the child poverty rate in America is exploding, and the truth is most parents cannot get a decent job. Most parents write in and they say, "I can't understand it." Well, the truth is, Mr. Speaker, it is easy to understand; most of the American politicians are more concerned about Red Square than they are about New York and the children in America living in poverty.

It is as simple as that.

WE MUST FUND THE RTC

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, the news which just came out this week of the closure of the eighth largest thrift is very distressing to all of us. San Diego-based HomeFed was taken over by the RTC, as announced by the Office of Thrift Supervision. That decision and the effect it will have on the 750,000 depositors sends a very important message to this Congress. We cannot stand by and ignore the necessity to fund the Resolution Trust Corporation. I am not enthusiastic about blindly sending tax dollars in there but I have got to believe that the full faith and credit of the U.S. taxpayer is behind those who have deposits up to $100,000.

Mr. Speaker, we owe it to the American people to keep our promise, the promise that was made years ago. So let us address the RTC funding question as soon as possible.

TEN MILLION UNEMPLOYED: A SERIOUS NATIONAL PROBLEM

(Mr. OWENS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, 10 million people without jobs is a serious national problem. For each of the 10 million families this unemployment is a personal disaster. For all humane and moral decisionmakers in the Congress and the executive branch these 10 million workers without a paycheck must be treated as a national emergency. Ten million unemployed is an emergency. Ten million unemployed...
is an emergency which requires immediate action. The administration must join with the Congress in addressing the issue now. You don’t need to be a genius to understand the first steps which must be taken to cope with this emergency. Certain time-tested, effective, and workable remedies can be implemented without delay: Accelerate the 'missile gap' of mass transportation and highway funds. Pass emergency block grant legislation for education to allow school budget cuts to be restored and laidoff school workers to be rehired. Block grants for health care and hospitals would permit the rehiring of laidoff hospital staff. New initiatives to get on top of the escalating environmental crises would hire many scientific and technical workers. Ten million jobless workers can’t wait for the new world order free market economics to gear up. Ten million families must eat now. We need the old fashioned public sector stimulant. It is the sacred duty of the Congress and the administration to act vigorously and to act swiftly. Ten million families need jobs now.

1060

REVIVING THE AMERICAN AUTOMOBILE INDUSTRY

(Mr. BLACKWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKWELL. Mr. Speaker, no one in this Chamber can deny the fact that the American auto industry has been losing jobs for the last 15 years at an unprecedented rate. The industry that led this country into the 20th century is rapidly losing steam, and many would say that Congress has simply sat here in Washington, and watched.

Today we have the direct opportunity to reverse this downward trend, and set the U.S. auto industry back on its feet.

The Gephardt-Levin amendment to H.R. 5100, the Trade Expansion Act, will finally let us compete on a level playing field, by putting the number of Japanese imports accepted into the United States on par with the number of American cars they allow into Japan.

Mr. Speaker, I wholeheartedly reject, as do my constituents, any argument that this legislation is protectionist.

I am protectionist to try and stimulate our ailing economy?

And please, Mr. Speaker, tell me if it is protectionist to put the needs of Americans as our most primary and crucial concern.

If the European Community can craft such an agreement with Japan then we must as well. The time has come for the President to stand firm on this issue, and the passage of this amendment will give him little choice, but to stand up for the U.S. auto industry.

I urge my colleagues to vote in support of this amendment today. Let us make a difference and pass this much-needed and long-awaited legislation that can directly revive the industry that made our country great.

SPACE SHUTTLE "COLUMBIA," A PRECURSOR TO SPACE STATION "FREEDOM"

(Mr. BROWN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN. Mr. Speaker, I join my colleague, the gentleman from California [Mr. DORNAN] in noting that the space shuttle Columbia will land at Edwards Air Force Base in California after a record-breaking 14-day mission in Earth orbit.

While this mission may not have generated as much interest in the press and among the general public as the last space shuttle mission in which stranded commercial communications satellite was rescued, this mission may in fact be of greater long-term importance to the country.

That is because this mission was a technological investment in the future. The purpose of this mission is to carry a unique microgravity research laboratory into space, and to conduct experiments in that laboratory that can only be performed in the weightless conditions that exist in space.

The specific experiments that were conducted on this mission could lead to improved drugs, medical treatments, engineering materials, computers, infrared detectors, water desalination equipment, chemical and industrial processes, and the development of such wonders as artificial skin, blood vessels, and other parts of the body.

This mission was also significant, in that it was precedent for the type of missions and experiments that will be conducted on space station Freedom when it is placed into orbit later this decade.

One difference in the space station however, is that after going to the expense of placing laboratory experiments into orbit, they will not be constrained to a mere 13 days of operation on the space station, these experiments will be able to operate for many months or even years.

Accordingly, the payoff that we receive for our investments in such research will greatly enhance.

Mr. Speaker, I hope that all Members will join me in congratulating NASA and the crew of the space shuttle Columbia for this important pathfinding mission.

UNEMPLOYMENT AMONG HIGH SCHOOL GRADUATES

(Mrs. COLLINS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, today, while Mr. Bush talks with the leaders of the G-7 nations in Munich, back home in America we face an unemployment crisis among our youth. Today over 1 in 4 of the kids that graduated high school last year and are not in school are unemployed. That rate is higher than it has been since 1983, and most of those who eagerly received their diplomas in May or June of this year with the thought of immediately entering the workplace will be sadly disappointed because job opportunities for them just are not there.

Mr. Speaker, these facts are dismal without any interpretation, but what they say about the future for a majority of America's youth is tragic. In years past, a high school diploma might not have insured wealth, but it often led to a decent job on which one could support a family. For today's high school grad that prospect is quite unlikely.

It is my hope, Mr. Speaker, that when the so-called education President, Mr. Bush, discusses the future of the Soviet Union and Yugoslavia, the youth of America and their parents will be watching as their prospects for a real future quickly disappear. America's youth deserve and need better than this.

EXPAND THE TALENTED TEACHER ACT

(Mr. WYDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, later today the House will consider the Higher Education Act, and I would like to commend the gentleman from Michigan [Mr. FORD] for bringing a first-rate bill to this House. I am especially pleased that the conference has chosen to expand the original Talented Teacher Act of 1984 which I authored with then House Member PAUL SIMON and our colleagues, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Missouri [Mr. COLEMAN]. We envisaged that unless the Federal Government did more to attract bright young people to teaching, the rest of the school reform agenda would have limited impact.

Mr. Speaker, our bill has acted like educational ROTC. There are scholarships for bright youngsters in return for teaching in underserved areas, and there are fellowships that we can recognize the excellent contributions of outstanding teachers now in the classroom.

By expanding our original program in today's Higher Education Act, Mr. Speaker, the House can send a strong message to bright high school students. This country wants those young people
The growth of unfunded Federal mandates is one cause, and it is my hope that we will begin to address this issue.

In conclusion, I urge my colleagues to support the Gephardt-Levin amendment to raise the minimum wage and to address the issue of poverty.

Mr. Speaker, I rise today to address the issue of the minimum wage and to support the Gephardt-Levin amendment.

Thank you for your attention to this important issue.

Mr. Speaker, I support the Gephardt-Levin amendment to raise the minimum wage and to address the issue of poverty.

Mr. Speaker, today I want to address the issue of the minimum wage and to support the Gephardt-Levin amendment.

Thank you for your attention to this important issue.
tion. It would also apply to executive branch rulemakings and regulations as well. Mr. Speaker, I urge my colleagues to support this legislation.

REPUBLICAN MEMBERS URGED TO SUPPORT AMERICAN AUTO CONTENT AMENDMENT TO TRADE BILL

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, shortly we are going to be considering H.R. 5100 and a particular amendment that goes to the commitment that was made to President Bush during his trip to Japan. I think that was a very productive meeting, a very productive trip. During that meeting the President received a commitment from Japanese leaders to increase the American content, that is, the part of cars that are manufactured in transplant facilities in the United States, to increase the American content, the part manufactured by American workers, to 70 percent. They made that commitment, and since they have made that commitment we have all seen television commercials across the country by some of those transplants that advertise the fact that the cars in fact are made in America. The auto amendment that will come up to H.R. 5100 allows us to codify the commitments that were made to President Bush in Tokyo. It would behoove those of us on the Republican side of the aisle to adhere to the Republican philosophy of supporting the American worker and, therefore, supporting that particular amendment.

Six spinoff jobs are created for every job that is created in the automobile industry in this country. The most important thing we can do to pull the country out of recession is to get the automobile industry back on track.

SUPPORT URGED FOR GEOPHARDT AMENDMENT TO TRADE BILL

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, more than 10 million Americans are unemployed. They are unemployed from real jobs. The Republicans say there are 115 million Americans who are working, and that may be true. But flipping hamburgers and frying french fries? Is that going to bring America back? Is it going to balance the budget? I say that it is not going to do it.

The Reagan-Bush trade policies over the last 12 years have undermined the American economy, and now President Bush wants to export more of our jobs to Mexico and to China.

H.R. 5100, the trade bill, which is going to be on the floor today will be a good bill if it includes the Gephardt amendment. That is a good start. But we know, I know, and you know that if this bill is going to be passed and it is worth anything, President Bush is going to veto it, just like he has done in so many instances where legislation helps American workers.

Mr. Speaker, I say it is time to stop exporting American jobs and put Americans back to work in real jobs, not flipping hamburgs and cooking french fries. That is the answer to America's economic problems.

DEFICIT REDUCTION SHOULD BE GOAL OF SAVINGS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I rise today to express my concern that some Members in Congress would again like to debate whether the budget firewalls should be torn down in 1993. The purpose of the firewalls is to help to reduce the deficit—not to create a reserve to spend later.

We debated this issue on March 31 and the House decided that if savings result in any one area such savings should be applied to reduce the deficit. The savings should not be used for additional spending in another category.

But today I am hearing that once again the Democratic majority is pursuing a strategy to use savings achieved in one area for more spending in the transportation appropriations bill.

How will we ever get control of the spiraling Federal deficit if, whenever some savings are achieved in one area, Members feel compelled to spend those savings on other spending bills? Let us apply those savings to reduce the deficit. This is precisely why we face an ever growing Federal deficit.

The majority party just cannot resist the urge to spend, spend, spend. When we should save, save, save.

PROVIDING FOR CONSIDERATION OF H.R. 5100, TRADE EXPANSION ACT OF 1992

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 510 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 510

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5100) to strengthen the international trade position of the United States, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendments made in order by this resolution and which shall not exceed one and one-half hours, to be equally divided and controlled by the majority and minority member of the Committee on Ways and Means, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendments in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered as having been read, and all points of order relating to, or amendments to, the substitute shall be hereby waived. No amendment to the said substitute shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution. Said amendments shall be considered en bloc and shall be considered as having been read. Said amendments en bloc shall be debatable for the period specified in the report, equally divided and controlled by the proponent and a Member opposed thereto. Said amendments en bloc shall not be subject to amendment, and any amendment to, or not be subject to a division of the question in the House or in the Committee of the Whole. At the conclusion of the debate controlled by the amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment or to any amendment adopted in the House. The previous question shall be considered as having been ordered on the bill and amendments thereto to final passage without intervening motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. The purpose of this resolution, all time yielded is for the purpose of debate only.

□ 1110

Mr. DERRICK. Mr. Speaker, House Resolution 510 makes in order the consideration of H.R. 5100, the Trade Expansion Act of 1992. The rule provides for 90 minutes of general debate time equally divided and controlled by the chairman and ranking minority member of the Ways and Means Committee. The rule makes in order the Ways and Means Committee in the nature of a substitute now printed in the bill as an original bill for the purpose of amendment. The rule waives all points of order against the substitute.

The rule makes in order only one en bloc amendment, the Gephardt-Levin amendment, which is printed in the report of the Committee on Rules. The Gephardt-Levin amendment will be debatable for 1 hour, equally divided and
controlled by the proponent and an opponent. The en bloc amendment is not subject to amendment nor to a demand for a division of the question. Finally, the rule provides one motion to recom- mend a veto of the bill without instructions.

Mr. Speaker, H.R. 5100, the Trade Expansion Act of 1992 strengthens the international trade position of the United States through a 5-year extension of Super 301 authority. Super 301 requires the administration to identify priority countries and to investigate their unfair trade practices. It also requires the administration to negotiate the elimination of foreign barriers to American products and to retaliate if negotiations fail.

H.R. 5100 also strengthens existing law by requiring the U.S. Trade Representative to review foreign compliance with bilateral trade agreements if requested by private interested parties. Under existing law, private parties can petition USTR to investigate, but USTR is not required to do so.

The bill also requires USTR to consult with foreign countries where a burden on U.S. trade is not found to exist now, but is likely to be found if the foreign practice or policy continues.

H.R. 5100 institutes certain trade actions against Japan to assist the United States automobile industry. Last year, our trade deficit was nearly $55 billion, and Japan accounted for two-thirds of the total. H.R. 5100 attempts to open the Japanese market to American automobiles and automobile parts through the mandatory initiation of a section 301 investigation and negotiation of an accession agreement.

Finally, the bill contains certain antidumping measures and requires the International Trade Commission to consider the actual and potential decline in the order backlog of a U.S. industry as evidence of potential dumping.

Mr. Speaker, House Resolution 510 is a fair rule that will expedite consideration of this important legislation. I urge my colleagues to support the rule and the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, many of us on this side of the aisle consistently argue on behalf of open rules, but there is a clear recognition as I sit upon the Committee on Rules that on occasion as we review legislation there, sometimes, especially bills from the Committee on Ways and Means, they should be considered under restrictive rules, which may be necessary. This may be one such occasion, but I strongly oppose this rule.

Mr. Speaker, the rule fails to make in order an amendment that is both germane and relevant to H.R. 5100. The basic premise of this bill is that the United States trade deficit is primarily due to unfair trading practices with Japan. It seems to me that the one best way to address this problem is through fair and reciprocal trade. Last week, I urged my colleagues on the Committee on Rules to make in order an amendment to require the President to begin consultations with the Government of Japan on negotiations for a United States-Japan free trade agreement. My motion received bipartisan support, but, unfortunately, it was defeated on a 4-to-4 tie.

The amendment would give our trade negotiators a second tool for eliminating barriers and expanding trade. Mr. Speaker, the gentleman from South Carolina (Mr. DERRICK) has said this bill is designed to move against the Japanese. What we are offering here is a positive approach. It is only sensible that we debate the merits of the United States-Japan free trade agreement as part of a bill to provide American exporters equal access to the Japanese market. I urge my colleagues to join me in voting to defeat the previous question on this rule so that this one additional amendment can be made in order.

Mr. Speaker, the U.S. Trade Representative has stated that she will recommend a veto of H.R. 5100 because it will, among other things, destroy jobs and undermine the Trade Representative's negotiating authority.

Many of my colleagues would argue that it does not serve our interests to approve a bad bill that the President intends to veto, but that is really not the issue here. Mr. Speaker, the issue is whether this body will be on record in support of a positive solution to what 40 years of multilateral negotiations have failed to achieve; that is, an opening up of the Japanese market.

Mr. Speaker, the rule provides one motion to recommend a veto of H.R. 5100 because it appears to limit free trade. I believe that the United States-Japan free trade agreement would signal the world that the United States does not intend to blindly follow the slippery slope of managed trade. A debate on free trade will move the discussion from simply pick- ing winners and losers and toward a trading system that benefits everyone.

Mr. Speaker, there is more to our economic relationship with Japan than just auto parts and rice. Japan is a critical market for something that come from my State of California: aircraft, agricultural products, and entertainment services, which are exported from California and other parts of the United States. Our two countries together are responsible for about 50 percent of global GNP, a figure that could grow with a free trade agreement.

Mr. Speaker, the February 17 issue of Business Week contained the headline, "U.S. Industry Is a World Class Contender Again." A free trade agreement with Japan would help to lock in our competitive advantage while opening up markets for United States exports. At a minimum, we should be allowed to debate the question of whether the President should begin just preliminary discussions on the feasibility of such an arrangement with the Government of Japan.

To do so, Mr. Speaker, I again urge my colleagues to defeat the previous question and allow this amendment to be made in order.

Mr. Speaker, I reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the amendment of the gentleman from California (Mr. DREIER) goes in a different direction from the focus of the bill. The chairman of the subcommittee with jurisdiction has agreed to hold hearings on this measure. If that does not suffice, the gentleman from California (Mr. DREIER) has the option of using the motion to reconvene for this purpose.

Mr. Speaker, for purposes of debate only, I yield 6 minutes to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN of Michigan. Mr. Speaker, where we are at long last talking about a critical issue—the economy in general and trade in particular. We have not really had a thorough airing of these issues since 1988, since the trade bill. There was not much in the presidential campaign of 1988, and there really has not been since then.

Some might ask, why? They might say, well, the trade deficit is not quite as large as it used to be. But $60 to $70 billion a year is very large, with an accumulated $1 trillion trade deficit in the decade of the eighties.

Mr. Speaker, 10 years, $1 trillion, and now $60 to $70 billion a year, most of it with Japan.

Mr. Speaker, there are two views of how we approach this. One view was expressed in the letter from Mrs. Hills. This is not a partisan matter. She expresses one view in her letter: Working together we have made tremendous progress in creating jobs at home and new export opportunities abroad.

She says "making tremendous progress in creating jobs at home," Where are those jobs? Good jobs are being shipped away. Per capita income dropped in the decade of the eighties.

She also goes on to say, "H.R. 5100 is not the right way to open the Japanese market. Yes, more needs to be done, but we are on the right track."

On the right track? What was the record of the first 4 months? The United States had a trade deficit the first 4 months of $16.7 billion—not million—billion, and of that, $15 billion was with Japan.

1120

On the right track? A persistent trade deficit? And we are continuing to lose ground in key areas.

Third, she says since 1988 we have opened the Japanese market for many
of America’s most competitive exports, including, she says, opening up the Japanese market for autos and auto parts, for semiconductors and for wood products. Autos, foreign penetration in the second largest market in the world, Japan is 3 percent; 30 percent in the United States, by Japan alone.

Auto parts. The gentlewoman from Ohio [Mrs. KAPTUR] and I have been working with others on this for 6 years. American auto parts penetration in the Japanese domestic market is about 1 percent. It is less than that. That is opening up the Japanese market?

Mrs. Hills’ view, and I continue quoting from her letter, is that “H.R. 5100 could lead to retaliation and trade contraction.” There is another view, and that is that the United States should stop quivering in its boots. We are in the largest open market in the world. Japan relies on that. Every time somebody says “trade war” or “there will be retaliation,” it is not becoming, attractive, appropriate, or effective for the Gephardt-Levin amendment that will come.

Mr. DREIER of California, the gentleman from South Carolina [Mr. DERRICK], that it is difficult to imagine that he is opposed to free and fair trade that is embodied in the amendment that I hope to offer. At least I hope he has not been committed to the concept of free and fair debate, and that is exactly what I am trying to bring about here. I would hope very much that he would support it.

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

Mr. DREIER of California. I am happy to yield to the gentleman from South Carolina.

Mr. DERRICK. Mr. Speaker, I am not opposed to what the gentleman is doing. I am just telling him that there is a way to do it without working our fence down.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. CRANK], the distinguished ranking member of the Subcommittee on Trade of the Committee on Ways and Means.

Mr. CRANK. Mr. Speaker, I rise in support of the motion offered by the gentleman from California [Mr. DREIER] to defeat the previous question so as to open the door up for what he has already described as a positive debate on a very thorny question. That is resolving some of our trade differences with Japan.

The fact of the matter is, trying to mandate legislatively, as is going to be proposed later this afternoon, percentages of numbers is not the right solution. I have Motorola in my district, and Motorola labored for years to penetrate the Japanese market and today a majority of the cellular telephones used in Japan are manufactured by Motorola. They have demonstrated it is not an easy market to get into, there are impediments, but the positive approach is the one recommended by my colleague, the gentleman from California [Mr. DREIER].

Last year the chairman of our Subcommittee on Trade of the Committee on Ways and Means, the gentleman from Florida [Mr. GIBBONS] and I co-sponsored a bill to do exactly what the gentleman is calling for. We have a broader bill in this that includes all of the Pacific rim countries from Japan, South Korea, Taiwan, Hong Kong, Malaysia, Thailand, Australia, New Zealand, to begin free trade negotiations with all of them.

That is a positive approach, and a positive approach in the most dynamic, explosive, economic, growth-oriented section of the world.

The fact of the matter is this kind of an approach holds out hope for positive change. And the gentleman is not mandating that there is going to be any resolution of this. What he is calling for is the administration to start the talks. It is going to take time to achieve the result he is trying for, but on the other hand, this is the way to go about it.
I would like to also just insert very quickly here some figures that appeared in yesterday's New York Times Business Day, dealing with automobiles, which is another part of the decision that we will have later this afternoon. It says:

** * The Big Three captured 71.8 percent of all sales in June, up from 57.7 percent of all sales a year earlier. Though left the Japanese automakers with 22.7 percent of sales, including output from North American-based plants, down from 24.5 percent a year earlier.

We are making progress. The Dreier approach would guarantee that we have the opportunity for tapping into our second largest market. And I would urge my colleagues to support the defeat of the previous question so that we can make the gentleman's amendment in order.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 8 minutes to the distinguished gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Speaker, I thank the gentleman for yielding me this opportunity.

Mr. Speaker, I rise in support of this rule, legislation I authored and the Energy and Commerce committee acted on unanimously last year would extend authority for Super 301—perhaps the most effective weapon in our country's entire arsenal of trade laws. This important authority, which requires our Government to prioritize unfair foreign trade practices and to take action if they are not corrected, has been included in the trade bill we will be considering today.

For those trade problems with foreign governments currently not being addressed by the administration, the extension of Super 301 is a critically important step that Congress, and hopefully the President, must take.

A number of companies such as Japan's efforts to open its market to competitive American autos and auto parts, the issue is not identification of problems, but instead, enforcement of commitments that already mean deals with the problem. Earlier this year, the President went to Japan and obtained a commitment to increase dramatically Japan's purchases of American made auto parts. This agreement included a commitment to increase to 70 percent by 1995 the percentage of American-made auto parts that would be used in vehicles produced at Japan's transplants. But in practice, the United States, Japan has made only 38 percent of its purchases of auto parts from Japanese auto parts firms.

Japan has made important commitments to the President that should benefit the United States auto and auto parts industry. Administration officials have told me that the 70 percent commitment is clearly the most important commitment Japan has made on autos, and must therefore be carefully monitored and enforced. The trade bill now before us, unfortunately, does not contain sufficient authority to ensure Japan lives up to the commitment it made. Unless we adopt the proposed amendment which I have worked closely with the majority leader in developing, we may never even know whether Japan has implemented the commitment to produce vehicles in the United States with 70 percent American parts. Japan's commitment and the potential it presents in creating American jobs is so great that it should not fail for lack of enforcement.

Unless Japan makes dramatic changes soon to increase its purchase of American parts, the effects of its purchase of American parts are clearly shown that goals Japan has set will be established to monitor the auto and auto parts industry. The auto industry employs directly more than 1 million workers and millions more indirectly. One out of every six American workers are employed in jobs related to the auto and auto parts industry. The auto industry accounts for 12 percent of our gross national product and is a major consumer of steel, semiconductors, glass, textiles, machine tools, rubber, and other important products.

But, this, our biggest manufacturing industry, is in serious trouble. General Motors, the world's largest auto manufacturer, announced last December that it would close 21 of its plants and lay off more than 70,000 workers around the country. And, in 1990, the United States auto trade deficit with Japan auto parts account for about 75 percent of our current trade deficit with Japan.

The United States-Japan auto parts trade deficit has gone from $1 billion in 1980 to $10 billion in 1990. Projections by the University of Michigan are that our auto parts trade deficit with Japan will jump to $13 billion in 1994.

And why is this deficit increasing so rapidly? There are really two reasons. First, the Japanese market continues to be closed to American auto parts. Our firms exported less than $1 billion in auto parts to Japan last year.

The second reason is that even though the major Japanese auto-makers have set up assembly operations in this country, they import most of what they assemble here. And that's not all: In addition, they buy a great deal of auto parts from Japan's suppliers located right here in the United States. These Japanese suppliers also import a great deal of the components, parts, and materials sold to the transplants. Estimates are that only 20 percent of the total value of a Japanese transplanted vehicle is actually sourced from American-owned parts suppliers that do not have an equity relationship with Japanese firms.

Two witnesses at the Commerce Subcommittee hearings, formed joint ventures with Japanese firms, at the request of Honda and Toyota, in a vain effort to sell them auto parts for use in their assembly plants here in the United States. In both cases, the Japanese partner insisted the joint venture use Japanese equipment and components. And in both cases, prices were held below fair market levels, resulting in huge losses that ultimately the American partner had to bear.

In one case, Variety Stamping of Cleveland, OH, an American firm that attempted to sell to Honda, actually went bankrupt. Not only did it incur tremendous losses from the work it did for Honda, but it also lost contracts it had with American automakers, because of the demands Honda put on it.

One case involved Intermet, a foundry company based in Atlanta, GA, with operations worldwide, serving European and Asian as well as American automakers. According to Intermet's President, a Japanese firm that belonged to the Toyota keiretsu, or family of companies, forced Intermet to give it the key to the warehouse and then bankrupted the operation so that it could take it over at a fraction of its true value.

The agreement the President got from Japan in January correctly says that Japan has got to buy more auto parts from American auto parts firms. The best place to start implementing that policy is with the seven Japanese transplant firms right here in the United States.

Japan itself recognizes this fact. Japan has called on all of its auto transplant firms in our country to increase the American content of the cars they produce to 70 percent. This is an important goal. But, experience has clearly shown that goals Japan has set in the past are rarely achieved. That is why we need to enact this amendment.

And why is this amendment necessary? Under the amendment, a system would be established to monitor the progress of Japan's transplant manufacturers to implement their commitment. A determination that a transplant manufacturer has failed to increase the American content of the cars they produce would trigger mandatory retaliation by the United States under section 301.

In addition, the amendment authorizes the President to enter into negotiations with Japan to limit Japanese auto exports to the United States to 1.65 million units annually, or until Japan's export limit to the European Community expires. Exports to the United States of 1.65 million units is the limit Japan has voluntarily set for its 1993 fiscal year ending March 31, 1993.

American auto parts sell strongly in every market of the world, except Japan. Our firms manufacture high quality auto parts. And, a recent study has shown that United States parts
producers have substantial cost advantage over the Japanese parts industry. There is no reason Japan should not buy from us, as does the rest of the world. That is why many colleagues, to vote for this rule, the Gephardt amendment, and for the bill.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may need to say that I am extraordinarily sympathetic with many of the concerns that have been raised here. And I think that Members are trying to take what they believe is the best approach. But what I am trying to offer with the amendment that I have proposed is a positive approach to eliminate barriers in both Japan and the United States so that we can in fact have a greater opportunity to get into the Japanese market.

Mr. Speaker, I yield 2 minutes to my very good friend, the gentleman from Del Mar, CA, [Mr. CUNNINGHAM], a hardworking member of the Committee on Armed Services.

Mr. CUNNINGHAM. Mr. Speaker, there are 400 million folks in Europe who are going to get involved in the trade market. The Asian community is very protectionist and is going to be involved in trade in the next decade, in fair trade and not free trade, then I think our economy is lost.

Japan trade is free trade for the United States, and I agree with my colleagues on the other side of the aisle. And I am not only sympathetic but I am supportive of many of the ideas that are coming across, the 1 percent auto penetration on parts and the industries that have been destroyed, I agree with my colleagues fully.

I do see the amendment of the gentleman from California [Mr. DREIER] as trying to open up our lines so that we can trade in the other direction, I know that we are concerned about the jobs. In the Merchant Marine and Fisheries Committee we just had an issue come up where we have lost 157 tuna boats, and that has gone down to 3 now because of not only trade with Mexico, but because of environmental concerns. We are losing about 600 jobs in San Diego, and my own administration is fighting that. So I am looking very closely at how many jobs we lose.

But I think we really need to look as we get involved in trade in the future, which I believe this country is going to do; we need to establish a fair trading practice, and the Dreier amendment does this. That is why I support the Dreier amendment. And it is a bipartisan amendment. It failed by a tie vote in the Rules Committee, a 4-to-4 vote. So we need to take and at least debate that issue on the floor.

I would support and ask my colleagues on the other side and this side as well to support the defeat of the previous question and to allow us to trade in the other direction, toward Japan, and make it fair trade, not free trade, because Japan is skinning the United States alive.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, today the House will tackle the Super Bowl issue of world trade; namely, Japan's closed market practices in automotive trade. And let me just say that the link between trade and jobs is absolutely direct. For every $1 billion of goods that America exports someplace else, we create 23,500 jobs here at home.

For every billion dollars of goods that we import, we create those jobs someplace else. As you look at America has done over the last several years, we have moved into trade balance with most nations of the world.

With Western Europe, we hold a surplus, last year of over $16 billion. All of those jobs were created here because we sell those goods elsewhere. And we have moved into trade balance with the Soviet Union, with Egypt, with Mexico, with Turkey, with Kuwait—and with Korea and Taiwan—our deficits have severely narrowed.

But of all the 150 nations in the world, the United States deficit continues to grow with one nation and significantly, and that nation is Japan.

If you look at the composition of that deficit, last year it totaled over $36 billion, and resulted in jobs created there, not here. Most of that deficit—nearly half—was in the automotive sector.

This is the big nugget that we have to crack. If you think about the decade of the 1980's, our auto gap with Japan cumulatively totaled $282 billion, an overall loss of 5 to 7 million jobs in this country.

But all of the 150 nations in the world, the United States deficit continues to grow with one nation and significantly, and that nation is Japan.

This chart tells it all. It demonstrates which market is open and which market is closed to automotive goods.

In our country today, nearly one-third of our auto market is composed of Japanese goods, but in Japan less than 3 percent of its automotive market comes from anywhere else in the world.

Support the Gephardt-Levin amendment to H.R. 5100. It is a market-opening mechanism. America has waited long enough. Vote for Gephardt-Levin. Vote for jobs in America and open Japan's closed procurement practices.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. KOLBE], a very strong proponent of free trade.

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I do rise in opposition to this rule and urge that we defeat the previous question so that we can debate and discuss the amendment which my colleague, the gentleman from California, offered in the Committee on Armed Services. And in that sense of Congress that we ought to have, or we ought to negotiate, a free-trade agreement with Japan.

It is interesting that I am speaking immediately following my friend and colleague, the gentlewoman from Ohio, with whom I share the cochairmanship of the congressional competitiveness caucus. We agree on a lot of things, but we have a very fundamental disagreement on the issue of how do we open up markets for trade, and what is the best approach for doing that.

I think we see here today very clearly the juxtaposition in the approach being taken by the Gephardt-Levin amendment over on that side with the positive approach offered by Mr. Dreier. One side says we are fearful of the future, we do not believe American industry can compete; yes, we can open those barriers, we must stop goods from coming into the United States, we have to raise those barriers, retaliate. It is the negative approach to opening up markets.

As my colleague from Ohio pointed out, we have a surplus with a number of other countries, with Mexico, with Egypt, with other countries such as Taiwan.

What would we say if they were to say to us, "Well, you have a surplus and we have a deficit with the United States. We must stop the United States from selling more goods in our country."

Trade is not a zero-sum game. Trade is not something that you can absolutely even out with every single country.

The point is we are moving in the right direction, that of narrowing the trade gap.

When are the people on the other side of the aisle ever going to understand that Smoot-Hawley did not work in the 1930's, and it is not going to work today?

The answer is a positive approach, something that helps make our industrial sector more competitive. That is what the gentleman from California [Mr. DREIER] is suggesting here today. It is the flip side of that negative approach offered by the Democrats. It is one that says, yes, American industry can compete; yes, we can open markets; yes, consumers can have choices and can have lower prices; and, yes, the people who work at the Honda plants in the United States and the Toyota plants in the United States can be proud of their jobs and proud of the products that they produce.

I urge us to defeat the previous question and debate a positive approach to trade in this country.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes
writing them who seem to have a lock on what is good for our country. Our country is going to hell, and I object to these elitists who are writing all of our laws. We need the other country in the world to pay by their rules. They do not play by American rules. They do not play by what is fair, and they certainly do not pay by their rules. They do not play their rules. America gets more out of their foreign parts, Mr. Speaker. We need a keiretsu, and that is a closed corporate society. Try to get into it. Ask T. Boone Pickens. Our country is going to hell, and I guarantee you, they will throw you out of the country. That is what they did with Mr. Pickens.

I say let us do something right for a change. Let us vote for America. I say support H.R. 610. It may not be the best bill in the world, but at least it is a start.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Ohio [Mr. DRIEER].

Mr. VENTO. Mr. Speaker, I rise in support of the rule to consider H.R. 610 and urge Members to vote for it and vote for the previous question.

Frankly, the proposal being offered by our colleagues on the other side of the aisle is simply more good intention. It is a wimp Congress who has allowed our workers while they are in an unemployed society. Try to get into it. Ask T. Boone Pickens. Our country is going to hell, and I guarantee you, they will throw you out of the country. That is what they did with Mr. Pickens.

Now, what is the matter with that? There is nothing wrong with that at all, and that is all that America Industry, that is all American workers are asking to do. Let me tell you this. America produces a better quality product than any other country in the world including Japan, and we can do it at a better cost. America gets more out of their workers than the Japanese get. They get more out of their workers than any other country in the world gets. Yes, that is right.

But, you know, the Japanese only play by their rules. They do not play by the American rules. They do not play by what is fair, and they certainly do not play by their rules. The Japanese call the shots in the world market today on trade, and the White House and the Congress fall flat on their face every time the issue comes up. What are Americans going to wake up and tell their President and tell the Members of Congress that represent them to get the hell off their duffs and do something for them for a change? You know, they have a Japanese keiretsu, and that is a closed corporate society. Try to get into it. Ask T. Boone Pickens when he invested $1.25 billion in buying a company over there.

You cannot get in. They know how to play the game and the United States is nothing but a patsy to them. We allow them to take off our banks, our forests, our timber; Columbia Pictures, all those beautiful movies that we have looked at for so many years; Houston, New York, they buy everything that they want.

Well, try to do that in Japan. I guarantee you, they will throw you out of the country. That is what they did with Mr. Pickens.

I say let us do something right for a change. Let us vote for America. I say support H.R. 610. It may not be the best bill in the world, but at least it is a start.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Ohio [Mr. DRIEER].

Mr. VENTO. Mr. Speaker, I rise in support of the rule to consider H.R. 610 and urge Members to vote for it and vote for the previous question.

Frankly, the proposal being offered by our colleagues on the other side of the aisle is simply more good intention. It is a wimp Congress who has allowed our workers while they are in an unemployed society. Try to get into it. Ask T. Boone Pickens. Our country is going to hell, and I guarantee you, they will throw you out of the country. That is what they did with Mr. Pickens.

Now, what is the matter with that? There is nothing wrong with that at all, and that is all that America Industry, that is all American workers are asking to do. Let me tell you this. America produces a better quality product than any other country in the world including Japan, and we can do it at a better cost. America gets more out of their workers than the Japanese get. They get more out of their workers than any other country in the world gets. Yes, that is right.

But, you know, the Japanese only play by their rules. They do not play by the American rules. They do not play by what is fair, and they certainly do not play by their rules. The Japanese call the shots in the world market today on trade, and the White House and the Congress fall flat on their face every time the issue comes up. What are Americans going to wake up and tell their President and tell the Members of Congress that represent them to get the hell off their duffs and do something for them for a change? You know, they have a Japanese keiretsu, and that is a closed corporate society. Try to get into it. Ask T. Boone Pickens when he invested $1.25 billion in buying a company over there.

You cannot get in. They know how to play the game and the United States is nothing but a patsy to them. We allow them to take off our banks, our forests, our timber; Columbia Pictures, all those beautiful movies that we have looked at for so many years; Houston, New York, they buy everything that they want.

Well, try to do that in Japan. I guarantee you, they will throw you out of the country. That is what they did with Mr. Pickens.

I say let us do something right for a change. Let us vote for America. I say support H.R. 610. It may not be the best bill in the world, but at least it is a start.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Ohio [Mr. DRIEER].

Mr. VENTO. Mr. Speaker, I rise in support of the rule to consider H.R. 610 and urge Members to vote for it and vote for the previous question.

Frankly, the proposal being offered by our colleagues on the other side of the aisle is simply more good intention. It is a wimp Congress who has allowed our workers while they are in an unemployed society. Try to get into it. Ask T. Boone Pickens. Our country is going to hell, and I guarantee you, they will throw you out of the country. That is what they did with Mr. Pickens.

Now, what is the matter with that? There is nothing wrong with that at all, and that is all that America Industry, that is all American workers are asking to do. Let me tell you this. America produces a better quality product than any other country in the world including Japan, and we can do it at a better cost. America gets more out of their workers than the Japanese get. They get more out of their workers than any other country in the world gets. Yes, that is right.

But, you know, the Japanese only play by their rules. They do not play by the American rules. They do not play by what is fair, and they certainly do not play by their rules. The Japanese call the shots in the world market today on trade, and the White House and the Congress fall flat on their face every time the issue comes up. What are Americans going to wake up and tell their President and tell the Members of Congress that represent them to get the hell off their duffs and do something for them for a change? You know, they have a Japanese keiretsu, and that is a closed corporate society. Try to get into it. Ask T. Boone Pickens when he invested $1.25 billion in buying a company over there.

You cannot get in. They know how to play the game and the United States is nothing but a patsy to them. We allow them to take off our banks, our forests, our timber; Columbia Pictures, all those beautiful movies that we have looked at for so many years; Houston, New York, they buy everything that they want.
I have had plenty of problems in my area of Minnesota where Honeywell under the intellectual property process, under court cases, lost the entire camera business because someone took that intellectual property and used it. We get back a couple hundred million dollars and lost a multibillion-dollar industry to a country that did not respect the rights of our agreement.

Mr. Speaker, it is time for a change. It is time to pass H.R. 5100 and this rule.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I might consume to say to my good friend, the gentleman from Minnesota, that what he has done is raise some very important concerns and questions, and what I am offering is a very positive approach to try and deal with those concerns.

Mr. Speaker, I am very pleased to yield 3 minutes to my friend, the gentleman from Copper Canyon, TX, Mr. ARMEY.

Mr. ARMEY. Mr. Speaker, we are in for a treat today. We are going to discuss the issue of trade. It is in the discussion of trade more than any other discussion we might have that a Democratic majority, dominated as they are by the liberals in their caucus, will show their penchant for misinformation, incorrect data, which they will pose as facts, and their utter contempt for the understanding of the American people, as they advocate protectionism, the destruction of consumer rights, and the destruction of jobs in America.

What is sad is that on this subject issue, normally sane and rational people on our side of the aisle sometimes tend to join them in their misunderstanding, their misrepresentation, and their misinformation.

Be that as it may, Mr. Speaker, what we have is a bill brought by the Ways and Means Committee, with 23 Democrats and 13 Republicans, a bill that the committee used to delete a provision offered by the majority leader which is absolutely insane and seen to be so by the committee.

Now the majority leader has gone to the Rules Committee with its nine Democrats and its four Republicans and asked to have this insane provision which will destroy jobs all over America included in the rule and permitted on the floor to be offered and debated, while at the same time the Rules Committee denied the right of the gentleman from California [Mr. RIGGS], a hard-working freshman Member of the so-called Gang of Seven, to offer 2 minutes to my very good friend, the gentleman from California [Mr. Riggs], a hard-working freshman Member of the so-called Gang of Seven.

Men. RIGGS. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, we are going to hear a lot of comments made today that will obviously smack of regional chauvinism, so let me get my disclaimer out of the way at the outset, with no disparaging comments meant toward my colleagues from the Rust Belt.

Let me just join with my colleagues from the Rules Committee, the gentleman from California [Mr. Dreier], in stating that we are concerned about the impact of this legislation on our State of California, the gateway to the Pacific rim. Asian trade is obviously crucial to the welfare and the future of our regional economy in California.

Therefore, Mr. Speaker, those of us who represent California believe that it is vitally necessary that we move in the direction of expanding our trade relations with the Japanese. We see the world as an ever smaller place and understand that our businesses and industries more than ever before are competing in a global economy. That is exactly why we need an amendment, such as the Dreier amendment. It would incentivize our trading relations with the Japanese and narrow our trade gap with Japan.

And incidentally, Mr. Speaker and colleagues, if we are further concerned about narrowing the trade deficit with the Japanese, it seems to me that we ought to get our fiscal house in order here in our Nation's Capital and stop relying on the Japanese and other foreign investors to finance our budget deficits.

Mr. Speaker, free trade does mean fair trade, but without the need to resort to protectionist tactics such as we see in the Gephardt/Levin amendment, without the need to resort to tariffs, quotas, and duty fees.

Let us give our trade negotiators every means, let us put at their disposal every means to tackle the tough job of prying open foreign markets within Japan.

Vote to defeat the previous question on the rule so that we can debate the merits of the Dreier amendment on the House floor.

Mr. DREIER of California. Mr. Speaker, I am happy to yield 3 minutes to my very good friend, the chairman of the Republican Research Committee, the gentleman from California [Mr. Hunter], who was originally from Colorado but now in from San Diego.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Speaker, I am going to vote against the previous question not because I think that the trade amendment is too tough but because I think it is not tough enough. My amendment that would have limited the Japanese entry into the United States to about 80,000 units a year, or about 150 percent of what they allow into their country, was denied by the Committee on Rules. But I am going to support the Gephardt amendment.

And I guess the question I would ask my Republican colleagues is: "Do you want to come out of the recession?" I think we all do. With the auto industry being as important as it is and yet operating today at about 62 percent of capacity, the conclusion that we must reach is if we do not bring about the recovery of the American automobile industry, we are going to be in a recession for a long time.

Now, I thought the Economic Strategy Institute's report was quite a good report, and that is going to be used by a number of people on both sides of the aisle to support H.R. 5100 and the domestic-content provision.

But one point I would make to my Democrat friends is this: One aspect that Mr. Prestowitz addressed in that particular report was to the effect that the automobile industry suffers not just because of unfair trading practices with Japan but also because of the cost of capital in the United States to the tune of about $400 per vehicle.
So while a number of Republicans are agreeing with that particular amendment that is going to be offered, I think it is important for members of the Democrat leadership to realize that the cost of capital is something that ultimately they are going to have to come to grips with.

Right now, the automobile industry provides about 4.5 percent of our gross national product; it provides about 1 in 6 jobs in America. It employs about 6 percent of our engineers and scientists. And the idea that we can sit idly by while this industry disappears under the weight of unfair Japanese trading practices is not one that we should embrace.

You know, it is ironic that the Members on the Democrat side of the aisle are offering this amendment in concert with the Japanese in this bill, but that it is not a Republican. Primarily, sponsored amendment because the President received a commitment from Japanese leaders in January of 1992, when they said that they would and they put this in writing, that they would increase domestic content in their transplant plants in America to 70 percent. That meant that more Americans would be working.

What this amendment does is codify that commitment made by the Japanese. It gives meaning and value to the President's trip to Japan.

Now, as Republicans should want to do that, and we should be supporting the Theodore Roosevelt/Abraham Lincoln/Prescott Bush position on tough trade and not adhering to the Grover Cleveland position that Mr. ARMYE referred to and now embraces.

If you want to give value to the President's trip to Japan.

Mr. Speaker, there have been some very legitimate concerns raised here on the House floor. They have been raised in the Committee on Ways and Means and upstairs in the Committee on Rules, and I am sympathetic with the concerns that are shared throughout this country.

Mr. Speaker, we are treated unfairly in markets throughout the world. It seems to me that the only way that we can deal with the unfair treatment that we have gotten in the past is to try and negotiate free-trade agreements.

Mr. Speaker, anyone who is opposed to this concept is literally sticking their head in the sand. As we have witnessed over the past several years, the explosion of satellite technology, cellular telephones, jet travel, we have clearly seen the world shrink. We know that the United States of America cannot stand alone.

Yes, we are the world's only complete superpower, militarily, economically, and geopolitically. But that will fade if we believe that we can stand alone. We cannot. We are watching, as my friend from California, Mr. CUNNINGHAM, said earlier, the emergence of EC '92 on December 31 of this year. We have seen nations in the Pacific rim unite as trading blocs. And if we are going to try and benefit consumers and producers, we have got to try to reduce trade barriers that exist between Japan and the United States of America.

The proposal in H.R. 5100 is a very strong, harsh, and negative approach which, quite frankly, I oppose. It penalizes American workers, it has other provisions in it which I believe would be very bad for U.S. consumers and producers.

What I am trying to offer as an alternative is a positive sign.

Yes, my amendment goes in the opposite direction of H.R. 5100. That is because this bill goes in the opposite direction of 40 years of U.S. trade policy.

My amendment offers what I truly believe is a very positive approach to a serious problem. It is not some brilliant new idea that I came up with.

Back in 1988 Mike Mansfield, the former majority leader of the United States Senate, who was ambassador to Japan, said that the wave of the future would be for us to move in the direction of a United States-Japan free trade agreement.

In the summer of 1988, in Foreign Affairs magazine, two former Secretaries of State, Cyrus Vance and Henry Kissinger, united and wrote an article which strongly supports the concept of free trade agreement with Japan.

We have seen a wide range of people on both sides of the aisle support the concept of reducing those barriers. What it is that I am trying to do here, I am simply trying to offer an opportunity to offer my amendment. Mr. Speaker, up in the Committee on Rules, as has been said, we had bipartisan support, which is, frankly, very unusual, bipartisan support for my attempt to offer this amendment. I failed on a 4 to 4 tie.

My friend from South Carolina, Mr. DERRICK, managing this rule has said that I have an opportunity on the recommittal motion to bring this forward. But I really do not, because I am not a member of the Committee on Ways and Means, I am not the senior member of that committee who opposes this.

So my right is not there. It has been ignored.

We do, every Member of this House has an opportunity coming up to defeat the previous question so that I can insert my amendment and do what many people on both sides of the aisle have argued in support of over the past several minutes, and that is the establishment of negotiations, just negotiating to bring about that agreement so that we can help the American producers say, "Yes, I do have an opportunity to sell this terrific product which I am manufacturing in Japan."

That is all we want to create. I just want the chance to argue it here on the House floor.

So, Mr. Speaker, I urge opposition to the previous question so that we will have an opportunity to insert this, and then we will be able to proceed with what I think should be a very clear and very fair debate...

Mr. BROOMFIELD. Mr. Speaker, less than a week before the opening of the Democratic Convention, we are presented today with a bill that seeks to make a partisan issue out of our current efforts to open up foreign markets and liberalize the rules of global trade.

Just when our trade negotiators are working hard to open up foreign markets and increase our exports and create more jobs in this country, we are being asked to vote on a measure that moves us in the opposite direction of adversarial trade in which every country loses.

With the recent growth in the U.S. trade deficit, it is very tempting to turn away from the administration's market-opening trade strategy and start down the road of managed trade solutions to the problems facing our auto industry.

The bill before us today, H.R. 5100, the Trade Expansion Act of 1992 offers Members a clear choice on the future of our trade policy: We can follow the present course of opening up foreign markets, including the Japanese auto market. Or, we can look in mandatory investigations and procedures that will only invite retaliation from Japan and the European Community and jeopardize the progress of the ongoing Uruguay round of global trade talks.

I am well aware that last year was the worst year on record for the Big Three, and, as the supporters of this legislation point out, the Japanese market is not sufficiently open to our auto and auto parts exporters.

But the majority of the companies making cars in this country have said that they do not need or want this legislation. I would also point out to my colleagues that any attempts today to freeze the total number of Japanese vehicles sold in this country will pit one company and its workers against another and invite retaliation against United States exports in overseas markets.

Some have maintained that restrictions on imported Japanese vehicles and those manufactured in American transplanted facilities are no different
than restrictions the European Community established in its 1991 voluntary restraint agreement with Japan.

The text of the EC agreement, however, tells a very different story: There are no restrictions on Japanese transplant production for the EC. The United Kingdom in particular insisted that no limits be put on the growing number of Japanese auto factories sprouting up in the English countryside.

Facing rising unemployment, local government authorities in Great Britain cannot afford to turn their backs on the jobs these plants create. Likewise, our local and State governments find that it is in their interest to promote the construction of new transplant facilities in Michigan, Tennessee, Ohio, and other States.

Mr. Speaker, I am concerned that implementation of this bill could provoke foreign counterrestraition against our exports. If, for example, Japan and the European Community were to impose higher tariffs against the largest United States export sectors, we could lose up to $25 billion in exports—and some 400,000 export-related jobs in my State of Michigan alone.

This bill represents a shotgun approach to the problem, with our own auto industry as the target. It is being touted as a shot across the bow of the Japanese. In reality, however, its adoption could mean higher costs to the American consumer and increased profits for all car manufacturers, including those based in Japan.

I urge my colleagues to vote against this market-closing, protectionist bill that could jeopardize future job growth in this country.

Mr. DREIER of California. Mr. Speaker, I yield back the balance of my time and urge a "no" vote on the previous question.

Mr. DERRICK. Mr. Speaker, I move to reconsider the previous question on the resolution.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on, ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 247, nays 167, not voting 20; as follows:

(A roll No. 270)

YEAS—247

[Names of Representatives]

NAYS—167

[Names of Representatives]
The Clerk announced the following pair:

On this vote:
Mr. Weiss for, with Mr. Lewis of Florida against.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5100, the Trade Expansion Act of 1992.

Mr. Chairman, I rise in strong support of H.R. 5100, The Trade Expansion Act of 1992, a bipartisan bill designed to strengthen the international trade position of the United States. When the bill was introduced 2 months ago, I expressed the hope that H.R. 5100 would provide the vehicle for all of us to come together to tackle our Nation's trade problems.

The most significant change to the introduced bill was the deletion of the most controversial provision, which called for negotiated limits on the amount of trade surpluses with the United States in designating import country practices under the renewed Super 301 authority. In addition to these significant deletions, the committee adopted several amendments, offered by Members on both sides of the aisle, to further improve our U.S. trade laws, particularly as they relate to nonmarket economies and foreign unfair trade practices.

Mr. Chairman, I am disappointed that, notwithstanding the significant changes in the introduced bill, the administration continues to oppose this bill as if none of these improvements had been made. I am gratified, however, that a number of my colleagues on both sides of the aisle now recognize this bill for what it is—a useful tool to open markets abroad without closing them here at home.

Unfortunately, the administration would prefer not to have any trade bill
Mr. Chairman, protectionism historically has never worked to achieve the goals of its proponents. This legislation discriminates against some American producers and enhances our export potential, export potential that has created over 70 percent of all of the new jobs in this country in the last 40 months. The President is certain to veto it, but let’s get the facts straight. Japan does account for a large part of our overall trade deficit; however, the United States trade imbalance with Japan fell from a peak of $60 billion in 1987 to about $40 billion in 1990.

The fact remains that Japan is our largest market for exports of agricultural products and our second largest export market overall. In auto parts alone, Japan has increased its purchases from $1.7 billion in 1986 to $10.5 billion in 1991. Japanese firms have pledged to buy $19 billion by 1994.

Yes, there has been progress. Not enough, but we must continue to pursue this aggressive approach to open the Japanese markets and to encourage more purchases of our products.

H.R. 5100, however, has generated opposition from U.S. businesses, farmers, and consumers. It is opposed by more than 30 trade associations and other groups.

Later today, a discriminatory auto amendment, offered by Congressmen GEPHARDT and LEVIN on behalf of domestically owned auto producers, will likely be added.

American workers in transplants firms, already disadvantaged in the bill as reported, will suffer further harm. We cannot allow the dead weight of this legislation to drag down our economy and to pit one American worker against another. Trade policy should be grounded in tough negotiations and trade laws that protect all workers equally.

This bill does none of these things. Also, the bill relies on directed scorekeeping, a violation—a clear violation—of the budget agreement.

This is not the time to undermine our efforts in the Uruguay round and the NAFTA. Senior advisors to the President, including Ambassador Hills, have stated clearly that they will recommend a veto.

I strongly urge my colleagues to oppose H.R. 5100.

Mr. Chairman, I reserve the balance of my time.

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I strongly oppose H.R. 5100.

Thump, thump, thump. Here we go again, the sound of the approaching drums ordering our forces to the front lines of protectionism. Enactment of this legislation would threaten U.S. competitiveness and undermine current bilateral and multilateral negotiations.

Mr. Chairman, protectionism historically has never worked to achieve the...
tury will be as dependent on our economic vitality as our military will be. We have already demonstrated that we are the preeminent military power in the world. Now, we must concentrate on expanding our economic opportunities throughout the world.

We can start today by passing the Trade Expansion Act. This legislation begins the process of putting teeth back into our trade laws. It requires the administration to be more aggressive in removing unfair trade barriers. It makes it clear that the U.S. Congress is serious about opening new markets and creating new jobs opportunities for Americans.

Our success overseas was one of the few bright spots of 1991. When the rest of the economy was fairly static, U.S. exports continued to increase. The United States sent 422 billion dollars' worth of goods overseas last year—a new record. This success was achieved despite the many and pervasive barriers to trade that exist in Europe, Asia, and South America.

But we can and should do more. America's competitive advantage is here, not in Europe. If we do not open new markets, anybody if the international marketplace is fair. Our Government must give them that opportunity. This bill will put Government back on the side of American industry and American workers.

Mr. Chairman, I also want to highlight a particular provision of H.R. 5100 which is very important to rice growers in northern California. Section 103 of the bill seeks to open up new markets in Japan, Korea, and Taiwan for American rice products.

Freer rice trade has the potential to bring in an additional $1 billion in revenue for the U.S. rice industry. That means jobs at the farm level, jobs at the service level, and jobs in the trucking and shipping industries.

These barriers to rice trade are in clear violation of the GATT as well as our own trade laws. Yet, each of these countries has rejected overture after overture to negotiate freer trade for U.S. rice products.

The Trade Expansion Act will force the United States Trade Representative to bring Japan, Korea and Taiwan to the table to negotiate an agreement on rice trade. If they do not, then the Trade Representative will be required to respond through trade sanctions or through the suspension of existing trade concessions.

Finally, I want to commend Chairman Rostenkowski and Majority Leader Gephardt for their leadership in bringing a sound trade bill to the floor today. H.R. 5100 is a fair trade bill that promotes business and job opportunities in the United States. I urge my colleagues to support this important measure.

Mr. ARCHER. Mr. Chairman, I yield 3½ minutes to the gentleman from Illinois [Mr. CRANE], the respected ranking member on the Subcommittee on Trade of the Committee on Ways and Means.

Mr. CRANE. Mr. Chairman, I thank my minority leader for yielding me the time.

Mr. Chairman, this bill is little more than a rag tag collection of special interest trade provisions. Antagonizing our trading partners, on the eve of the culmination of two major trade negotiations, amounts to nothing more than election year mischief making. We owe our constituents more than to sacrifice the greater good of export-led economic growth for the isolationist trade policies of H.R. 5100.

I wish to remind my colleagues that the stakes are high. Designed to undermine the President's trade policy, H.R. 5100 would jeopardize the outcome of the Uruguay round of trade talks. Scheduled for completion early next year, these negotiations are seeking agreement on rules to modernize and strengthen the global trade system. No one disagrees that it has been a tedious and difficult process trying to find common ground among so many cultures and governments.

But success is within sight. The draft text, if ratified, holds the potential for a one-third reduction in tariffs and quotas worldwide. As the world's greatest exporter, the U.S. economy has the most to gain of any country. Prying open these foreign markets to U.S. exports is anticipated to create $1.2 trillion of growth in our economy. Ambassador Hills reminds us this is like issuing a check to every American family of four for $17,000, payable over the next 10 years.

H.R. 5100, however, darkens the sky for this prospect. By extending the Super 301 statute so that USTR is required to post a list of trading enemies and threaten retaliation weeks before the President must come to closure on the Uruguay round agreement is to doom the textile industry. This will seriously threaten the NAFTA negotiations where the United States has even more to gain.

Similarly, it makes no sense to legislate unilaterally in the dumping area at this delicate time. U.S. negotiating objectives in dumping have been hampered out between the administration, Congress, and the business community. Balancing the interests of all concerned, domestic producers as well as U.S. industries who are battling protectionist dumping statutes in their export markets, has been a hard fought exercise.

We need to let the negotiations on dumping and subsidies be completed. Otherwise, we disrupt these negotiations and subject our own producers and exporters to unpredictable and ever changing rules. H.R. 5100 would expand the current circumvention law so that many innocent firms would be subject to fines for engaging in normal business practices. These rules would have to be changed again next year when Congress implements the results of the Uruguay round.

Another onerous provision of this bill is the mandatory 301 action in only two sectors—rice and auto parts. This is clearly discriminatory and diminishes the market access objectives of a myriad of other U.S. industries. All sectors of the economy deserve equal protection under our trade laws. In my view, it is not appropriate to give foreign governments the impression that Congress cares most about only two sectors of our vast economy.

Arguments over the auto and auto parts issue have been vocal and intense. This industry, which is supplying the momentum behind H.R. 5100, has become increasingly expansive in its demands for special treatment. Already it has enjoyed more than 10 years of quota protection. As we find with the steel industry, such protection merely breeds noncompetitiveness and the desire for more protection.

Furthermore, if we force Japan against auto workers employed by Japanese owned auto parts firms still haunts the bill. Under the provision demanding a mandatory section 301 for auto parts, USTR is charged with negotiating improvements in market access only for U.S.-owned auto parts companies. The economic future of U.S. workers employed by foreign owned firms—even if these workers do the same job just across the street in the same town—is apparently not important.

The list of problems in H.R. 5100 is a long one. It includes a unilateral increase in bound tariff rates on iron and steel pipe and tube that could entitle our trading partners to retaliate against other U.S. industries of their choosing. Also in the bill is a provision creating a redundant review of existing agreements as if we are not spending the same amount of money and tie up even more of USTR's resources in redtape.

Rather than pursuing the failed policies of H.R. 5100, Congress should move on proposals that will enhance U.S. trade interests, benefit the U.S. economy, add to the export-led recovery, and create jobs. Completing and implementing the NAFTA and the Uruguay round, early passage of the Customs Modernization Act and enactment of procedures to more effectively deal with State-controlled economies in the post-U.S.S.R. era are more appropriate priorities for Congress than H.R. 5100.

I urge my colleagues to vote against H.R. 5100 because it is a counterproductive, inward looking piece of legislation which will damage the American economy.

□ 1310

Mr. ARCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Penn­sylvania, Mr. SCHULZE.

Mr. SCHULZE. Mr. Chairman, I request a copy of the report of the Committee on Ways and Means.
Mr. SCHULZE. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I am pleased that the legislation before us, H.R. 5100, incorporates proposals which I have been working on for many years.

The first such provision serves to enhance the protection of U.S. intellectual property rights by amending the existing Super 301 statute.

Current special 301 is geared more toward ensuring protection for patents after they have already been granted. This is especially important in dealing with patent piracy in developing nations.

We must now realize that many developed nations have become quite adept at using so-called pre-grant patent abuses to unfairly delay or prevent the issuance of patents to foreigners, thus stifling trade.

Because effective intellectual property protection is key to a firm’s ability to market products abroad, I have long stressed the need for global patent law harmonization.

With harmonization comes more predictability and better intellectual property protection; and with better protection, U.S. exports and U.S. jobs will flourish.

My proposal directs the U.S. Trade Representative to enter into negotiations with those countries using their patent systems as barriers to U.S. goods. This proposal will prod stalled global harmonization talks and help defend American exporters.

I am also pleased to have authored modifications to section 406, a provision of the 1974 Trade Act designed to redress U.S. market disruption caused by imports from Communist—and now, state controlled economy—countries. Given ongoing changes in Eastern Europe and elsewhere, H.R. 5100 enhances the ability of U.S. industry to seek relief from market disruption and injury caused by imports from state-controlled economies.

While most of the so-called economies in transition have little to export to the United States now, the increasingly dire need these countries have for hard currency will lead them to dump as many products as quickly as possible, into the hospitable U.S. market. When this occurs, the value of a strengthened section 406 will become more apparent.

The Trade Expansion Act also included an important proposal advanced by Mr. McGrath to combat the circulation of U.S. antidumping and countervailing duty orders. When a U.S. producer spends several hundred thousand dollars to prove a foreign competitor is dumping or subsidizing, that producer deserves a guarantee that the orders will be enforced.

Lastly, including both the Trade Agreements Compliance Act and a super 301 extension in H.R. 5100 represents positive steps. These provisions will put our trading partners on notice that our market access efforts are not merely a passing fancy, but are here to stay. Foreign countries will also know that when they do sign trade agreements with the United States, foreign compliance with such agreements is going to be subject to even greater scrutiny.

H.R. 5100 is not perfect, and the fact that it is being debated in a heated election year certainly complicates matters. However, it makes no sense for us to sit back and wait for the everelusive GAATT Holy Grail to protect our interests, especially when the very survival of that body remains in serious doubt.

At this stage of the consideration process, I will support H.R. 5100.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Chairman, I thank the gentleman from Illinois [Mr. ROSSMANN] for yielding me this time, and I commend him on bringing the bill up, and commend, too, the gentleman from Florida [Mr. GIBBONS], chairman of the Trade Subcommittee.

Mr. Chairman, I rise in very strong support of this bill. I think that it could be fairly said that H.R. 5100 is a trade crowbar to pry open Japanese markets which are today closed to quality-made United States products.

H.R. 5100 is also a trade bulldozer to bulldoze down those hills and level the trade playing field in order that our quality-made U.S. goods, such as the Ford big trucks and the Ford Explorer vans which are made in Jefferson County, my district, are able to find a proper niche in the foreign markets to which they are entitled.

So this trade crowbar, this trade bulldozer is very important for my community and all communities in America.

I want to salute particularly the revival for 5 more years of the Super 301 provision. H.R. 5100 orders of countries which practice unfair trade tactics against the United States.

If negotiations do not end those unfair tactics, then trade retaliation is provided. A special 301 investigation is ordered under the bill, H.R. 5100, dealing with the U.S. auto and auto parts industries and how they are affected by Japanese trade practices.

I would say that many of the bills we will have in this Congress that have a very positive effect on U.S. trade positions in the world and on the jobs of American workers making American products. I think of no other bill than H.R. 5100 which will enable these U.S. products and these working men and women to have a better future.

I, therefore, rise in very strong support of the gentleman’s bill. I am also in favor of the Gephardt-Levin amendment which will come up later. This is an excellent bill, and I urge its support.

Mr. ARCHER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. THOMAS], a very experienced member of the Committee on Ways and Means.

Mr. THOMAS of California. Mr. Chairman, I thank the gentleman from Texas, the distinguished ranking member of the Ways and Means Committee, for yielding me this time.

Mr. Chairman, a few moments ago one of our colleagues took the well and talked about the preeminence of American military power and how proud he was of that. I know from watching his votes he has done a pretty good job of bringing that about.

But I have to tell you that a number of people who are going to vote for this measure did not help us bring about the preeminence of American power. That we did it despite the way they voted. I guess we are going to have to do the same thing on this trade bill.

History is going to repeat itself.

Despite their best intentions, I hope we do not allow them to screw up our trade structure. The logic of this bill is something as the trade partner, mandated, voluntary restraint agreement, and that is right, I did not make a mistake, it is a mandated, voluntary restraint agreement. It has to do with automobiles.

If anybody thinks the automobile business is easy to understand today, they simply do not know the business. For example, if you will take a look at the top 10 cars being purchased in the United States today, guess what is the No. 1 seller. A pickup truck made by Ford Co. In fact, if you look at Ford, they have four cars in the top 10, excuse me, not cars as we know them historically. They have only one car, and that is a Taurus. They have the Ford pickup that I mentioned, they have the Ford Explorer, which is a sports-utility vehicle, and they have the Ford Ranger pickup. This is a end of the line they are the cars that people are buying.

We have talked about Chrysler, and if you look at the old Big Three, back in 1981, Chrysler was in front of this body asking for a bailout so they could have enough money to build the K-car platforms. Guess what, this fall, 1993, they are introducing the LH body, which is the follow-on to the K-car.

That is more than 10 years between a white sheet of paper car in as competitive a business as the automobile business.

Why is it called the LH? Some people refer to it as the “last hope” of the Chrysler Corp., with good reason.

What we heard about GM is that they are locked in a bailout all over the United States. What you are not hearing is that they are looking for additional line capacity to produce a car, additional line capacity for the Saturn. The Saturn is more revolutionary for how it is built, rather than what it is.
Frankly, if the American automobile industry would understand that putting on voluntary restraints would put them back to sleep, would put us back to the early eighties when the Japanese were told they had to have voluntary restraints, they would focus on success and dwell on failure.

New cars as Chrysler is doing and new ways of making them as GM's Saturn is the right way.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ARCHER. Mr. Chairman, I yield 1 additional minute to the gentleman from California [Mr. THOMAS].

Mr. THOMAS of California. I thank the gentleman. What happened the last time we had true voluntary restraints from the Japanese was that they went up market, simply made a ton of money, reinvested that in the automobile sector and Toyota wound up producing the Lexus and Nissan wound up producing the Infiniti, and I wonder where those cars are today in terms of the upper market level. As you might guess—leading the pack.

To avoid the mistake. Do not put on a mandated voluntary restraint so that the American automobile industry falls even farther behind. Competition is what produces the vehicles that allow us to sell in the marketplace.

For those of you who are concerned about possible retaliatory aspects of this bill, especially those of you in the agricultural sector, be fully aware that the American Farm Bureau opposes this bill. Farm interests are not helped by this bill. They oppose this bill.

I would urge you to vote no on the amendment to include mandated voluntary restriants, and I would urge you to vote no on the bill itself.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. Mr. Chairman, today, I rise in opposition to H.R. 5100, the 1992 Trade Expansion Act, or more appropriately put, the Jobs for Americans Act.

The No. 1 concern of our constituents is the economic future of our Nation and its impact on jobs.

From forging plants to computer facilities to the key to prosperity is job producing growth. Protectionism does not preserve and expand employment. As opponents of this bill are quick to state, 70 percent of U.S. growth has come from exports over the past 4 years, which are creating over 2 million jobs.

President Bush has led our Nation to become the No. 1 exporter in the world, with over $310 billion in goods and services expected this year. Each $1 billion in exports means an additional 20,000 jobs for Americans. It is the goal of H.R. 5100 to increase that mount.

Yet the industries which have led this surge in growth are the same ones now at risk to unfair trade practices by offshore producers. Free and fair trade does not mean ignoring these abuses with a naive belief that the market will heal itself. If we are to have true market access for all producers such as the American automobile manufacturer, we must become pragmatic toward trade. Despite our efforts the United States trade imbalance with Japan increased $2.4 billion in 1991. The bill makes it easier for American companies to prove material injury resulting from unfair trade practices, now required under U.S. law before relief can be obtained. This means jobs for Americans.

This is especially true for manufacturers such as steel, bearings, textiles and semiconductors, that find it difficult to prove injury due to the nature of their business cycle. Pragmatism means arming ourselves to respond when countries act irresponsibly in how they trade.

For the past 4 years I have been involved with the Uruguay round and NAFTA negotiations. Opponents argue this bill will compromise those talks. In fact, H.R. 5100 will improve substantially our ability to negotiate. It will convince other nations that the U.S. will not tolerate unfair trade practices.

Our Government has already agreed to a provision in the existing GATT Dunkel text that will mandate congressional changes to U.S. domestic laws in order to comply with GATT panel decisions. This is an abrogation of our constitutional legislative authority.

H.R. 5100 corrects that matter. Included is a change to U.S. negotiating objectives regarding the dispute settlement process. It directs our negotiators to refuse any foreign demands for the creation of an international tribunal that would mandate congressional action on their decisions.

These reforms embodied in H.R. 5100 are vitally important to U.S. manufacturers and the preservation of jobs in the United States. In short, H.R. 5100.

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. SUNQUIST], a respected member of the Committee on Ways and Means.

Mr. SUNQUIST. Mr. Chairman, I thank the ranking Republican Member for yielding me this time so generously.

Mr. Chairman, I rise in opposition to H.R. 5100. There obviously are good features in this piece of legislation, but there are also some bad features in this legislation, and I rise in opposition to H.R. 5100 for the simple reason that it is a job killer, not a job creator.

Let me give you an example. It contains a provision which attacks nearly every U.S.-based manufacturing plant owned by a foreign company. One of these facilities is in my district, a Brother typewriter plant in Bartlett, TN, a plant that provides 800 very good jobs to Tennesseans and creates an investment of more than $27 million for our local economy.

Brother would not have been able to do that if legislation like H.R. 5100 had been in effect, and it may not be able to continue providing good jobs in Tennessee if H.R. 5100 continues.

It is one thing to pass trade laws which require our foreign partners to play fair. I am for that. We are all for that, but we can be tough with our trade partners without making things tougher on American workers who get it right between the eyes.

Mr. Chairman, I urge rejection of H.R. 5100.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Chairman, I would like to commend Chairman ROSTENKOWSKI for putting together this trade bill, and I wish to express my gratitude for his inclusion of language from H.R. 3372. This is a measure which I introduced during the first session of the 102d Congress and which is designed to improve the administration of domestic antidumping and countervailing duty laws. I think it is safe to say that many have felt for quite some time that the U.S. trade code on dumping and subsidies has been in need of the sort of adjustment and fine tuning that this language aims to achieve.

Additionally, would like to note that H.R. 5100 contains language from another bill I was involved in writing, that is H.R. 3085, the Customs Modernization and Informed Compliance Act. This measure was crafted through many long hours of tough negotiations among the joint industry group, the U.S. Customs Service, the National Customs Brokers and Forwarders Association, and other interested parties. In short, H.R. 3085, as incorporated into H.R. 5100, strikes a good and fair balance among the likes and dislikes of all affected parties and in so doing serves as an example of how legislative policy should be made.

Finally, I would like to express my support for the Gephardt-Levin amendment to H.R. 5100. This amendment would merely attempt to hold the Japanese to the promises they made with regard to automotive trade in January of this year. Congressmen GEPHART's and LEVIN's amendment is drafted in such a way to accomplish this without establishing quotas and without negatively impacting transplant production or American workers employed in Japanese transplants.

It is my belief that we cannot ignore the fact that in 1991, the United States ran a $65.2 billion trade deficit, and more importantly, that 45 percent of this imbalance was due to United
Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. GRANDY), a respected member of the Committee on Ways and Means.

Mr. GRANDY. Mr. Chairman, I rise today in reluctant opposition to H.R. 5100. While I support several components of this bill, including the Customs Modernization and Trade Agreement Compliance Acts, and provisions regarding end use certificates for imported grains and strengthened provisions regarding the threat of injury from foreign trade practices—the remainder of this bill requires me to oppose it. It is untimely, highly discriminatory, possibly violative of our international obligations, and adverse to our Nation's economic interests. Instead of promoting the flow of exports from our country, the sole motivation of this bill is to close our borders to products from other nations, particularly one nation, Japan.

My primary concerns with H.R. 5100 are retaliation and precedent. Japan is our No. 1, by far, agricultural export market. In 1991 we had a trade surplus in agriculture with Japan of $7.4 billion—$7.7 billion of United States exports versus less than $300 million in Japanese imports. United States agricultural commodities have a 26 percent share of the Japanese import market. This is higher than the 22 percent market share the Japanese have of the United States car market and Japanese ag products represent well less than 3 percent of United States ag imports—does this mean that the Japanese Parliament should enact legislation asking the United States to voluntarily restrict the export of ag products to Japan and that Kellogg's cornflake fac­­ilities in Japan be required to source their corn from the Pacific rim instead of the United States Midwest?

Retaliation from Taiwan and South Korea are also likely due to the mandated 301 investigations of their rice policies. The United States has an agricultural trade surplus of $1.7 billion with Taiwan—with ag exports growing by 48 percent in value over the past 5 years—and a similar surplus of just over $2 billion with South Korea. South Korea is now the fifth largest United States agricultural export market. All three of these markets—Japan, Taiwan, and South Korea—represent the most promising markets for processed agricultural products. This additional market could mean additional jobs at home. Current agricultural exports to these markets are responsible for over 300,000 United States jobs.

Let us stand back and look at what we are doing here. I share Mr. Dreier's idea of negotiating a free trade agreement, not a restrictive trade agreement, with Japan. How many times do we need to emphasize that once a market is lost, it is very difficult to get it back. Over the past decade, the United States agricultural industry, with the help of the United States Trade Representative's Office, have spent hundreds of hours and millions of dollars on opening Japanese markets and promoting United States products. I shudder to think that we seem to be willing to hand over these markets to our competitors by enacting this discriminatory legislation as the bill before us today. A number of agriculture and other business interests share this concern for retaliation and I have included at the end of my comments their letter in opposition to H.R. 5100.

My second primary concern is the very ill-advised precedents which H.R. 5100 and the Gephardt-Levin amendment are setting. These precedents are an apparent need to legislate the initiation of section 301 investigations and the application of section 301 for the first time to the conduct of American companies—unwise and dangerous to say the least. H.R. 5100 mandates the initiation of section 301 investigations for autos, auto parts, and rice. This is especially peculiar since the Bush administration has never been requested to initiate such actions. It is one thing to be asked and turned down thus requiring a resort to the legislative process, it is another to never have asked in the first place.

While section 301 investigations can be frustrating, as the U.S. oilseed sector has found out, no one can fault the USTR's office for their record on implementation and enforcement of this tool. I am concerned that if we begin to require congressional action for the implementation of a 301 case, we will discourage many less politically powerful groups from thinking their cases will receive serious consideration. I believe that is little justification why the auto, auto parts, or rice industries should receive any special treatment in the 301 process.

As we have seen in the agricultural sector and the steel sector, initiatives without the need for mandates from Congress, and other trade pressures have resulted in significant progress in several sectors. Beef and citrus exports to Japan have more than doubled over the last 4 years as a result of the 1988 United States-Japan beef and citrus agreement. Ongoing structural impediments initiative (SSI) talks aimed at reforming restrictive feed grains sector policies in Japan are progressing well. United States liberalized retail clothing products and European Community products in response to the EC's failure to change its GATT-illegal oilseeds subsidy program. The record is clear—where injustice exists, the USTR is not afraid to act, no congressional action is needed. Why are we starting to stick our nose in the process now?

I strongly recommend, despite some positive aspects of H.R. 5100, that it be defeated at this time. These next years we will be afforded several opportunities to amend our trade laws and we will have more time then to make sure that all parties are a part of the negotiations and we can ensure that the impact on our economy will be positive, not negative, as I am afraid H.R. 5100 would be. I urge a no vote on final passage and on the Gephardt-Levin amendment.

JUNE 30, 1992

Hon. FRED GRANDY,

House of Representatives, Washington, DC.

REPRESENTATIVE GRANDY is writing to express our opposition to H.R. 5100 as approved by the Ways and Means Committee. While some provisions of the bill have merit, others do not.

We do not want to see this legislation enacted because its overall impact is likely to protect market access for our competitors at the expense of U.S. consumers and undermine prospects for successful conclusion of the Uruguay Round and the North American Free Trade Area negotiations. Such provisions are of paramount interest to the U.S. business and farm communities because of their potential to substantially increase U.S. exports.

Business, farm, and consumer groups cooperated closely with the Congress in fashioning and enacting the Omnibus Trade and Competitiveness Act of 1988. This comprehensive legislation authorized the Urugu­aguay Round and NAFTA negotiations and substantially amended U.S. statutes on fair and unfair trade to provide more effective protection for U.S. companies, workers, and farmers.

Congress will have ample opportunity to review and, if necessary, adjust U.S. trade laws in the context of the Uruguay Round and NAFTA negotiations. Business, farm, and consumer groups are prepared to be full participants in that process at that time. With the major exception of customs modernization, consideration of trade legislation now seems both untimely and duplicative of the effort Congress will have to undertake in considering the comprehensive trade bills that will be necessary to implement the NAFTA and Uruguay Round trade agreements.

In addition to our serious concerns about the contents of H.R. 5100, we are also concerned that the bill will quickly become a vehicle for additional trade restrictive proposals that will further undercut the U.S. negotiators in their effort to achieve the negotiating objectives spelled out specifically by the Congress in the 1988 Omnibus Trade Act.

We believe it important to note that exports are now the most buoyant aspect of the
July 8, 1992

CONGRESSIONAL RECORD—HOUSE 18205

U.S. economy. Exports are pulling us out of the recession and creating new job opportunities. Since 1988 nearly 70 percent of U.S. growth has been export-driven, generating nearly 2 million jobs for U.S. workers. The United States is currently running trade surpluses with a number of our important trading partners. Our trade surplus with the EC, for example, last year amounted to $51 billion. Some people have raised the question of whether this bill would raise the threat of significant retaliation against U.S. industrial and farm exports.

For the above and other reasons, H.R. 5100 is not in the U.S. national economic interest. Sincerely,


Mr. ROSTENKOWSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan. [Mr. LEVIN.]

Mr. LEVIN of Michigan. Mr. Chairman, why H.R. 5100? H.R. 5100, because the nineties cannot be a repeat of the eighties. The trade imbalance with Japan has grown, and it is a threat. Anybody who thinks the eighties are good enough simply ignores the results of the eighties in terms of our trade imbalance.

We have heard all the labels and all the arguments, the old, worn-out arguments brought out, the specter of isolationism. You know, the greatest boon to isolationism is being inactive on grievances in trade. That is what feeds the feelings of some people in this country that we should turn our back on internationalism. I do not want us to turn our back on that. But the best way for us to be able to compete globally and convince the American people that it is worth it is to make sure there is a level playing field, as the President said he wanted in Tokyo, to make sure that trade is a two-way street and not a one-way street.

The studies show—CRS recently indicated—that in 44 different sectors that they studied, in 42 of them there was a decline in market share in this country by American companies. Oh, it is said, the Uruguay Round will solve it. The Uruguay Round will not open up the Japanese markets to American or Western European goods, period. It does not pretend to do that. I ask specifically, someone tell me where it would.

Oh, it has been said, why pick out, under mandatory 301 action in the bill, rice and auto parts? The reason is—it is not special treatment we are asking for, it is fair treatment. There has been an iron curtain against rice. All we want is not special-interest legislation, but fair treatment.

With auto parts, we are not asking that we respond to a special interest in this country, it is a $100 billion-plus industry. We are asking that they get fair treatment. The special treatment they have been receiving has been from plants that manufacture only for the Japanese market but only from within our own country, and we keep out foreign goods.

The distinguished gentleman from Iowa talked about agriculture. The reason 15 percent is in the auto part sector, as well as any other, is because Congress was strong. But there is so much more to be done. The Japanese market remains very much closed to a lot of agricultural goods.

Then it is suggested we are dividing American workers against American workers. It is said that under our amendment 301 applies in the auto industry to transplants but not to American companies?

What is happening is that the transplants are not discriminating against transplant auto parts companies but against traditional American suppliers. In the case of 12 of the largest transplants, the transplant manufacturers own part of the parts manufacturers that have come over here.

No, it is not special interests, it is not special treatment we are asking. It is the national interest and fair treatment for American companies.

The gentleman from California [Mr. THOMAS] talked a bit about the automotive sector, and we are going to get into that debate. Let me just say two things quickly:

This does not mandate in law a VRA, period. What it says is: “When you negotiate an umbrella agreement, Mr. President, in the motor vehicle sector with the Japanese, negotiate to keep the VRA at its present level.”

This relates only to exports from Japan, as long as the European Community has a 16-percent ceiling on Japanese sales. These sales now represent 30 percent of the U.S. market. Also let me say once again this bill is to open markets, not to close them. That is true in the auto sector, the auto part sector, as well as any other. It is not an effort to raise barriers. It is an effort to tear them down.

We have not achieved nearly enough. The last 4 months, the report shows, our trade deficit is $166 billion with Japan. Fifteen of it is in the automotive sector.

We cannot stand still. We cannot say that bad is good enough. Let us adopt H.R. 5100 and then the Gephardt-Levin amendment.

Mr. ARCHER. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Connecticut [Mrs. JOHNSON.]

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in opposition to this bill. There are many provisions in it that I support, but the No. 1 concern of the people in my district at this time is jobs, and by the measure of its impact on jobs this bill fails to address the peoples’ most serious concern. Let us look at the record.

The United States is the No. 1 exporter in the world. We send more goods into other markets than any other nation. Seventy-five percent of the growth in our economy has been a consequence of growth in exports. At the same time, our standard of living is directly tied to our success in the global market.

In my State that is very, very evident. Hundreds and thousands of jobs depend on exports, and our success abroad is the only thing that has kept my State from suffering the most extreme depression in her history.

Not only do exports create millions of jobs in America, those jobs pay 17 percent more than the average U.S. wage and so are the jobs of the future as well as the growth of the present.

Now, let us look at the record with Japan since Japan is the target of this bill. Yes, we have had a persistent problem with Japan, but we have now a persistently declining trade problem with Japan. Japan now is our second largest customer. Japan buys more per dollar of our exports than any other of our trading partners.

Last year Japan bought more United States goods than Ireland, Germany, France, and Italy combined, billions of dollars of American products. But what will this mean in that context of an increasingly powerful American exporting nation? This bill invites the termination of the very negotiations that have over and over again opened markets and brought us the rising standard of living that we have come to assume.

It is not so much the individual provisions of this bill, some of which I support, that are disastrous to America’s trading status. It is the combination of all of them and the targeted hostility of some of them that assures that this bill will close markets to U.S. products at a time we need to expand our markets.

Just as we are trying to consummate the GATT negotiations, which will mean a trillion dollars of business to America, just as we are entering the final months when the toughest deals
have to be negotiated, Mr. Chairman, this bill would mandate our taking harsh actions that any nation with any self-respect would have to respond to through lawsuits and other means against American goods. That is no atmosphere in which to make the final tough tradeoffs that will consummate a GATT agreement and assure to America a trading community that will allow our goods more market access, better range, and a higher standard of living for Americans.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the majority leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, Members of the House, I want to congratulate the gentleman from Illinois [Mr. ROSTENKOWSKI] for his tireless work in the area of trade which produced this bill and in the past, in 1988, produced a very important piece of legislation which the Congress passed and the President supported.

I want to commend the gentleman from Florida [Mr. GIBBONS], my friend who is the chairman of the Subcommittee on Trade, for yeoman work in this area, and I want to recommend to the Members this trade bill which has a number of very important features in it.

First, Mr. Chairman, is the extension of Super 301, which I think most observors would agree, and even critics of Super 301 are now saying, that it had a great impact on getting us better access to foreign markets. It has got a provision called the Trade Agreements Compliance Act which will help us get better compliance with trade agreements. It has an anticircumventive provision which will help us keep other countries in compliance with trade negotiations. It has a study of our administration's aerospace trade policy. A lot of us believe that we need a better policy in the aerospace area as we are continuing to lose jobs in that important industry. Finally, it helps establish a congressional trade unit so that we can begin looking more intensively at trade from the congressional perspective.

Mr. Chairman, this is a good bill with or without the amendment that I am proposing. I urge Members to vote for this legislation. I do urge Members to listen to the debate on my amendment, the amendment by the gentleman from Michigan [Mr. LEVIN].

Since the early 1980's, Mr. Chairman, we have lost over 500,000 jobs in the automobile industry directly and countless others indirectly. Part of the reason for this loss in my opinion is that we have not had as good an access to the Japanese market as we should have. The Gephardt-Levin amendment is an attempt to better deal with that situation. It does not solve all of the problems, but it begins to solve a lot of the problems.

Mr. Chairman, I urge Members to listen to the debate that will come in the next hour on that amendment, and I urge Members to support that amendment and to support the entire bill.

Mr. ARCHER, Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. McMillan].

Mr. McMillan. Mr. Chairman, I rise today in opposition to H.R. 5100.

I share the concerns of my colleagues with the slow progress of our negotiators in opening Japanese markets to American exports. Our message to the Japanese must be loud and clear: we must have reciprocal market access for United States exports to Japan.

The intent of H.R. 5100 is understandable in light of Japan's unwillingness to open its markets to many United States products. But, let us bear in mind that the United States is experiencing its biggest expansion of exports ever. Exports to Japan have more than doubled since 1985.

In recent years, 75 percent of our economic growth has come from exports. In effect, this is the key-stone to our economic recovery.

The proposed legislative solution to our trade problem with Japan is the kind of thing that spawns retaliation and ultimately works to our detriment. Many sectors of the United States economy remain protected against foreign imports. Are we prepared to risk foreign retaliation against these United States exports? Our answer must be yes.

The proposed amendment to H.R. 5100 would impose quotas on automobiles from Japan for the rest of this decade. It would also require that Japanese cars built here in the United States be manufactured to 70 percent domestic content—a requirement not even imposed on United States automakers. When we discriminate against Japanese automobile plants in the United States, we ignore the 30,000 American jobs that were created by these transplant plants.

My region of the country serves as a perfect example of the benefits afforded by foreign auto investment in this country. It was just recently announced that BMW would build a plant in Spartanburg, SC. Here is one of the great German automakers deciding to hire American workers to build American-made BMW's to be sold in America and exported as well. Surely if the Germans and Japanese can compete with cars made in the United States, so can the Big Three. But what incentive exists for an investment if the Congress mandates business decisions and outcomes?

While I agree with supporters of H.R. 5100 who say it is time to get tough with the Japanese, I believe this bill will do more harm than good. I am all for hard-nosed trade negotiations with Japan. I support the extension of 301. But protectionist legislation like H.R. 5100 fails to take into account what the president of the Spartanburg Chamber of Commerce has come to realize: "We're living in a global economy."
Let's pass the Gephardt-Levin amendment, and tell the American auto industry that we support you, and will not stop fighting for your right to work each and every day.

Mr. Chairman, I yield 5½ minutes to the gentleman from Illinois, Mr. MICHEL, the distinguished minority leader.

Mr. MICHEL. Mr. Chairman, I rise in opposition to this bill. It has been labeled the Trade Expansion Act of 1992 by its sponsors, but in some quarters of economic activity, that might be considered false labeling, punishable by fines or imprisonment.

A more accurate label for this bill would be the Trade Contraction Act of 1992. It represents another effort by the protectionists in this body to have the United States club other countries into submission on trade. The problem with this theory, of course, is that the United States does not rule the world, and any heavy-handed action by us usually brings counter action from strong nations at home and abroad.

Despite all the expressed concern over closed markets, the fact is the United States today, as has been pointed out so eloquently by speakers preceding me on this side of the aisle, is the world's top exporting country. That is us. That is what we are doing. Our $422 billion in annual exports account for over 8 million jobs. And that does not count the contribution to the livelihood of America's farmers and other small businesses.

Since this bill is largely a Japan-bashing effort orchestrated by the protectionists, there are some important facts to keep in mind regarding trade with the Japanese. Others have alluded to it in different terminology.

In my eyes, I see over the past 3 years that our exports to Japan have risen through hard work, by paying attention to special Japanese needs, catering to those needs, producing for the consumer out there, and through its reputation for quality and service.

It took the auto industry an awfully long time to come around to recognizing that they had to produce for a different set of people and a different market in order to export. Caterpillar recognized that over 25 or 30 years ago when they had one of their first joint ventures, Caterpillar and Mitsubishi, and they were ahead of everybody. And they have stayed ahead, because they have known what it is to compete in an international market.

Caterpillar has joined with numerous businesses and farm organizations in opposing this bill, and rightly so, because Caterpillar knows that its enactment would undermine much of the progress the company has made to date, and make more difficult its future export sales efforts.

This has become an interdependent world in which the economic development of individual nations, such as our own, and the world as a whole will depend on the furthering of that interdependence, the knocking down of barriers, and the expansion of free trade.

That bill may have that objective, but I will tell you, it is certainly going at it in a roundabout way, and the results would be just the opposite. It definitely needs to be defeated.

Mr. GIBBONS. Mr. Chairman, I have listened carefully to the debate here and listened carefully to the debate in the subcommittee and full committee on this matter. I have some mixed thoughts about this piece of legislation. There are some good things in this legislation. The provision that modernizes the Customs procedures is very good. The provision that extends the right of action for review of trade agreements, I think is a good provision.

The provision that extends Super 301 I believe is needed and in today's bargaining world, we need that kind of leverage.

There is an awful lot of baggage also in this legislation that I just think we could do just as well without. I will probably end up voting against this bill because I think the Levin amendment is going to be adopted. The Levin amendment, I think, does not make good economic policy for the United States. It will not solve the problems that the United States faces in world trade. It will only make matters worse. But I will go into that when we get into the Levin amendment.

Let me now expand on what I think we need to do to really improve America's competitiveness in the world trading system. The first thing we ought to do is look at our domestic health care program.

I will give my colleagues an illustration. I had a hearing the other day, the Big Three came in and testified, the Big Three auto makers, that there was $1,000 worth of health care cost in each automobile they produced, $1,000.

A week later, someone representing the transplant imports came in and I asked the same question. The answer I got was anywhere from $50 to $100 per car in health care costs.

Now, American manufacturers just cannot compete in that kind of environment. It is not that the transplant employees get some lousy health care costs. It is the fact that years ago we tied health care to employment and retired health care to one's former employment. And when we look at the problem in the Big Three, it is the fact that they have so many retirees. And it will be 20, 25 years before the transplants have any kind of retirees that...
they are obligated to pay their health care costs.

Our domestic automobile companies simply cannot compete in that kind of disadvantaged trading area or playing area thing.

Another thing is our revenue system. I think we ought to abolish our payroll taxes, our corporate income taxes and about 90 percent of our personal income taxes and substitute for it a moderate tax called a value-added-tax. The value-added tax has been in existence since 1965. The system that we are now following in this country is a hodgepodge of now outdated ideas that began 150 years ago. It is pulling us down.

Let me give my colleagues an illustration. If a car is manufactured in the United States or a bushel of wheat is grown in the United States and has to be exported, when it leaves this country, it carries with it the full cost of the U.S. Government. But if it is grown in a foreign country or manufactured in a foreign country, the same product, when sold in our country, carries with it practically no cost of government.

So our goods, developed under our revenue system, when consumed by the foreigner, carry the full cost of government. Their goods, developed under their revenue system, when consumed in our country carry no cost of government with it.

In effect, despite what we feel, we are exporting our job opportunities in the United States because of the way we collect our revenue. I am not complaining about the amount of revenue. I am not trying to change the tax burden between taxpayers. But I am trying to get us to collect our revenue in a more rational manner so that we can be competitive in a world environment.

So we must control our health care costs and get our health care costs disconnected from employment. No other industrialized nation on Earth connects their health care costs of employment. We must get control of our health care costs.

And second, we must get control of our revenue-collecting system and bring it into a more modern position to compete. That would be the best trade legislation that we could enact. That would be a partial solution, a major solution to our biggest economic and competitive problems.

Of course, there are other things. Our educational system has not measured up. The way we do business is subject to criticism.

I would encourage those who would like to learn about what is the trouble with America to read the current book "Head to Head" by Lester Thurow. They will then learn that the problems in the auto industry and the problems in other industries are not so simplistic as they have been discussed here today. And I would hope that we would give serious consideration to the Levin amendment when it comes up. I hope that amendment will be defeated.

Mr. ARCHER. Mr. Chairman, I yield 2 minutes and 30 seconds to the ranking Republican on the Joint Economic Committee, the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding time to me. Mr. Chairman, the Democrat majority wants the American people to believe that the manufacturing base in the United States is eroding and our standard of living is declining because of the conniving, predatory traders of Japan and the economic policies of Ronald Reagan. Mr. Chairman, the economic data simply do not support this delusion.

Consider these facts which, incidentally, happen to be accurate. Manufacturing productivity increased 3.5 percent during the 1980's, versus only 2.3 percent in the 1970's. Today, manufacturing's share of the GNP is 23 percent, a post-World War II high. Moreover, the American worker is still 30 percent more productive than his Japanese counterpart.

Even more importantly, the United States is experiencing an export boom, which is propping up our sluggish economy. In the last several years, 75 percent of our economic growth has been export-driven. The United States is once again the No. 1 exporter in the world and the livelihoods of millions of Americans depend on international trade.

The bill we have before us today is a protectionist measure that places an economic recovery and millions of American jobs at risk by inviting retaliation from our trading partners. H.R. 5100 undermines the ongoing GATT negotiations and sacrifices consumer rights to shield a few obsolete industries from international competition.

I might add that it is a little ironic that the Democrat Majority chases other nations' trades policies, given the majority party's support for overtly unfair measures, such as sugar, milk, peanuts, infant formula, antibiotics, clothing, and hundreds of other commodities. Regrettably, low-income Americans bear a disproportionate burden of these unfair U.S. trading policies, which cost American consumers $80 billion a year.

The supporters of this bill are also plain wrong to argue that the mere existence of a import from Canada will have to meet.

The most offensive measure of this amendment is the Levin Amendment which singles out automotive transplant companies and punishes the Americans who work for those companies, including over 10,000 hard-working residents in Ohio's Seventh District.

The most offensive measure of this amendment is the protectionist content requirement which discriminates based on the nationality of company ownership, instead of where the product was actually manufactured. Cars made by transplants in Ohio will have to meet a 70-percent domestic content requirement, while cars made by the same transplant in Canada will have to meet only a 50-percent domestic content re-
requirement and be sold here. Canadian production will be treated more favorably than American production. So-called fair trade laws today are a disaster. Who put the American workers into a situation where they would be left out of this market? I believe that increasing Federal control over trade, decreasing Executive ability to negotiate trade agreements, and heightening protection of domestic industries is a positive step. When we deal with trade, it is not our intent to hurt other countries, but we must have a level playing field. I yield to the gentleman from Michigan [Mr. COVENS].

Mr. COVENS. Mr. Chairman, I thank the distinguished floor leader and chairman of the Committee on Ways and Means for yielding time to me.

Mr. Chairman, the central question here is why can’t we sell cars to Japan? The administration has not been able to adequately answer this question, so the Gephardt-Levin amendment will require the U.S. Trade Representative to negotiate an agreement that ensures us access to this market.

This is a serious subject. In 1991, the United States’ total trade deficit was $66 billion—$43 billion of that was with Japan—$30 billion of our deficit with Japan was in automobiles and auto parts; 45 percent of the United States total trade deficit in 1991 was with Japan in automobiles and auto parts.

In contrast, during the same year the United States posted a nearly $17 billion trade surplus with the European Community. We held surpluses with the former Soviet Union, Australia, Mexico, Turkey, Egypt, Kuwait, and others. At the same time, we greatly reduced our deficit with Korea and Taiwan. If we can hold a surplus with the rest of the world and remain competitive, why can’t we sell cars to Japan?

Japan has replaced the United States as the world’s leading producer of automobiles and has the world’s second largest market. Yet, Japan imports less than 3 percent of its cars. In the United States, more than 50 percent of all cars sold this year will be imported or from Japanese transplant companies. If our markets are open, why can’t we sell cars to Japan?

The city of Detroit, once the automotive capitol of the world and a leader in manufacturing technology, now has one of the highest unemployment rates in the country. Thousands of workers have been laid off, plants are closed and buildings are boarded up. A healthy automotive industry is crucial to the well-being of the entire Nation, and could rebuild the city of Detroit. So I ask you, why can’t we sell cars to Japan?

Simply put, our problems with Japan have nothing to do with the alleged in-

And let’s not kid ourselves, Mr. Chairman, you hear a lot about Japanese protectionism and how the United States is getting the raw end of the deal. To that extent that’s true, they’ve simply improved on our example.

The United States continues to thwart its own interests with trade policies that are decisively protectionist. Our consumers already pay more than $800 billion a year as a result of trade barriers—that’s about $800 for every American family—to keep these policies and the special interests they protect insulated from competition.

There’s hardly an economist that would say we’re getting our money’s worth or even a fraction of our money’s worth for this protection. It is a recognized truism that protectionist policies save jobs in the protected industry only at the cost of an even greater number of jobs in the economy at large. And trade barriers routinely cost American consumers 8 to 10 times as much as they benefit American producers.

And so in the end we burden our consumers, lower the standard of living for our citizens, and put Americans out of work all in order to prove to the Japanese that we’re tough on trade.

Mr. Chairman, this bill will be tough on trade alright and it will be tough on our constituents and on our economy.

Mr. LEACH. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, if history is a guide, protectionism belies its name. It provides job security for candidates, not workers. Just as in Pogo’s terms, the enemy is us, in trade policy the enemy is politicians, usually one’s own.

The problem with this legislation is that it will evoke copycat actions around the globe; it will jeopardize not just the U.S. market, but the world market. This is politicians, usually one’s own.

One of the lessons of the 1930’s was that protectionist legislation lengthened and deepened the Great Depression. By reverse logic, in recessionary times, promoting policies which impede the growth of international trade is likely to serve as an economic stimulant.

Instead of moving to increase trade by bolstering GATT and advancing regional free-trade agreements, the majority party is serving up a conventionally protectionist stew.

Let’s compete, not capitulate; stand up to challenges in the real world, not succumb to the politics of retaliation and counterproductivity.

As far as protectionist legislation is concerned, this bill is not radical; it is moderately bad. As the gentleman from Indiana [Mr. PESSA] noted, the bill isn’t designed to penalize foreign companies producing in this country, causing the trade deficit to go up. For the record, let me note that the bill

(Conclusion)
The quality of American cars improved by 12 percent while the quality of cars manufactured by the top five Japanese companies remained constant. In fact, there was a negligible difference between the quality of American and Japanese cars in 1991.

This is not anticompetitive act that we are committing here. We are trying to change a closed market into a fair market. Our problems with Japan are rooted in their practice of denying American companies access to Japanese markets, coupled with the systematic targeting and gutting of the United States automotive industry.

This bipartisan amendment confronts our persistent trade deficit with Japan and the threat to United States industry. It calls on the United States Trade Representative to negotiate a comprehensive automotive sector trade agreement with Japan. It will offset the anticipated glut of Japanese autos in the United States market as Japanese producers look to sell off their excess capacity because of limits imposed by the European Community.

In addition, the Gephardt-Levin amendment will provide the President the necessary tools to ensure the Japanese companies access to United States market.

Finally, this amendment will establish a monitoring system and an enforcement mechanism that addresses the question of what to do if Japan fails to follow through on its promises.

It has been said that every $1 billion invested translates into thousands of new jobs. Therefore, our $30 billion automotive trade deficit with Japan represents a loss of hundreds of thousands of jobs. If we fail to close this gap, our competitive edge will continue to erode, our manufacturing base will continue to erode, and our unemployment rates will continue to soar.

The Gephardt-Levin automotive sector amendment is the critical component of a comprehensive trade policy that will save American jobs and American industry. This amendment addresses Japan's egregious trade policies and practices that have denied American companies the opportunity to compete fairly, and have devastated the American work force. As a representative from the great State of Michigan, which employs nearly 35 percent of the nation's automotive production workers, I ask that this body confront this crisis head-on with strong legislation. Please support this amendment.

Mr. SUNDQUIST. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I just wanted to briefly answer the gentleman from Ohio [Mr. PEASE] who had made some comments and referred to my comments in his earlier comments that would occur in this country if this legislation had passed or will pass and become law. I hope it will not. I am opposed to the legislation.

I want to tell the gentleman from Ohio [Mr. PEASE], who is a friend of mine and for whom I have great respect, that what we find in this legislation is punishment to those companies who have been associated with an original dumping problem, and they will get tainted as a result of that, and without evidence. So that will be a problem in terms of loss of jobs in and of itself.

Companies that have done business on a normal business relationship, have not been part of dumping, but are associated with it.

In addition to that, Mr. Chairman, we see in this legislation comments like "is a dumping pattern of circumvention," and also "historically supplied the parts." Those are very difficult to quantify, and I think this is a very serious problem.

So I would ask my colleague and friend from Ohio by saying that this is the section I was referring to in my earlier comments. I think it is dangerous to create legislation that is hard to define and that will touch companies that have not been a direct part of the problem, and it is going to over­flow onto them and will end some jobs in this country.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Chairman, I thank my chairman for yielding me the time. I would say to my colleague from Tennessee, you have to save your chickens to say that he has not listened to his comments just now carefully and still did not see anything in there that directly would affect American companies. Surely if there is dumping of products below their cost in this country having an adverse effect on American companies and workers, that ought to be stopped. And I am the author of the language strengthening the antidumping and the countervailing duty sections, and I can assure the gentleman that it was not my intent, nor does the language in my opinion provide for any kind of adverse effects on American companies.

Mr. SUNDQUIST. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. CRANE], a senior member of the committee.

Mr. CRANE. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I simply want to reiterate a few basic statistics, some of which may be somewhat repetitious but warrant reexamination routinely because H.R. 5100 threatens our export-driven growth in our economy which has really been increasingly dependent upon it for the last 2 or 3 years.

Since 1986, the United States has encouraged exports of goods and services which have accounted for over 75 percent of U.S. economic growth.

Second, the United States is now the world's largest consumer, buying nearly $500 billion worth of goods in 1991, and that is more than to Germany, Ireland, France, and Italy combined. Exports to Japan have risen nearly 25 times as fast as imports from Japan in the last 3 years.

United States exports of manufac­tures to Japan have grown 30 percent faster than on a global basis. Finally, United States exports of services have grown 13 percent faster to Japan than globally.

I would urge my colleagues to take a long hard look at the evidence and the facts. It is overwhelmingly conclusive that this is well-intentioned but misguided legislation, and I would urge a "no" vote.

Mr. SMITH of New Jersey, Mr. Chairman, I rise in support of H.R. 5100, the Trade Expansion Act of 1992. Not only will this bill give U.S. businesses a fighting chance at access to closed foreign markets, but the bill will reform our international trade laws to cultivate fair trade in the domestic marketplace.

Mr. Chairman, I also support the Trade Expansion Act because it includes legislation which I authored earlier this Congress.

On April 16, 1991, I introduced H.R. 1835 to strengthen the international competitiveness of the U.S. commercial communication satellite industry. I was pleased that after consideration and markup by the Subcommittee on Trade, my bill-H.R. 1835—was embraced by Chairman ROSTENKOWSKI and included in the House trade expansion package.

Under current law, entire communication satellites and most parts may be imported into the United States free of duty as long as the satellite is subsequently reexported or launched into orbit. However, certain components which are necessary for the domestic manufacture of communication satellites have different tariff classifications and are therefore subjected to high import duties. The importer may put up a bond in exchange for paying the duty and can have the bond and the tariff excused if the manufacturer launches or reexports the satellite within 3 years. This procedure is known as temporary importation under TIB.

Unfortunately, Mr. Chairman, the shuttle Challenger disaster and other launch failures played havoc with communication satellite launch schedules. As my colleagues know, the
schedules for launches are determined years in advance and the negotiations from these past failures are still being felt by the industry. My bill would provide satellite manufacturers with an additional 2 years—for a total of 5 years—to launch their satellites without the builders sacrificing the bond or suffering the implication that the launch will be delayed as long as the delay was not fault of their own.

Mr. Chairman, if enacted, my reform of TIB will ease the burden on those manufacturers who face harsh penalties for no fault of their own. I am grateful that General Electric's astro-space division in East Windsor, NJ, brought this situation to my attention. While passage of my measure will provide substantial benefits to a local constituent, I see broad positive implications from this legislation.

According to a statement submitted to the House Subcommittee on Trade in support of my bill, the added time to launch or reexempt commercial satellites will enable satellite manufacturers to purchase the critical parts in larger quantities, thereby taking advantage of the reduced cost of such quantities. Dr. Lawrence R. Greenwood, then-division vice president and general manager of astro-space said, "The ability to purchase at lower cost in quantity would make it possible to manufacture satellites more competitive in the world market, with positive effects on the balance of trade."

Among other satellite makers, Loral Corp. has expressed support for my measure. Mr. Chairman, the benefits provided by passage of my legislation will clearly enhance the economic strength of U.S. commercial satellite firms in an increasingly competitive world market. I urge approval of this bill without further delay.

Mr. GALLO. Mr. Chairman, I will vote against H.R. 5100, the Trade Expansion Act of 1992, because I firmly believe that it would result in the exact opposite of what its title would suggest.

Over the course of the last 3 years, the United States has recaptured our position as the world's largest exporter, with over $610 billion in exports projected this year. Exports fuel 75 percent of our economic growth. We should not abandon the policies that have led to this success. I recognize, as some of my colleagues have pointed out, that we have a way to go in our trade relationship with some countries, especially Japan. For example, there is no doubt that our automobile industry is hurting because they are playing on an uneven playing field.

But we have made progress over the last 3 years. Our exports to Japan have risen nearly 25 times faster than our imports. We should not tie the hands of our negotiators who do not want us to resort to the kind of protectionism that will result in retaliatory measures that would hurt American jobs and exports.

Enactment of this bill would hurt U.S. economic growth at home. Our economy benefits significantly from exports—exports that would shrink if we adopted the protectionist, retaliatory stance that this legislation represents. Each billion dollars in exports supports 20,000 American jobs—jobs we need here at home.

Among the leading New Jersey job sectors that will be subject to retaliatory trade action are our chemical products industry, our computer and industrial machinery industry, our electric and electronic equipment industry, and our scientific and measuring equipment industry. These four sectors account for more than $6 billion in exports from New Jersey every year.

During my 8 years in Congress, I have worked hard to help small and medium businesses increase their export opportunities. Let's not throw another roadblock in the way of these business people who are trying to expand their opportunities overseas.

As the international economy becomes increasingly interconnected, we must not hurt our competitive position by adopting the protectionist, retaliatory trade strategy represented by this bill. I urge its defeat.

Mr. OAKAR. I rise in support of H.R. 5100, the Trade Expansion Act of 1992. America needs this legislation to combat unfair trading practices and to make a level playing field for global competition.

This bill addresses our main trade problem, our country's trade deficit with Japan. Last year Japan accounted for two-thirds of the United States trade deficit, with the United States-Japan trade deficit of $43.4 billion. Automotives and auto parts make up the largest part—75 percent—of our deficit with Japan.

Our trade deficit with Japan in automobiles and auto parts is having a devastating impact on American workers. One out of every six American workers is employed in a job related to the auto and auto parts industry. The auto industry accounts for 12 percent of our gross national product and is a major consumer of steel, semiconductors, glass, textiles, machine tools, rubber, and other important products.

We must not allow this mainstay of American industry to be destroyed by unfair, predatory practices. The Trade Expansion Act initiates high level negotiations with Japan on automotives and auto parts and makes the United States Trade Representative more responsive to complaints of unfair trading practices by industry groups.

I urge Members to support this legislation.

Mr. RAMSTAD. Mr. Chairman, I rise today in opposition to H.R. 5100, the so-called Trade Expansion Act.

Mr. Chairman, at a time when the United States is engaged in sensitive trade negotiations around the globe, H.R. 5100 sends the wrong message.

Passage of this measure would signal to the world that the United States has given up on the possibility that international agreements can be reached and prosperity and growth can be realized by all nations working to open their markets.

In addition, H.R. 5100 discriminates against American workers in automotive parts transplants—employers or controlled by Americans—pitting one American worker against another.

This kind of blatant discrimination against foreign investment violates a long-standing U.S. policy of nondiscrimination toward foreign investment and discourages future investment. As foreign investment falls, so do the number of American jobs. And because the United States remains the world's largest foreign investor, protectionism is critical that we not provoke foreign governments around the world into trade wars that would destroy jobs.

In my home State of Minnesota, exports generated $6.3 billion for the economy in 1990. Foreign retaliation provoked by H.R. 5100 could jeopardize Minnesota's 170,000 export-related jobs, in industries ranging from computers and electronics to agriculture and paper products. Minnesota is proud of its strong history of exporting and free trade. This bill could destroy that legacy, and vital exporting industries nationwide.

Mr. Chairman, across the country, U.S. exports have almost singlehandedly driven this economy during recent years, accounting for 75 percent of our economy's growth. Passage of H.R. 5100 could result in all-out retaliation by our trading partners, causing them to close their markets to our goods, and destroying this critical component of our economy.

Every $1 billion in exports translates into 20,000 export-related American jobs—jobs that pay 17 percent more per hour than the average United States wage. If Japan and the EC imposed prohibitive tariffs on the five largest surplus sectors in the United States economy, a loss of $35 billion in U.S. exports and 700,000 high wage jobs could result.

Mr. Chairman, this bill is just one more example of politics as usual. My colleagues tout H.R. 5100 as a trade expansion initiative, when the real result would be trade destruction. Destroying trade opportunities eliminates American jobs, not just in export industries, but across the economy, as unemployed workers face truncated purchasing power and the spread of economic stagnation. Lost jobs translate into higher deficits as tax revenues fall and recession-related spending rises. Finally, and perhaps most importantly, these effects translate into a severe blow to our Nation's morale as every family is touched by job losses and economic desperation.

I urge my colleagues to consider the devastating effects of this bill and reject politics as usual. This is not a trade expansion initiative, it's a job destruction plot, at a time when our Nation can least afford it. I strongly urge my colleagues to reject H.R. 5100.

Mr. JONES of North Carolina. Mr. Chairman, the fundamental purpose of H.R. 5100, the Trade Expansion Act of 1992, is to strengthen the United States' international trade position. Title II, the Customs Modernization Act, is one of the most effective tools in the bill for increasing American competitiveness.

Many of the navigation laws that the U.S. Coast Guard and the U.S. Customs Service enforce are almost as old as our country. Eight significant navigation laws, including the basic foreign vessel clearance laws and the laws governing entry and clearance for vessels moving between U.S. ports, were enacted nearly 150 years ago.

The Committee on Merchant Marine and Fisheries played an active role in crafting title
II, because the provisions fall within the committee's jurisdiction over the Coast Guard, common carriers engaged in maritime transportation, and navigation and related laws. Title II would modernize the procedures for enforcing vessel entry, clearance, and movement; it would amend the provisions within the jurisdiction of the Committee on Merchant Marine and Fisheries, including the Act to Prevent Pollution from Ships and certain other laws in the appendix to title 46, United States Code.

The Coast Guard and Customs work under a memorandum of understanding in enforcing these entry and clearance statutes. The Coast Guard has primary enforcement authority for areas outside customs waters while Customs has primary responsibility for shore-side enforcement of customs laws. The two agencies share enforcement responsibility within customs waters.

Under current law, Customs has to enforce obsolete laws that bear no relationship to modern shipping. For example, under present law a vessel master is required to report the number of cannons mounted on a ship to have entered, and Customs is required to examine 1 out of every 10 packages in a shipment. This bill would repeal those unnecessary provisions.

Current law does not reflect technological advances in information resource management that have been made since the laws were enacted in the 1800's. The title would allow the Customs Service to purchase and use modern technology information effectively, such as automated filing system for importers. These information resource management tools would give Customs the ability to gather information, analyze risk, recall data, and send information all over the United States. The title would improve Customs enforcement and allow Customs to handle imported merchandise quickly and efficiently. This streamlined merchandise processing would consequently benefit the private sector.

Finally, Title II would establish penalties for recordkeeping and drawback violations, increase the minimum transaction amount Customers collect from $10 to $20, liberalize the definition of goods qualifying for customs duty drawback, interest to be paid on merchandise revaluations after goods have been entered through Customs.

In summary, it is imperative that Congress give Americans the implements needed to compete effectively in this world market. This bill would also update our statutes, bringing them into the 20th century. It would also allow the Customs Service to use modern technology the United States needs to succeed in a hyper-competitive, complex world economy.

Mr. McGrath. Mr. Chairman, I rise in support of H.R. 5100.

I applaud the hard work of Chairman Rosekowsi and Chairman Giguere in crafting this piece of legislation that will open markets and create jobs. H.R. 5100 strengthens U.S. trade laws and closes loopholes, particularly in the area of antidumping and circumvention.

Unfortunately, our negotiators have tried and failed to achieve our trade goals and it is time to implement legislation that will demand reciprocity from our trading partners.

This legislation also includes provisions that modernize customs procedures by computerizing customs service transactions. It will improve customs enforcement. This is crucial to our global competitiveness.

The Committee on Ways and Means has worked hard to make this a bipartisan bill and I urge you to support this bill, tough but fair, legislation.

Mr. Grady. Mr. Chairman, I rise today in strong opposition to the Gephardt-Levin amendment and the underlying bill, H.R. 5100. The Trade Expansion Act of 1992, as it is required, and the enforcement of the law will harm America's economic interests. This bill is a unilateral attack on the Japanese at a time when we are negotiating with them bilaterally and multilaterally through the Uruguay round of the General Agreement on Tariffs and Trade (GATT).

The administration has been and will continue to negotiate with Japan on market opening measures for autos, auto parts, and rice. All three product areas are covered under the on-going structured impediments initiative, and the market opening section specific [MOS] talks have been expanded to include autos as well as auto parts. Furthermore, Japan's rice policies are currently under intense negotiation at the GATT. Imposing mandatory Super-301 retaliation would not help bring these negotiations to a successful conclusion. Choosing which unfair trade practices to investigate is likely to have an adverse impact on U.S. trade relations. Allowing any interested party to request, and get, the U.S. Trade Representative to investigate alleged abuses will lead to a much more confrontational and unfriendly trading environment, which can only hurt American business and U.S. jobs since America is the world's No. 1 exporter.

The Gephardt-Levin amendment would make H.R. 5100 even worse. The amendment would require the administration to negotiate a Japanese auto import quota of 1.65 million units, which would remain in effect indefinitely. This would raise import prices and Japanese profits, making Japanese auto manufacturers even more competitive. It would also remove needed pressure on U.S. auto manufacturers to improve their products and conduct research and development.

The Gephardt-Levin amendment would also unilaterally impose domestic content requirements on foreign-owned auto manufacturing facilities located here in the United States. This is an unfair requirement which is likely to discourage needed future foreign investment in the United States. With the United States savings rate at drastically low levels, we should be encouraging foreign investment, which creates jobs here in the United States, not imposing restrictions on it.

There are many good parts of the bill which were worked out in a bipartisan manner, like the Customs modernization and the reauthorization of the Customs Service, USITC, and the International Trade Commission, which I support. It is unfortunate that the Democrat leadership chose to put together a partisan package which has no chance of becoming law.

I urge my colleagues to defeat the Gephardt-Levin amendment and H.R. 5100.

Mr. Kolbe. Mr. Chairman, it's an election year, so it must be time for another trade bill. Democrats believe they have an election year issue—and they are willing to clear the decks here in the House to prove it. Despite the need to get spending bills passed to avoid a continuing resolution at the end of the year—another Democrat favorite I should add—we will instead take up a protectionist trade bill on H.R. 5100 which is the same for Americans who are concerned about their jobs.

This bill will snare-oil doled out at the House carnival—guaranteed to cure all the Nation's ills, even while the real cause of our economic solid as low-balling Federal debt—goes unchecked. This bill has been enacted as a Democratic special interests in New York next week, which is the sole reason why we are bringing it up today. But, my friends on the other side of the aisle should be warned, this poison pill will not be swallowed by the American people in November.

This bill will cost American jobs. It will cost jobs for American autoworkers who are proud of their work for Honda of America or at Toyota plants here in the United States. But it will also cost American steelworkers, electrical workers, computer makers, engineers, and others who will suffer as domestic manufacturers protect their prices. And it hurts the people—Americans in this case—who make those goods.

As we emerge from this recession, a driving force has been our increase in exports. Indeed, our export growth during the last few years has been the only part of the economy that has prevented an even deeper recession. Fred Bergsten of the Institute for International Economics recently told Congress that if it weren't for exports, the fourth quarter of 1991 would have been the worst in postwar history.

We are in the midst today of negotiating two landmark trade agreements. The North American Free-Trade and the Uruguay round of the GATT both promise to bolster the United States economic position in the world. A position that has already been enhanced by exports. At $610 billion, the United States is the world's No. 1 exporter. And exports are forecasted to grow even further and projected to account for one-third of U.S. growth over the next 10 years. My colleagues should keep in mind that each billion dollars in exports creates 20,000 jobs. In addition, we have only begun to explore the long-term potential of the new markets opening up in the former Soviet Union and Eastern Europe. The potential to increase our economic standing while at the same time giving a jump-start to budding free market economies around the globe has never been better.

This bill, by mandating Super 301 procedures, by changing antidumping laws and by violating existing GATT agreements, would undermine these possibilities—especially GATT. This bill is the vehicle for the Democrats' self-fulfilling prophecy. Democrats believe the world will fail, therefore, we must pass legislation to guarantee it.

Some 120,000 jobs in my State depend on exports. In Michigan, California, Illinois, Pennsylvania, New York, Ohio, and other States, that figure is many times as large. And yet it is Members from these States who will jump on the protectionist bandwagon in order to
By any measure, the automotive products industry is critical to our economy and the economic well-being of our people. One in every seven jobs is tied to the automotive products industry, which accounts for 4.5 percent of all goods and services produced in the United States. Moreover, the industry supports production and employment in important U.S. industries, consuming 40 percent of all machine tools, 25 percent of glass production, and 20 percent of all computers sold in the United States, among others.

Despite the industry's importance, nearly a decade of inaction has characterized administration policy. What we have had is rhetoric that espouses free trade, but policies that have locked the American auto industry out of Japan's market.

The administration's decade of inaction allowed Japan to rack up ever higher market share gains in the United States while continuing to protect its home market. Japan's market share in 1991 amounted to 3.1 million vehicles, which includes Japanese-owned transplant vehicles in North America—in all, capturing 30 percent of the United States automobile market. That is a fact. The market has not. The industry is designed for a veto as an election device. Therefore, I urge my colleagues to vote against this bill.

Mr. LEWIS of Florida. Mr. Chairman, I rise in opposition to H.R. 5100, the Trade Expansion Act of 1992.

Quite simply, I believe this bill should actually be titled the "Trade and Employment Compromise Act of 1992." Our Nation's economy is largely driven by our exports, and over the past year, the United States has regained its position as the world's No. 1 exporter, with over $600 billion in exports of goods and services this year.

For the past 3 years, almost three-fourths of our economic growth has come from exports, and each $1 billion in exports supports roughly 20,000 jobs, which pay, on average, more than the average U.S. wage. In the case of my State, Florida exports totaled over $16 billion in 1990, and supported over 300,000 jobs. By threatening these exports, we are threatening the very heart of the Nation's, and Florida's, economy.

As many in this House know, I have not been reticent in aggressively criticizing the administration when I believe they are not properly pursuing fair-trade agreements. However, they must be free to do their job, and this legislation denies that right—to the detriment of our economy.

Finally, this legislation violates the Budget Enforcement Act by directing the President to use Congressional Budget Office (CBO) scoring, which, State, Florida exports totaled over $16 billion in 1990, and supported over 300,000 jobs. By threatening these exports, we are threatening the very heart of the Nation's, and Florida's, economy.

In addition, I also oppose the Gephardt amendment for many of these same reasons. This amendment, like the underlying bill, will not achieve its publicly stated goals. It will cost jobs, and harm our economy, and I urge its defeat.

Mr. BONIOR. Mr. Chairman, I rise to express my strong support for H.R. 5100, the Trade Expansion Act of 1992, and the automotive policy amendments being offered here today. This amendment is long overdue.

We must focus on achieving results in our trade with Japan. The automotive policy amendment is one promising result. We should pass it without delay.
H.R. 5100 codifies all trade agreements between the United States and Japan. Rather than obstructing the administration's trade policies, it is simply trying to implement the commitments that the administration received from the Japanese in January.

The provisions of the Gephardt-Levin amendment are another important part of this legislation. I urge my colleagues to support the amendment. This amendment would put into law the voluntary export limit of 1.55 million autos set by Japan on Japanese automobile exports to the United States. It also would require Japanese transplants in the United States to meet their commitment to increase their purchases of United States-made auto parts to 70 percent. Failure to act could jeopardize 600,000 American jobs and result in a $22 billion deficit with Japan in the auto parts sector alone. Failure to act would allow the 300 to 400 Japanese auto parts firms to continue to profit enormously from their business with Japanese transplants in the United States while United States auto parts makers have just 2 percent of the Japanese market.

Mr. Chairman, this is an important first step. I urge my colleagues to support the Gephardt-Levin amendment and to support the bill.

Mr. BACHUS. Mr. Chairman, I rise today in recognition of H.R. 5100. There is much good in the bill. I especially support the customs modernization provisions in the bill, and I commend Mr. GEPHARDT on these and other needed reforms.

My foremost concern is with the timing of this measure. This is the wrong bill at the wrong time. This is simply not the time to lash out at our trading partners, however much they deserve it. After 5 years, we seem finally on the verge of completing the long and exceedingly difficult Uruguay round of multilateral trade negotiations involving the General Agreement on Tariffs and Trade [GATT]. A historic treaty among more than 100 nations may at last be imminent. Passage of this bill now could risk undermining the success of these trade negotiations that are so critical to our economic growth and to the prosperity of the entire world.

"The Economist" recently predicted that approval of the Uruguay round would immediately raise global income by at least $120 billion a year—roughly one-half percent of today's gross world product. Reportedly, the United States would receive $35 billion of this new income. Will this bill produce these liberalizing results? Why risk the tremendous potential benefits of the Uruguay round for American business and American workers for the sake of what is in many ways merely an exercise in legislative ventilation? The success of the Uruguay round is far more important than anything we are likely to achieve as a result of passing this bill.

Furthermore, while we must of course do all we can to fight unfair trade practices and to prevent violations of the Uruguay round, it cannot be the answer to all our problems. In an economy where many American firms have been denied fair access, the fact remains that where our true long-term economic interests are concerned, multilateral trade negotiations are far, far preferable to unilateral actions such as those contemplated by H.R. 5100. We merely try to improve our position by reviewing and, if necessary, adjusting our trade laws when we consider the results of the Uruguay round as well as the results of the ongoing negotiations for a free-trade agreement among the United States, Canada, and Mexico.

Finally, despite its title, I fear that this Trade Expansion Act is really a trade reduction act. This bill will boomerang against U.S. exporters by provoking retaliation by our trading partners.

As a Representative from Florida, I know the importance of exports to the U.S. economy. More than 300,000 jobs in Florida are export-related. Exports generated approximately $16 billion for Florida businesses in 1990. Nationally, exports have accounted for 75 percent of our economic growth since 1988. Each $1 billion in exports supports about $20,000 export-related jobs. And these export-related jobs pay 17 percent more per hour than the average American wage.

We must not forget that even with our trade deficit with Japan, Japan remains America's second largest export market. Furthermore, we have a trade surplus with the European Community. Retaliation by Japan and the EC against the unilateral actions envisioned by H.R. 5100 could be particularly destructive to American agriculture and to aerospace and other high technology sectors at a time when exports alone seem to be propelling our economy. The so-called Trade Expansion Act could and should shrink our economy and shrink our future.

Mr. STOKES. Mr. Chairman, I rise today in support of H.R. 5100, the Trade Expansion Act, which will extend Super 301 trade authority for 5 years, and also toughen our Nation's current antidumping and countervailing duty laws. I also strongly support the Gephardt-Levin amendment, which seeks to codify the agreements reached between the President and the Japanese Prime Minister in their joint statement in November 1991.

In short, these proposals will strengthen the hand of the President in his negotiations with foreign nations to open up markets and ensure free and fair trade worldwide.

I want to take this opportunity to commend the work of the chairman of the Ways and Means Committee, Congressman ROSENKOWSKI, for his work in shepherding this bill to the floor. H.R. 5100 is balanced legislation that will give the administration additional tools to improve the international trading position of the United States, and ensure access for U.S. goods in foreign markets. The gentlemen's efforts to hold this bill together, and bring meaningful, responsible trade legislation to the floor this year, deserves the thanks of all Members of the House.

H.R. 5100 contains a number of provisions to assist U.S. manufacturers to compete on an equal basis in international trade. Reauthorization of Super 301 procedures for 5 years will provide a systematic and ordered policy-making and negotiation framework for reducing foreign trade barriers. In addition, H.R. 5100 includes improvements in our Nation's antidumping and countervailing duty laws, which will help to prevent circumvention of these laws by foreign companies seeking to gain market share in the United States, at the expense of domestic producers.

Mr. Chairman, nowhere is the issue of market access for American products more acute than in United States-Japan trade relations. President Bush traveled to Tokyo this January to meet with the Japanese Prime Minister on the issues of trade relations and the Uruguay round among the United States, Japan, and Mexico.

The Japanese also pledged to produce cars with at least 30 percent domestic content at their transplant operations in the United States by 1994. It is a reasonable amendment which should receive the support of all Members of the House.

At a time when we have just completed enactment of yet another emergency unemployment benefits extension bill, and the announcement that unemployment has jumped to its highest level in more than 8 years, I believe that it is imperative that we pass legislation which will improve the ability of American manufacturers to export their products overseas, and thus employ more Americans to produce these products.

Mr. Chairman, I have listened to many members on the other side of the aisle argue that extending emergency unemployment benefits did not address the causes of unemployment, and therefore would not really help the unemployed worker. Well, to those Members I would say that insuring market access for American goods, and strengthening laws to ensure fair treatment of American goods in foreign markets, is not only one of the key causes of unemployment in recent history. It is also one of our best hopes for reducing the number of unemployed workers in the future. We must ensure that our workers have access to the markets of the world, and that we support and augment our trade negotiations so that American workers are not left behind as other nations move forward.

Mr. Chairman, I would say that when our workers lose their jobs, it is because we have not done our job of ensuring that they have the opportunity to compete in the world market. We need to pass this bill, and we need to pass it together.

Mr. Speaker, I rise in support of H.R. 5100, the Trade Expansion Act. This legislation will help resolve the many important international trade issues we are facing today. With the end of the cold war, I believe international trade is acquiring an increasing importance in our foreign policy decisions. We need to be sure that our trade policies are consistent with our foreign policy goals, and this bill presents a great opportunity to do just that.

The Super 301 provisions of the bill will revitalize the process by which our industries and workers can help prevent and correct unfair trade practices. I have often been frustrated by the inattention of the U.S. Trade...
Representative to foreign trade violations, and this bill will require that office to respond. It is time the USTR acts as an advocate for American business rather than grasping the wheels for foreign competitors to enter our markets.

I also strongly support the Gephardt-Levin amendment which will bring fair trade to the auto industry. It is not radical or protectionist, but simply gives the American workers a level playing field to compete with the Japanese made to President Bush in Tokyo. It will require Japanese transplants to use 70 percent American parts by 1994, as they promised. It also caps Japanese imports at a level the Japanese Government voluntarily established.

I believe this amendment will save jobs in the American auto industry, which is our most important industry in terms of jobs and GNP. Last year the United States accumulated more than a $30 billion auto trade deficit with Japan—a level that has not decreased in 5 years—despite the fact that our industry has made substantial gains in other markets and had a surplus with the European Community.

Our continuing deficits with Japan are a direct result of unfair trading practices which limit access to the Japanese market.

I should also point out that the amendment does nothing to affect the production levels of Japanese transplants and will not negatively impact the thousands of American workers at those plants. There is no reason to fear that the amendment will cause those jobs to be lost among American workers.

I congratulate Mr. Rostenkowski and the members of the Ways and Means Committee for their excellent work on this legislation and Mr. Gephardt and Mr. Levin for their amendment. American industries and workers will greatly benefit from their efforts.

Mr. Sundquist. Mr. Chairman, we have no further requests for time, and I yield back the balance of my time.

Mr. Rostenkowski. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the report will be considered as an original bill for the purpose of amendment, and shall be considered as read.

The text of the committee amendment in the nature of a substitute is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS. (a) SHORT TITLE—This Act may be cited as the "Trade Expansion Act of 1992".

(b) TABLE OF CONTENTS—Sec. 1. Short title: table of contents.

TITLE I—MARKET ACCESS PROVISIONS

Subtitle A—Enforcement of United States Rights Under Trade Agreements and Response to Certain Foreign Trade Practices

Sec. 101. Extension of "Super 301" authority for 5 years.

Sec. 102. Review of the compliance by foreign countries with bilateral trade agreements.

Sec. 103. Increased access of United States rice to foreign countries which adhere to the laws of the Japanese, Korean, and Taiwanese markets.

Sec. 104. Consultations for purposes of preventing certain foreign actions that will become actionable under title III.

Sec. 105. Protection of intellectual property rights under "special 301" provisions.

Sec. 106. Denial of entry of certain reciprocal products.

Sec. 107. Countervailing and antidumping duties.

Subtitle B—International Trade in Motor Vehicles and Motor Vehicle Parts

Sec. 111. Increased access of United States motor vehicles and motor vehicle parts to the Japanese market.

Sec. 112. Foreign-trade zone operations of producers in the motor vehicle and motor vehicle parts industry.

TITLE II—CUSTOMS MODERNIZATION

Sec. 201. Short title.

Sec. 202. Reference:

Subtitle A—Improvements in Customs Enforcement

Sec. 211. Penalties for violations of arrival, reporting, entry, and clearance requirements.

Sec. 212. Failure to declare.

Sec. 213. Customs testing laboratories; detention of merchandise.

Sec. 214. Refusal to provide information.

Sec. 215. Examination of books and witnesses.

Sec. 216. Judicial enforcement.

Sec. 217. Recovery of costs.

Sec. 218. Release of property relating to reliquidation on account of fraud.

Sec. 219. Penalties relating to manifests.

Sec. 220. Unlawful loading or transshipment.

Sec. 221. Penalties for fraud, gross negligence, and negligence; prior disclosure.

Sec. 222. Penalties for false drawback claims.

Sec. 223. Interpretative rulings and decisions; public information.

Sec. 224. Seizure authority.

Subtitle B—National Customs Automation Program

Sec. 231. National Customs Automation Program.

Sec. 232. Drawback and refunds.

Sec. 233. Effective data of rates of duty.

Sec. 234. Definitions.

Sec. 235. Manifests.

Sec. 236. Invoice contents.

Sec. 237. Entry of merchandise.

Sec. 238. Appraisal and other procedures.

Sec. 239. Voluntary reliquidations.

Sec. 240. Appraisement regulations.

Sec. 241. Limitation on liquidation.

Sec. 242. Payment of duties and fees.

Sec. 243. Abandonment and damage.

Sec. 244. Customs officer's immunity.

Sec. 245. Protests.

Sec. 246. Refunds and errors.

Sec. 247. Bonds and other security.

Sec. 248. Customshouse brokers.

Sec. 249. Confirming amendments.

Subtitle C—Miscellaneous Amendments to the Tariff Act of 1930

Sec. 251. Administrative exemptions.

Sec. 252. Report of arrivals.

Sec. 253. Entry of vessels.

Sec. 254. Unlawful return of foreign vessel papers.

Sec. 255. Vessels not required to enter.

Sec. 256. Unlawful prior departure of merchandise.

Sec. 257. Declarations.

Sec. 258. General orders.

Sec. 259. Unclaimed merchandise.

Sec. 260. Subrogation of merchandise.

Sec. 261. Proceeds of sale.

Sec. 262. Entry under regulations.

Sec. 263. American trademarks.

Sec. 264. Range of assessment.

Sec. 265. Customs forfeiture fund.

Sec. 266. Limitation on actions.

Sec. 267. Collection of fees on behalf of other persons.

Sec. 268. Authority to settle claims.

Sec. 269. Use of private collection agencies.

Subtitle D—Miscellaneous Provisions and Consequential and Conforming Amendments to Other Laws

Sec. 281. Amendments to the harmonized tariff schedules.

Sec. 282. Amendment to the Internal Revenue Code of 1986.

Sec. 283. Amendments to title 28, United States Code.

Sec. 284. Amendments to the Revised Statutes of the United States.

Sec. 285. Amendments to title 18, United States Code.

Sec. 286. Amendment to the Act to prevent pollution from ships.

Sec. 287. Amendments to the Act of November 6, 1965.

Sec. 288. Repeal of obsolete provisions of law.

Sec. 289. Reports to Congress.

Sec. 290. Applicability of amendments to entry or withdrawal of goods.

TITLE III—CUSTOMS AND TRADE AGENCY AUTHORIZATIONS FOR FISCAL YEARS 1993 AND 1994

Sec. 301. Customs and trade agency authorizations.

Sec. 302. Customs forfeiture fund.

Sec. 303. Repeal of existing trade statistics monitoring system.

Sec. 304. Fees for certain customs services.

Sec. 305. Customs personnel airport work shift regulations.

TITLE IV—OTHER TRADE PROVISIONS

Subtitle A—NonTariff Provisions

CHAPTER I—MISCELLANEOUS NONTARIFF PROVISIONS

Sec. 401. Market disruption.

Sec. 402. End-use certificates.

Sec. 403. Negotiations on anticompetitive practices.

Sec. 404. Machine tool import arrangements.

Sec. 405. Simplification of certain United States international trade laws.

Sec. 406. Congressional Research Service Special Trade Unit.

Sec. 407. Report regarding secondary Arab League boycott.

CHAPTER II—IMPORT SanCTIONS TO CONTROL NUCLEAR PROLIFERATION

Sec. 411. Short title.

Sec. 412. Imposition of sanctions.

Sec. 413. Definitions.

Subtitle B—Foreign Subsidies and Countervailing and Anti-Dumping Duty Amendments

Sec. 421. Administrative review of determinations.

Sec. 422. Material injury.

Sec. 423. Dual pricing of inputs.

Sec. 424. Report, and access to data, regarding countervailing and anti-dumping duty collections.

Sec. 425. Prevention of circumvention or diversion of anti-dumping and countervailing duty orders.

Sec. 426. Study by the administering authorities on ways to simplify initiation of countervailing and anti-countervailing duty actions.

Sec. 427. Reports by United States Trade Representative on operation of commercial aircraft agreements.

Sec. 428. International trade agreements on countervailing and anti-dumping.

Sec. 429. Trade distorting subsidies by foreign governments.

Sec. 430. Nonmarket economy country antidumping investigations.

Sec. 431. Material injury.

Sec. 432. Threat of injury standard.
"SEC. 306A. REQUESTS FOR REVIEW OF FOREIGN COUNTRIES WITH BILATERAL TRADE AGREEMENTS.

(a) Amendment.--Chapter 1 of title III of the Trade Act of 1974 (19 U.S.C. 2411 et seq.) is amended by inserting after section 306 the following new section:

"SEC. 306A. REQUESTS FOR REVIEW OF FOREIGN COMPLIANCE.

(a) Definitions.--For purposes of this section:

(1) The term "interested person" means any person that has a significant economic interest that is being, or has been, adversely affected by the failure of a foreign country to comply materially with the terms of a trade agreement.

(2) The term "trade agreement" means any bilateral trade agreement to which the United States is a party, except--

(A) the United States-Canada Free-Trade Agreement entered into on January 1, 1988, and

(B) the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel entered into on April 22, 1995.

(b) Request for Review.--

(1) An interested person may request the Trade Representative to undertake a review under this section to determine whether a foreign country is in material compliance with the terms of a trade agreement.

(2) A request for a review of a trade agreement under this section may be made only during--

(A) the 30-day period beginning on each anniversary of the effective date of the trade agreement and

(B) the 30-day period ending on the 90th day before the termination date of the trade agreement, if the first day of such 30-day period occurs not less than 180 days after the last occurring 30-day period referred to in subparagraph (A).

(3) The Trade Representative shall commence a review under this section if the request--

(A) is in writing,

(B) includes information reasonably available to the petitioner regarding the failure of the foreign country to comply with the trade agreement, and

(C) identifies the economic interest of the petitioner that is being adversely affected by the failure referred to in subparagraph (B) and describes the extent of the adverse effect.

(4) If 2 or more requests are filed during any period described in paragraph (2) regarding the same trade agreement of a foreign country, those requests shall be joined in a single review of the trade agreement.

(c) Review.--

(1) If 2 or more requests regarding any trade agreement are received during any period described in subsection (b)(2), then within 90 days after the last day of such period the Trade Representative shall determine whether the foreign country is in material compliance with the terms of the trade agreement.

(2) In making the determination under paragraph (1), the Trade Representative shall take into account--

(A) the extent to which the foreign country has adhered to the commitments it made to the United States;

(B) the extent to which the degree of adherence has achieved the objectives of the agreement; and

(C) any act, policy, or practice of the foreign country, or other relevant factor, that may have contributed directly or indirectly to material noncompliance with the terms of the agreement.

The acts, policies, or practices referred to in subparagraph (C) may include structural policies, tariff or nontariff barriers, or other actions which affect compliance with the terms of the agreement.

(3) In conducting any review under paragraph (1), the Trade Representative may, if the Trade Representative considers such action necessary or appropriate--

(A) consult with the Secretary of Commerce and the Secretary of Agriculture;

(B) seek the advice of the United States International Trade Commission; and

(C) provide an opportunity for the presentation of views by the public.

(d) Action After Affirmative Determination.--

(1) If, on the basis of the review carried out under subsection (c), the Trade Representative determines that a foreign country is not in material compliance with the terms of a trade agreement, the Trade Representative shall determine what action to take under section 301(a).

(2) For purposes of section 301, any determination made under subsection (c) shall be treated as a determination made under section 304.

(3) In determining what action to take under section 301(a), the Trade Representative shall seek to minimize the adverse impact on existing business relations or economic interests of United States persons, including products for which a significant volume of trade does not currently exist.

(e) International Obligations.--Nothing in this section may be construed as requiring actions that are inconsistent with the international obligations of the United States, including the General Agreement on Tariffs and Trade.

(f) Conforming Amendments.--

(1) CONFORMING AMENDMENTS.—Section 309(3)(A) of the Trade Act of 1974 (19 U.S.C. 2419(3)(A)) is amended by striking out "section 302" and inserting "sections 302 and 306(a)(2)".

(2) Section 103 of the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel entered into April 22, 1995, is further amended by inserting after "(a)(B)" the following: "(B) in making a determination under section 301, the Trade Representative shall take into account the following:

(A) the extent to which the foreign country has adhered to the commitments it made to the United States;

(B) the extent to which the degree of adherence has achieved the objectives of the agreement; and

(C) any act, policy, or practice of the foreign country, or other relevant factor, that may have contributed directly or indirectly to material noncompliance with the terms of the agreement.

The acts, policies, or practices referred to in subparagraph (C) may include structural policies, tariff or nontariff barriers, or other actions which affect compliance with the terms of the agreement.

(3) In conducting any review under paragraph (1), the Trade Representative may, if the Trade Representative considers such action necessary or appropriate--

(A) consult with the Secretary of Commerce and the Secretary of Agriculture;

(B) seek the advice of the United States International Trade Commission; and

(C) provide an opportunity for the presentation of views by the public.

(d) Action After Affirmative Determination.--

(1) If, on the basis of the review carried out under subsection (c), the Trade Representative determines that a foreign country is not in material compliance with the terms of a trade agreement, the Trade Representative shall determine what action to take under section 301(a).

(2) For purposes of section 301, any determination made under subsection (c) shall be treated as a determination made under section 304.

(3) In determining what action to take under section 301(a), the Trade Representative shall seek to minimize the adverse impact on existing business relations or economic interests of United States persons, including products for which a significant volume of trade does not currently exist.

(e) International Obligations.—Nothing in this section may be construed as requiring actions that are inconsistent with the international obligations of the United States, including the General Agreement on Tariffs and Trade.

(f) Conforming Amendments.—Section 309(3)(A) of the Trade Act of 1974 (19 U.S.C. 2419(3)(A)) is amended by striking out "section 302" and inserting "sections 302 and 306(a)(2)".

(g) Table of contents--The table of contents of the Agreement on the Establishment of a Free Trade Area relating to chapter 1 of title III is amended by inserting after the item relating to section 304 the following:

"Sec. 304A. Requests for review of foreign compliance."
(D) in an extraordinary case, where the taking of action under this subsection would have an adverse impact on the United States economy, the Secretary may make an affirmative determination of the benefit of such action, taking into account the impact of not taking such action on the credibility of the provisions of this section.

The Trade Representative shall cause to be published in the Federal Register a notice of any determination made under this paragraph.

(3) NOTIFICATION.—The Secretary shall notify the appropriate executive departments or agencies of each denial of entry imposed under the authority of paragraph (1) unless the product is exported from the United States, in accordance with regulations prescribed by the Secretary, within the 90-day period (or such longer period as may be permitted under regulation) after the day on which notice regarding the product is issued under paragraph (3).

(c) REGULATIONS.—The Trade Representative and Secretary shall each prescribe such regulations as are necessary or appropriate to carry out the respective functions given them under this section.

(d) DEFINITIONS.—As used in this section—

(1) The term "Trade Representative" means the Secretary of the Treasury.

(2) The term "Trade Representative" means the United States Trade Representative.

Subtitle B—International Trade in Motor Vehicles and Motor Vehicle Parts

SECTION 111. INCREASED ACCESS OF UNITED STATES MOTOR VEHICLES AND MOTOR VEHICLE PARTS TO THE JAPANESE MARKET.

(a) INITIATION OF "SECTION 301" INVESTIGATION.—Within 45 days after the date of the enactment of this Act, the United States Trade Representative shall initiate an investigation under section 202(b) of the Trade Act of 1974 (19 U.S.C. 2412b(a))(1) regarding all those acts, policies, and practices of Japan, including, but not limited to—

(1) the acts, policies, and practices utilized in the Japanese automotive distribution system;

(2) the toleration of systematic anticompetitive activities by or among private firms (including predatory pricing, "joint" marketing, and="Kettatsu":)

(3) exclusionary business practices; and

(4) tests, requirements and other government regulations that affect the access to the Japanese market of motor vehicles and motor vehicle parts produced by manufacturers, other than those that are Japanese owned or controlled, that are located in the United States (hereafter in this section referred to as "United States manufacturers").

(b) TRADE AGREEMENT.—During the period of the investigation required under subsection (a), the United States Trade Representative shall enter into negotiations with the Government of Japan for the purpose of concluding a trade agreement that—

(1) eliminates or modifies those aspects of the acts, policies, and practices referred to in subsection (a) that act as barriers to the Japanese market for exports of motor vehicles and motor vehicle parts produced by United States manufacturers;

(2) provides for the prompt implementation and enforcement by the Government of Japan of resolution of the United States Trade Representative's Coordination or restriction on United States commerce;

(b) such country has agreed to an immediate solution, that is satisfactory to the Trade Representative, or

(C) such country has agreed to provide compensatory trade benefits that are satisfactory to the Trade Representative, or

b) by amending subsection (c).

SEC. 211. PENALTIES FOR VIOLATIONS OF ARRIVAL, REPORTING, ENTRY, AND CLEARANCE REQUIREMENTS.

Section 436 (18 U.S.C. 1546) is amended—

(1) by striking out "or" at the end of clause (i); and

(c) REPORT IF NEGOTIATIONS UNSUCCESSFUL.—If the negotiations undertaken pursuant to subsection (b) are not successful, the United States Trade Representative shall submit to the Congress a report that—

(1) states in detail the reasons why the negotiations were not successful;

(2) sets forth those actions that will be taken, or will be proposed for congressional consideration, to achieve the objectives sought in the negotiations.

Such report shall be submitted no later than the date by which the determinations under section 301 of the Trade Act of 1974 are required with respect to the investigation initiated under subsection (a).

SEC. 112. FOREIGN-TRADE ZONE OPERATIONS OF MOTOR PRODUCERS IN THE UNITED STATES AND MOTOR VEHICLE AND MOTOR VEHICLE PARTS INDUSTRY.

In the administration of the Act of June 18, 1934 (commonly known as the "Foreign-Trade Zones Act"), the Board established by such Act shall—

(1) review the operations of United States and foreign motor vehicle and motor vehicle parts producers to determine whether the foreign trade zones (including subzones) of such producers have a net positive economic effect on the United States, according to the standards set forth in such Act and the regulations issued by such Board on August 4, 1949 (15 CFR Part 400); and

(2) on the basis of its review, take appropriate action authorized by existing law and regulations, including the possible revocation or modification of a zone or subzone grant, with respect to any products referred to in paragraph (1) that are produced under a foreign trade zone and are determined not to have a net positive effect on the United States economy.

TITLE II—CUSTOMS MODERNIZATION

SEC. 201. SHORT TITLE.

This title may be cited as the "Customs Modernization and Informed Compliance Act".

SEC. 202. REFERENCE.

Whenever in subtitle A, B, or C of this title an amendment or repeal is expressed in terms of an amendment to, or repeal, of a part, section, subsection, or other provision, the reference shall be considered to be made to such part, section, subsection, or other provision of the Tariff Act of 1930 (19 U.S.C. 1202 et seq.).

Subtitle A—Improvements in Customs Enforcement

SECTION 211. PENALTIES FOR VIOLATIONS OF ARRIVAL, REPORTING, ENTRY, AND CLEARANCE REQUIREMENTS.

Section 436 (18 U.S.C. 1546) is amended—

(1) by striking out "or" at the end of clause (i); and

(2) by amending subsection (c)....
(A) by striking "433" in paragraph (1) and inserting "431, 433, or 434 of this Act or section 431 of the Revised Statutes of the United States"; and 
(B) by amending paragraph (2) to read as follows:

"(D) present or transmit, electronically or otherwise, any forged, altered, or false document, paper information, data or manifest to the Customs Service under section 431(e), 433(d), or 434 of this Act or section 431 of the Revised Statutes of the United States (49 U.S.C. App. 91) without revealing the facts; or", and 
(C) by amending paragraph (3) to read as follows:

"(A) to fail to make entry or to obtain clearance as required by section 434 or 436 of this Act, or other security as may be prescribed by the Secretary to assure compliance with all applicable laws, regulations, and instructions which the Secretary or the Customs Service is authorized to enforce until the merchandise has been inspected, appraised, or examined and is reported by the Customs Service to have been truthfully and correctly invoiced and found to comply with the requirements of the laws of the United States; and 
(B) shall require such additional packages or quantities to be sent to such place as is designated by the Secretary for such purpose; and 
(C) shall inspect a sufficient number of shipments, and shall examine a sufficient number of entries, to ensure compliance with the laws enforced by the Customs Service.

SEC. 211. FAILURE TO DECLARE.

Section 491(a) (19 U.S.C. 1898) is amended—
(A) by inserting "and transmitted" after "made" in paragraph (1); (A); and 
(B) by amending paragraph (2)(A) to read as follows:

"(A) if the article is a controlled substance, either $500 or an amount equal to 1,000 percent of the value of the article, whichever amount is greater;

SEC. 212. CUSTOMS TESTING LABORATORIES—DETECTION OF MERCHANDISE.

(a) AMENDMENT.—Section 499 (19 U.S.C. 1899) is amended—
(A) by inserting "by a laboratory accredited by the United States (49 U.S.C. App. 91), or section 1109 of the Federal Aviation Act of 1958 (49 U.S.C. 1109); or", and 
(B) by striking out "and entry" in the section heading and inserting "entry, and clearance".

SEC. 211. REQUIREMENTS OF THE LAWS, REGULATIONS, AND INSTRUCTIONS WHICH THE SECRETARY OR CUSTOMS SERVICE IS AUTHORIZED TO ENFORCE.

"(A) if the article is a controlled substance, either $500 or an amount equal to 1,000 percent of the value of the article, whichever amount is greater; and

SEC. 213. EXAMINATION OF MERCHANDISE.

"(4) AVAILABILITY OF TESTING PROCEDURE, METHODOLOGIES, AND INFORMATION.—Testing procedures and methodologies used by the Customs Service, and information resulting from any testing conducted by the Customs Service, shall be made available as follows:

"(A) such procedures and methodologies shall be made available upon request to any person unless the procedures or methodologies are—

"(i) proprietary to the holder of a copyright or patent; or

"(ii) developed by the Customs Service for enforcement purposes.

"(B) Information resulting from testing shall be made available upon request to the importer of record and any agent thereof unless the information is—

"(i) proprietary to the holder of a copyright or patent; or

"(ii) revealed information developed by the Customs Service for enforcement purposes.

"(C) MISCELLANEOUS PROVISIONS.—For purposes of this subsection—

"(A) any reference to a private laboratory includes a reference to a private gauge; and 

"(B) accreditation of private laboratories extends to the performance of functions by such laboratories that are within the scope of those responsibilities for determinations of the elements relating to admissibility, quantity, composition, or characteristics of imported merchandise that are vested in, or delegated to, the Customs Service.

"(d) DETENTION.—Except in the case of merchandise with respect to which the determination of admissibility is vested in an agency other than the Customs Service, the following apply:

"(1) IN GENERAL.—Within the 5-day period (excluding weekends and holidays) following the date on which merchandise is presented for customs examination, the Customs Service shall decide whether to release or detain the merchandise. The decision to detain merchandise within such 5-day period shall be considered to be detention.

"(2) NOTICE OF DETENTION.—The Customs Service shall issue a notice to the importer or other party having an interest in detained merchandise no later than 5 days, excluding weekends and holidays, after the decision to detain the merchandise is made. The notice shall advise the importer or other interested party of—

"(A) the initiation of the detention; 

"(B) the specific reason for the detention; and 

"(C) the anticipated length of the detention; 

"(D) the nature of the tests or inquiries to be conducted; and 

"(E) the nature of any information, if supplied to the Customs Service, which may accelerate the disposition of the detention.

"(3) TESTING BY ACCREDITED LABORATORIES.—When requested by an importer of record of merchandise, the Customs Service shall authorize the release of a representative sample of the merchandise for testing, at the expense of the importer, by a laboratory accredited under regulations—

"(i) by the Secretary to assure compliance with all applicable laws, regulations, and instructions which the Secretary or the Customs Service is authorized to enforce until the merchandise has been inspected, appraised, or examined and is reported by the Customs Service to have been truthfully and correctly invoiced and found to comply with the requirements of the laws of the United States; and 

"(ii) by the specific reason for the detention; and 

"(iii) the anticipated length of the detention; 

"(iv) the nature of the tests or inquiries to be conducted; and 

"(v) the nature of any information, if supplied to the Customs Service, which may accelerate the disposition of the detention.

"(4) TESTING RESULTS.—Upon request by the importer or other party having an interest in detained merchandise, the Customs Service shall provide the party with copies of the results of any testing conducted by the Customs Service on the merchandise and a description of the testing procedures and methodologies (unless such procedures and methodologies are proprietary to the holder of a copyright or patent or were developed by the Customs Service for enforcement purposes). The results and test description shall be in sufficient detail to permit the duplication and analysis of the testing and the results.

"(b) SEIZURE AND FORFEITURE.—If otherwise provided by law, detained merchandise may be seized and forfeited.

"(1) EFFECT OF FAILURE TO MAKE DETERMINATION.—

"(A) The failure by the Customs Service to make a final determination with respect to the admissibility of merchandise within 30 days after the merchandise has been presented for customs examination, or such longer period if specifically authorized by law, shall be treated as a decision of the Customs Service to exclude the merchandise for purposes of section 51(a)(4).

"(B) For purposes of section 5101 of title 28, United States Code, a protest against the decision to exclude the merchandise which has not been allowed or denied in whole or in part before the 30th day after the day on which the protest was filed shall be treated as having been denied on such 30th day.

"(C) Notwithstanding section 2029 of title 28, United States Code, once an action respecting a
detention is commenced, unless the Customs Service establishes by a preponderance of the evidence that an admissibility decision has not been made in good cause, the court shall grant the appropriate relief which may include, but is not limited to, an order to cancel the detention and release the merchandise.

(b) Except as provided in subsection under section 409(b) of the Tariff Act of 1930 (as added by subsection (a)) is not required for any private laboratory (including any gauger) that was accredited or approved by the Customs Service as of the day before the date of the enactment of this title, but any such laboratory is subject to reaccreditation under the provisions of such section and the regulations promulgated thereunder.

SEC. 514. RECORDKEEPING.

Section 508 (19 U.S.C. 1508) is amended—

(1) by amending subsection (a) to read as follows:

"(a) REQUIREMENT.—Any—

"(1) importer, owner, consignee, consignee of record, entry filer, or other party who—

"(A) imports, files a drawback claim, or transports or stores merchandise carried or held under bond, or

"(B) knowingly causes the importation or transportation or storage of merchandise carried or held under bond or into or from the customs territory of the United States;

"(2) any officer, employee, or agent of any person described in paragraph (1); or

"(3) person whose activities pertain to any such activity, or to the information contained in the documents, records or electronically generated or machine readable data required by this Act in connection with such activity, and

"(B) are normally kept in the ordinary course of business; and

"(c) by amending subsection (c) to read as follows:

"(c) PERIOD OF TIME.—The records required by subsections (a) and (b) shall be kept for such period of time, not to exceed 5 years from the date of entry or exportation, as appropriate, as the Secretary shall prescribe; except that records for any drawback claim shall be kept until the 3rd anniversary of the date of payment of the claim; or

SEC. 515. EXAMINATION OF BOOKS AND WITNESSES.

Section 509 (18 U.S.C. 1509) is amended as follows:

(1) Subsection (a) is amended—

"(A) by striking out "and taxes" wherever it appears and inserting "fees and taxes";

"(B) by inserting "or electronically generated or machine readable data," after "other document, " in paragraph (i);

"(C) by striking out the semicolon at the end of paragraph (i) and inserting "," after that paragraph,

"(A) if such record, statement, declaration, document, or electronically stored or transmitted information or data is required by law or regulation for the entry of the merchandise (whether or not the Customs Service required its presentation at the time of entry), or

"(B) if a person of whom demand is made under subparagraph (A) fails to comply with the demand, the person may be subject to penalty under subsection (g); or

(2) by amending that part of paragraph (2) that precedes subparagraph (D) to read as follows:

"(2) summon, upon reasonable notice—

"(A) the person who—

"(i) imported, or knowingly caused to be imported, merchandise into the customs territory of the United States;

"(ii) exported merchandise, or knowingly caused merchandise to be exported, from the United States;

"(iii) transported or stored merchandise that was or is carried or held under customs bond, or knowingly caused such transportation or storage, or

"(iv) filed a declaration, entry, or drawback claim with the Customs Service;

"(B) any officer, employee, or agent of any person described in subparagraph (A); or

"(C) any person having possession, custody or control of documents, records, or electronically generated or machine readable data relating to the importation or other activity described in subparagraph (A) or (B)

"(3) by striking out the comma at the end of subparagraph (D) and inserting a semicolon.

"(D) by amending subsection (a) to read as follows:

"(a) RECORDKEEPING AUCTION PROCEDURES.—

"(1) In conducting a regulatory audit under this section, the Customs Service auditor shall provide the person being audited, in advance of the audit, with a notice of the estimated or actual termination date for the audit. If in the course of an audit it becomes apparent that additional time will be required, the Customs Service auditor shall provide the person being audited, in advance of the audit, with a further estimate of such additional time.

"(2) Before commencing an audit, the Customs Service auditor shall inform the party to be audited of his right to an entry conference at which time the purpose will be explained and an estimate of the time to be required for the audit. If in the course of an audit it becomes apparent that additional time will be required, the Customs Service auditor shall provide the person being audited with a further estimate of such additional time.

"(3) Except as provided in paragraph (5), if the estimated or actual termination date for an audit passes without the Customs Service auditor receiving a final completion report by the due date, the Customs Service auditor shall provide the person being audited with a written notice of the results of the audit, the person being audited may petition in writing tor such a conference to be held within 15 days after the date of receipt of such notice.

"(4) Except as provided in paragraph (5), the Customs Service auditor shall complete the formal written audit report within 90 days following the close of the audit conference unless the appropriate regional commissioner provides written notice to the person being audited of the reason for any delay and the anticipated completion date. After application of any extension contained in section 552 of title 5, United States Code, a copy of the formal written audit report shall be sent to the person audited no later than 30 days following completion of the report.

"(5) Paragraphs (3) and (4) shall not apply after the Customs Service completes a formal investigation with respect to the issue involved.

"(4) Subsection (d) as redesignated by paragraph (2)(A) is amended—

"(A) by striking out "or documents" in paragraph (1)(A) and inserting "documents, or electronically generated or machine readable data;"

"(B) by inserting "; unless such customs bonded warehouse or bonded area is accredited or approved by the Customs Service;

"(C) by inserting "broker the importer of record on an" after "broker is the importer of" in paragraph (1)(C)(ii);

"(D) by striking out "import" in each of paragraphs (2)(B) and (4)(B);

"(E) by inserting ", fees," after "duties" in paragraph (4)(A).

(5) The following new subsections are added at the end thereof:

"(e) LIST OF RECORDS AND INFORMATION.—The Customs Service shall identify and publish a list of the records or entry information that is required to be maintained and produced under subsection (a)(1)(A).

"(f) RECORDKEEPING COMPLIANCE PROGRAM.—Any, in consultation with the importing community, the Customs Service shall by regulation establish a recordkeeping compliance program which the parties listed in section 1921(f) may participate in toll or with the Customs Service under paragraph (2). Participation in the recordkeeping compliance program by recordkeepers is voluntary.

"(g) CERTIFICATION.—A recordkeeper may be certified as a participant in the recordkeeping compliance program after meeting the general recordkeeping requirements established under the program or after negotiating an alternative program suited to the needs of the recordkeeper and the Customs Service. Certification requirements shall take into account the size and nature of the importing business and the volume of imports. In order to be certified, the recordkeeper must be able to demonstrate that—

"(A) it understands the concepts for recordkeeping, including the nature of the records required to be maintained and produced and the time periods involved;

"(B) it has in place procedures to explain the recordkeeping requirements to those employees that are involved in the preparation, maintenance and production of required records;

"(C) it has in place procedures regarding the preparation and maintenance of required records and the production of such records to the Customs Service;

"(D) it has designated a dependable individual or individuals to be responsible for recordkeeping compliance under the program and whose duties include maintaining familiarity with the recordkeeping requirements of the Customs Service;

"(E) it has a record maintenance procedure approved by the Customs Service for original records, or, if approved by the Customs Service, for alternative records or recordkeeping formats other than the original records; and

"(F) it has procedures for notifying the Customs Service of occurrences of variances to, and violations of, the requirements of the recordkeeping compliance program or the negotiated alternative program, and for taking corrective action when notified by the Customs Service of variances or violations or problems regarding such program.

"(g) PENALTIES.—

"(1) DEFINITION.—For purposes of this subsection, the term 'information' means any record, statement, declaration, document, or electronically stored or transmitted information or data referred to in subsection (a)(1)(A) the following provisions apply:

"(A) If the failure to comply is a result of the willful failure of the person to maintain, store, or retrieve the demanded information, such person shall be subject to a penalty, for each release of merchandise, not to exceed $100,000, or an amount equal to 75 percent of the appraised value of the merchandise, whichever amount is less.

"(B) If the failure to comply is a result of the negligence of the person in maintaining, storing, or retrieving the demanded information, such person shall be subject to a penalty, for each release of merchandise, not to exceed $10,000, or an amount equal to 25 percent of the appraised value of the merchandise.
value of the merchandise, whichever amount is less.

"(C) In addition to any penalty imposed under subparagraph (A) or (B) regarding demanded information, if such information related to the eligibility of merchandise for a column I special rate of duty under title I, the entry of such merchandise—

"(i) if unliquidated, shall be liquidated at the applicable column I general rate of duty; or

"(ii) if liquidated within the 2-year period preceding the date of the demand, shall be reliquidated, notwithstanding the time limitation in section 2528, at the applicable column I general rate of duty; except that any liquidation or reliquidation under clause (i) or (ii) shall be at the applicable column I under this section if the Customs Service demonstrates that the merchandise should be dutiable at such rate.

"(D) REGULATIONS.—The Secretary shall promulgate regulations to implement this paragraph. Such regulations may specify the time periods for compliance under this paragraph and provide guidelines which define repeated violations for purposes of this paragraph. Any repeated violation shall take into account the degree of compliance compared to the total number of importations during the period of the demanded records and the recordkeeper’s cooperation.

SEC. 216. JUDICIAL ENFORCEMENT.

"(A) If a protest is timely and properly filed, and the protestor files a protest within 30 days after the date of the protest, and the protestor timely files a protest with the appropriate district director or the appropriate customs of the United States, the protestor shall have a right to appeal from the denial of the application for further review denied, may set aside the denial of the application for further review and void the denial of protest, if appropriate customs of the United States Service at the time of entry or submitted in response to an earlier demand.

"(B) PENALTIES NOT EXCLUSIVE.—Any penalty imposed under this subsection shall be in addition to any other penalty imposed by law except for—

"(1) a penalty imposed under section 592 for a material omission of the demanded information;

"(2) a penalty imposed under section 392 for a material omission of the demanded information;

"(3) disciplinary action taken under section 614.

"(4) REMISSION OR MITIGATION.—A penalty imposed under section 616 may be remedied or mitigated under section 618.

"(5) CUSTOMS SIMMONS.—Nothing in this subsection shall preclude the Customs Service from issuing, or seeking the enforcement of, a customs summons.

"(6) ALTERNATIVES TO PENALTIES.—In general.—When a recordkeeper that—

"(i) has been certified as a participant in the recordkeeping compliance program under subsection (f); and

"(ii) is generally in compliance with the appropriate procedures and requirements of the program,

"(D) REGULATIONS.—The Secretary shall promulgate regulations to implement this paragraph. Such regulations may specify the time periods for compliance under this paragraph and provide guidelines which define repeated violations for purposes of this paragraph. Any repeated violation shall take into account the degree of compliance compared to the total number of importations during the period of the demanded records and the recordkeeper’s cooperation.

SEC. 216. JUDICIAL ENFORCEMENT.

"(A) If a protest is timely and properly filed, and the protestor files a protest within 30 days after the date of the protest, and the protestor timely files a protest with the appropriate district director or the appropriate customs of the United States, the protestor shall have a right to appeal from the denial of the application for further review denied, may set aside the denial of the application for further review and void the denial of protest, if appropriate customs of the United States Service at the time of entry or submitted in response to an earlier demand.

"(B) PENALTIES NOT EXCLUSIVE.—Any penalty imposed under this subsection shall be in addition to any other penalty imposed by law except for—

"(1) a penalty imposed under section 592 for a material omission of the demanded information;

"(2) a penalty imposed under section 392 for a material omission of the demanded information;

"(3) disciplinary action taken under section 614.

"(4) REMISSION OR MITIGATION.—A penalty imposed under section 616 may be remedied or mitigated under section 618.

"(5) CUSTOMS SIMMONS.—Nothing in this subsection shall preclude the Customs Service from issuing, or seeking the enforcement of, a customs summons.

"(6) ALTERNATIVES TO PENALTIES.—In general.—When a recordkeeper that—

"(i) has been certified as a participant in the recordkeeping compliance program under subsection (f); and

"(ii) is generally in compliance with the appropriate procedures and requirements of the program,
"(2) EXCEPTION.—Clerical errors or mistakes of fact are not violations of paragraph (1) unless they are part of a pattern of negligent conduct. The mere nonintentional repetition by an individual, whether clerical or not, of such a clerical error does not constitute a pattern of negligent conduct.

(b) PROCEDURES.—

(1) AGENCY NOTICE.—If the Customs Service has reasonable cause to believe that there has been a violation of subsection (a) and determines that further investigation is warranted, the Customs Service shall issue to the person concerned a written notice of intent to issue a claim for a monetary penalty. Such notice shall—

(i) specify the factual basis for the alleged violation;

(ii) set forth the details relating to the seeking, inducing, or affecting, or the attempted seeking, inducing, or affecting, or the aiding or procuring of, the drawback claim;

(iii) specify all laws and Regulations allegedly violated;

(iv) disclose all the material facts which establish the alleged violation;

(v) state whether the alleged violation occurred as a result of fraud or negligence;

(vi) state whether the alleged actual or potential loss of revenue resulting from the drawback claim, and taking into account all circumstances, the amount of the proposed monetary penalty; and

(vii) state that if it has a reasonable opportunity to make representations both oral and written, as to why a claim for a monetary penalty should not be issued in the amount stated.

(2) EXCEPTIONS.—The Customs Service may not issue a prepenalty notice if the amount of the penalty in the penalty claim issued under paragraph (1) is $1,000 or less. In such cases, the Customs Service may proceed directly with a penalty claim.

(c) PRIOR APPROVAL.—No prepenalty notice in which the alleged violation occurred as a result of fraud shall be issued without the prior approval of Customs Headquarters.

(2) PENALTY CLAIM.—After considering representations, if any, made by the person concerned pursuant to the notice issued under paragraph (1), the Customs Service shall determine whether any violation of subsection (a), as alleged in the notice, has occurred. If the Customs Service determines that there was no violation, the Customs Service shall promptly issue a written statement of the determination to the person to whom the notice was sent. If the Customs Service determines that there was a violation, Customs shall issue a written penalty claim to such person. The written penalty claim shall specify all laws and Regulations allegedly violated under clauses (i) through (v) of paragraph (2)(A), and the claim shall have a reasonable opportunity under section 618 to make representations, both oral and written, seeking remission or mitigation of the monetary penalty. At the conclusion of any proceeding under section 618, the Customs Service shall provide to the person concerned a written statement which sets forth the final determination, and the findings of fact and conclusions of law on which such determination is based.

(3) MAXIMUM PENALTIES.—

(A) In general.—A negligent violation of subsection (a) is punishable by a civil penalty in an amount not to exceed 20 percent of the actual or potential loss of revenue.

(B) In general.—A negligent violation of subsection (a) is punishable by a civil penalty in an amount not to exceed 20 percent of the actual or potential loss of revenue.

(4) PRIOR DISCLOSURE.—If the person concerned discloses the circumstances of a violation of subsection (a) before or without knowledge of the commencement of a formal investigation of such violation, any monetary penalty to be assessed under subsection (c) shall not exceed an amount equal to the actual or potential loss of revenue of which the United States is or may be deprived if the violation resulted from negligence (computed from the date on which drawback claim was paid at the prevailing rate of interest applied under section 6221 of title 26, United States Code) on the amount of actual loss of revenue of which the United States is or may be deprived to the date on which the overpayment was tendered at the time of disclosure or within 30 days thereafter or such longer period as the Customs Service deems reasonable.

(5) COMMENCEMENT OF INVESTIGATION.—For purposes of this section, a formal investigation of a violation is considered to be commenced with regard to the disclosing party and the disclosed information on the date recorded in written notice by the Customs Service of the commencement of a formal investigation of the Customs Service of its calculation of such overpaid amount. The person asserting lack of knowledge of the commencement of a formal investigation shall have the burden of proving such lack of knowledge.

(6) EXCLUSIVITY.—Penalty claims under this section shall be the exclusive civil remedy for any drawback related violation of subsection (a).

(A) Deprivation of lawful revenue.—Notwithstanding section 514, if the United States has been deprived of lawful duties and taxes resulting from a violation of subsection (a), the Customs Service shall require that such drawback claim be restored whether or not a monetary penalty is assessed.

(B) Drawback compliance program.—If, after consultation with the drawback trade community, the Customs Service establishes a drawback compliance program under section 514, such program in the aggregate or in the event of a single loss of revenue may participate in after being certified by the Customs Service, any monetary penalty to be assessed under subsection (c) shall not exceed an amount equal to the actual or potential loss of revenue of which the United States is or may be deprived if the violation resulted from negligence.

(C) Drawback compliance program.—If, after consultation with the drawback trade community, the Customs Service establishes a drawback compliance program under section 514, such program in the aggregate or in the event of a single loss of revenue may participate in after being certified by the Customs Service, any monetary penalty to be assessed under subsection (c) shall not exceed an amount equal to the actual or potential loss of revenue of which the United States is or may be deprived if the violation resulted from negligence.

(D) Drawback compliance program.—If, after consultation with the drawback trade community, the Customs Service establishes a drawback compliance program under section 514, such program in the aggregate or in the event of a single loss of revenue may participate in after being certified by the Customs Service, any monetary penalty to be assessed under subsection (c) shall not exceed an amount equal to the actual or potential loss of revenue of which the United States is or may be deprived if the violation resulted from negligence.

(E) Drawback compliance program.—If, after consultation with the drawback trade community, the Customs Service establishes a drawback compliance program under section 514, such program in the aggregate or in the event of a single loss of revenue may participate in after being certified by the Customs Service, any monetary penalty to be assessed under subsection (c) shall not exceed an amount equal to the actual or potential loss of revenue of which the United States is or may be deprived if the violation resulted from negligence.

(F) Drawback compliance program.—If, after consultation with the drawback trade community, the Customs Service establishes a drawback compliance program under section 514, such program in the aggregate or in the event of a single loss of revenue may participate in after being certified by the Customs Service, any monetary penalty to be assessed under subsection (c) shall not exceed an amount equal to the actual or potential loss of revenue of which the United States is or may be deprived if the violation resulted from negligence.

(7) ACCOUNTING.—At the conclusion of an investigation, the Secretary shall review the claims submitted to the Secretary and the amounts of the monetary penalties assessed. Such claims shall use generally accepted accounting principles. The Secretary shall also maintain a system of records sufficient to account for all monetary penalties assessed. Such accounts shall be audited by the Comptroller General of the United States at least once every four years. The Secretary shall provide to the Comptroller General any information necessary for the performance of such an audit.

(8) LIMITATION.—No monetary penalty to be assessed under subsection (c) shall exceed the actual or potential loss of revenue.

(A) In general.—No monetary penalty to be assessed under subsection (c) shall exceed the actual or potential loss of revenue.

(B) In general.—No monetary penalty to be assessed under subsection (c) shall exceed the actual or potential loss of revenue.

(C) In general.—No monetary penalty to be assessed under subsection (c) shall exceed the actual or potential loss of revenue.

(D) In general.—No monetary penalty to be assessed under subsection (c) shall exceed the actual or potential loss of revenue.

(E) In general.—No monetary penalty to be assessed under subsection (c) shall exceed the actual or potential loss of revenue.

(F) In general.—No monetary penalty to be assessed under subsection (c) shall exceed the actual or potential loss of revenue.

(9) COURT OF INTERNATIONAL TRADE.—The Secretary shall promulgate regulations and guidelines to implement this section. Such regulations shall specify that a party may appeal the monetary penalty assessed under subsection (c) to the Court of International Trade.
"(2) if the monetary penalty is based on fraud, the United States shall have the burden of proof in the alleged violation by clear and convincing evidence.

"(3) if the monetary penalty is based on negligence, the United States shall have the burden of proof of the alleged violation by a preponderance of the evidence. The alleged violator shall have the burden of providing evidence that the alleged act or omission did not occur as a result of negligence.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to drawback claims filed on and after the nationwide operational implementation of an automated drawback selective program by the Customs Service. The Customs Service shall publish notice of this date in the Customs Bulletin.

SEC. 223. INTERPRETIVE RULINGS AND DECISIONS; PUBLIC INFORMATION.
Section 525 (19 U.S.C. 1625) is amended to read as follows:

"SEC. 525. INTERPRETIVE RULINGS AND DECISIONS; PUBLIC INFORMATION.

"(a) PUBLICATION.—Within 90 days after the date of issuance of any interpretive ruling (including any ruling letter, or internal advice memorandum) or protest review decision under this chapter with respect to any customs transaction, the Secretary shall have such ruling or decision published in the Customs Bulletin and shall make such ruling or decision available for public inspection.

"(b) APPEALS.—A person may appeal an adverse interpretive ruling and any interpretation of a determination made under this chapter to a higher level of authority within the Customs Service for de novo review. Upon a reason­able showing of business necessity, any such appeal shall be considered and decided no later than 60 days following the date on which the appeal is filed. The Secretary shall issue regulations to implement this subsection.

"(c) MODIFICATION AND REVOCATION.—A proposed interpretive ruling or decision which—

"(1) modify (other than to correct a clerical error) or revoke a prior interpretive ruling or decision which has been in effect for at least 60 days or

"(2) have the effect of modifying the treatment previously accorded by the Customs Service to substantially identical transactions; shall be published in the Customs Bulletin. The Secretary shall give interested parties an opportunity to submit, during not less than the 30­day period ending 30 days after the date of publication, comments on the correctness of the proposed ruling or decision. After consideration of any comments received, the Secretary shall publish a final ruling or decision in the Customs Bulletin within 30 days after the closing of the comment period. The final ruling or decision shall become effective 60 days after the date of its publication.

"(d) PUBLICATION OF CUSTOMS DECISIONS THAT LIMIT COURT DECISIONS.—A decision that proposes to limit the application of a court decision shall be published in the Customs Bulletin together with notice of opportunity for public comment thereon prior to a final decision.

"(e) PUBLIC INFORMATION.—The Secretary may make available in writing or through electronic media, in an efficient, comprehensive and timely manner, all information, including directives, memoranda, electronic messages and telexes which contain instructions, requirements, methods or advice necessary for importers and exporters to comply with the applicable laws and regulations. All information which may be made available pursuant to this subsection shall be subject to any exemption from disclosure provided by section 552 of title 5, United States Code.".

SEC. 334. SEIZURE AUTHORITY.
Section 566(c) (19 U.S.C. 1566(c)) is amended to read as follows:

"(c) Merchandise which is introduced or attempted to be introduced into the United States contrary to law shall be treated as follows:

"(1) The merchandise shall be seized and forfeited if it—

"(A) is stolen, smuggled, or clandestinely imported or introduced;

"(B) is a controlled substance, as defined in the Controlled Substances Act (21 U.S.C. 801 et seq.), and is not imported in accordance with applicable regulations;

"(C) is a contraband article, as defined in section (1) of the Act of August 9, 1939 (49 U.S.C. App. 718).

"(2) The merchandise may be seized and forfeited if—

"(A) its importation or entry is subject to any restriction or prohibition which is imposed by law relating to health, safety, or conservation and the merchandise is not in compliance with the applicable rule, regulation, or statute;

"(B) its importation or entry requires a license, permit, or authorization; and

"(C) it is merchandise or packaging in which copyright, trademark, or trade name protection is not otherwise made available to the importer or to the owner of the copyright, trademark, or trade name protection; or

"(D) the importation or entry of such merchandise involves the violation of a court order cited section 43 of such Act of July 5, 1946 (25 U.S.C. 1225).

"(3) If the importation or entry of the merchandise is subject to quantitative restrictions requiring a visa, permit, license or other similar document, or stamp from the United States Government or from a foreign government or issuing authority pursuant to a bilateral or multilateral arrangement, the merchandise shall be subject to detention in accordance with section 499 unless the appropriate visa, permit, or similar document or stamp is presented to the Customs Service; but if the visa, permit, license or similar document or stamp which is presented in connection with the importation or entry of the merchandise is counterfeit, the merchandise may be seized and forfeited.

"(4) If the merchandise is imported or introduced contrary to a provision of law which governs the classification or value of merchandise and there are no issues as to the admissibility of the merchandise into the United States, it shall not be seized except in accordance with section 352.

"(5) If in any case where the seizure and forfeiture of merchandise are required or authorized—

"(A) the remittance under section 618, or any other payment of the merchandise, unless its release would adversely affect health, safety, or conservation be in contravention of a bilateral or multilateral agreement or treaty,

"(B) the Secretary shall give interested parties an opportunity to substantially identical transactions.

"Subtitle B—National Customs Automation Program
SEC. 231. NATIONAL CUSTOMS AUTOMATION PROGRAM.
Part I of title IV is amended—

(1) by striking out

"PART I—DEFINITIONS and inserting

"PART I—DEFINITIONS AND NATIONAL CUSTOMS AUTOMATION PROGRAM

"Subpart A—Definitions; and

(2) by inserting after section 402 the following:

"Subpart B—National Customs Automation Program

SEC. 411. NATIONAL CUSTOMS AUTOMATION PROGRAM.

"(a) ESTABLISHMENT.—The Secretary shall establish the National Customs Automation Program (hereinafter referred to as the Program) which shall be an automated and electronic system for processing commercial importations and shall include the following existing and planned components:

"(1) Existing components:

"(A) The electronic entry of merchandise.

"(B) The electronic entry summary of required information.

"(C) The electronic transmission of invoice information.

"(D) The electronic transmission of manifest information.

"(E) Electronic payments of duties, fees, and taxes.

"(F) The electronic status of liquidation and reliquefication.

"(G) The electronic selection of high risk entries for examination (cargo selectivity and entry summary selectivity).

"(2) Planned components:

"(A) The electronic filing and status of protests.

"(B) The electronic filing (including remote filing) under the Act of August 9, 1939 (49 U.S.C. 1124, 1125, and 1127) of entries with the Customs Service at any location.

"(C) The electronic filing of import activity summary statements and reconciliation.

"(D) The electronic filing of bonds.

"(E) The electronic penalty process.

"(F) The electronic filing of drawback claims.

"(G) Any other component of the Program initiated by the Customs Service after the date of enactment of this section.

"(h) PARTICIPATION IN PROGRAM.—The Secretary shall by regulation prescribe the eligibility criteria for participation in the Program. Participation in the Program is voluntary.

"SEC. 412. PROGRAM GOALS.

"The goals of the Program are to ensure that all regulations and rulings that are administered by the Customs Service are administered and enforced in a manner that—

"(1) is uniform and consistent;

"(2) is minimally intrusive upon the normal flow of business activity as practicable; and

"(3) improves compliance.

"SEC. 413. IMPLEMENTATION AND EVALUATION OF PROGRAM.

"(a) OVERALL PROGRAM PLAN.—

"(1) IN GENERAL.—Before the 180th day after the date of the enactment of this Act, the Secretary shall develop and transmit to the Committees an overall plan for the operation of the Program. The overall Program plan shall set forth—

"(A) a general description of the ultimate configuration of the Program;

"(B) a description of each of the existing components of the Program listed in section 411(a)(1); and

"(C) estimates regarding the stages on which the planned components of the Program listed in section 411(a)(2) will be brought on-line.

"(2) ADDITIONAL INFORMATION.—In addition to the information required under paragraphs (1)(A), (B), and (C), the overall Program plan shall include a statement regarding—

"(A) the extent to which the existing components of the Program currently meet, and the planned components of the Program meet, the goals set forth in section 412; and

"(B) the overall Program plan shall include a statement regarding—
"(B) the effects that the existing components are currently having, and the effects that the planned components will likely have, on Customs Service occupations, operations, processes, and results.

"(b) IMPLEMENTATION PLAN, TESTING, AND EVALUATION.—

(1) IMPLEMENTATION PLAN.—For each of the planned components of the Program listed in subsection (a)(2), the Secretary shall—

(A) develop an implementation plan in consultation with the trade community, including importers, brokers, shippers, and other affected parties;

(B) transmit a report to the Committees on the findings and test the component in order to assess its viability;

(C) evaluate the component in order to assess its contribution toward achieving the program goals; and

(D) transmit to the Committees the implementation plan, the testing results, and an evaluation report.

(2) IMPLEMENTATION.—The Secretary may implement on a permanent basis any Program component referred to in paragraph (1) on or after the 60th day after the date on which paragraph (1)(D) is completed with.

(3) EVALUATION AND REPORT.—The Secretary shall—

(A) develop a user satisfaction survey of parties participating in the Program;

(B) evaluate the results of the user satisfaction survey on a biennial basis (fiscal years) and periodically update the survey by no later than the 90th day after the close of each biennial fiscal year; and

(C) with respect to the existing Program component listed in section 411(a)(1)(F) transmit to the Committees—

(i) a written evaluation of such component between the 180th day after the date of the enactment of this section and before the implementation of the planned Program components listed in section 411(a)(2) (B) and (C), and

(ii) a report on such component for each of the 3 fiscal years occurring after the date of the enactment of this section, which report shall be transmitted not later than the 90th day after the close of each such year.

(c) COMMITTEES.—For purposes of this section, the term "Committees" means the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

SEC. 414. REMOTE LOCATION FILING.

(a) CORE INFORMATION.—

(1) IN GENERAL.—A Program participant may file an electronic entry with the Customs Service from a location other than the district designated in the entry for examination (herein- after in this section referred to as a "remote location") if—

(A) the Customs Service is satisfied that the participant that is eligible under paragraph (1) to file a paper entry of merchandise from a remote location may, if the Customs Service is satisfied that the participant meets the requirements under paragraph (2), also electronically file a remote entry.

(B) ALTERNATIVE FILING.—If the Customs Service is satisfied that the participant meets the requirements under paragraph (2), the Program participant may file an entry of merchandise with the Customs Service from a location other than the district designated in the entry for examination referred to in subsection (d).

(2) REQUIREMENTS.—The Secretary shall publish, and periodically update, a list of those capabilities within the existing and planned components that a participant must have for purposes of this subsection.

(b) ADDITIONAL INFORMATION.—

(1) IN GENERAL.—A Program participant that is eligible under subsection (a) to file an electronic entry at a remote location may, if the Customs Service is satisfied that the participant meets the requirements under paragraph (2), also electronically file from the remote location any additional information that is required by the Customs Service to be presented before, and including, the acceptance by the Customs Service of an electronic entry.

(2) REQUIREMENTS.—The Secretary shall publish, and periodically update, a list of those capabilities within the existing and planned components that a participant that is eligible under paragraph (1) to file an electronic entry may, if the Customs Service is satisfied that the participant meets the requirements under paragraph (2), also electronically file from the remote location any additional information that is required by the Customs Service to be presented before, and including, the acceptance by the Customs Service of an electronic entry.

(c) POST-ENTRY INFORMATION.—A Program participant who is eligible to file electronically an entry summary information for an entry—

(1) shall transmit a report to the Committees on the findings and conclusions from the electronic entry summary of required information;

(2) shall electronically file from the remote location any report that is required to be filed by the Secretary after entry summary or destruction of the imported merchandise;

(3) shall file the same information under this paragraph or any other provision of law or any combination thereof, exceed 99 percent, shall be refunded as drawback.

(4) POST-ENTRY SUMMARY INFORMATION.—A Program participant who is eligible to file electronically an entry summary information under subsection (a) and additional information under subsection (b) from a remote location designated in the entry for examination shall transmit to the Committees—

(i) a written evaluation of such component between the 180th day after the date of the enactment of this section and before the implementation of the planned Program components listed in section 411(a)(2) (B) and (C), and

(ii) a report on such component for each of the 3 fiscal years occurring after the date of the enactment of this section, which report shall be transmitted not later than the 90th day after the close of each such year.

(d) COMMITTEES.—For purposes of this section, the term "Committees" means the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.
(A) the transferred merchandise was not and will not be claimed by the predecessor, and

(B) the predecessor did not and will not issue any certificate to any other person that would enable that person to claim drawback.

(2) DRAWBACK CERTIFICATES.—Any person who issues such a certificate shall be liable for any drawback claim that a person other than the predecessor to whom such certificate is issued shall present to the recordkeeping provisions of this chapter, with the retention period beginning on the date such certificate is issued.

(3) ELIGIBILITY OF ENTERED OR WITHDRAWN MERCHANDISE.—Imported merchandise that has not been regularly entered or withdrawn for consumption shall not be subject for any requirement for use, export, or destruction under this section.

(4) MULTIPLE DRAWBACK CLAIMS.—Merchandise that is exported or destroyed to satisfy any claim for drawback shall not be the basis of any other claim for drawback; except that appropriate credit and deductions for claims covering components or ingredients of such merchandise shall be made in computing drawback payments.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to—

(1) any drawback entry and all documents necessary to a drawback claim, including those issued by one customs officer to another shall be filed or applied for, as applicable, within 3 years after the date of certification or deactivation of the carrier on which drawback is claimed, except that anyolland certificate required by regulation shall be filed within the time limit prescribed in such regulation. Claims not completed within the 3-year period shall be considered abandoned. No extension will be granted unless it is established that a customs officer was responsible for the untimely filing.

(2) A drawback entry for refund filed pursuant to any subsection of this section shall be deemed filed pursuant to any other subsection of this section should it be determined that drawback is not allowable under the entry as originally filed but is allowable under such other subsection.

(b) DESTRUCTION OF MERCHANDISE USED OR POSSESSED BY PREDECESSOR.—(1) Any vessel (a) a drawback successor may designate imported merchandise used by the predecessor before the date of succession as the basis for drawback on artifically manufactured by the drawback successor after the date of succession.

(2) For purposes of subsection (1)(a), a drawback successor may designate imported merchandise upon which the predecessor, before the date of succession, paid the duty, tariff, or fee related to the importation of the merchandise as the basis for drawback on merchandise possessed by the drawback successor after the date of succession.

(c) DESTRUCTION OF MERCHANDISE USED OR POSSESSED BY PREDECESSOR.—(1) Any vessel which is found or kept off the coast of the United States without or without the customs waters, if, from the history, conduct, and character of the vessel, it is impossible to believe that such vessel is being used or may be used to introduce or promote or facilitate the introduction or attempted introduction of merchandise into the United States in violation of the laws of the United States; and

(2) Any vessel which has existed a vessel described in paragraph (1).

(d) By inserting at the end thereof the following new subsections:

(1) The term 'electronics transmission' means the transmission of data or information through an authorized electronic data interchange system consisting of, but not limited to, computer modems and computer networks.

(2) The term 'reconciliation' means the electronic transmission to the Customs Service of—

(A) entry information required for the entry of merchandise, and

(B) entry summary information required for the classification and appraisement of the merchandise, the verification of statistical information, and the determination of compliance with applicable law.

(1) Any vessel which is found or kept off the coast of the United States.

(2) Any vessel which has existed a vessel described in paragraph (1).

(c) By inserting the following new subsections:

(1) The term 'electronics transmission' means the transmission of data or information through an authorized electronic data interchange system consisting of, but not limited to, computer modems and computer networks.

(2) The term 'reconciliation' means the electronic transmission to the Customs Service of—

(A) entry information required for the entry of merchandise, and

(B) entry summary information required for the classification and appraisement of the merchandise, the verification of statistical information, and the determination of compliance with applicable law.
July 8, 1992

CONGRESSIONAL RECORD—HOUSE 18225

document shipments for purposes of customs in­

"(ii) data described in General Headnote 6(c) of the Harmonized Tariff Schedule of the United States,

"(iii) securities and similar evidences of value described in Heading 907 of such Schedule, but not monetary instruments defined pursuant to chapter 33 of title 31, United States Code, and (iv) personal correspondence, whether on paper, cards, photographs, tapes, or other media.

SEC. 236. INVOICE CONTENTS. Section 484 (19 U.S.C. 1481) is amended—

(1) by amending subsection (a)—

(A) by amending the matter preceding para­

graph (1) to read as follows: "IN GENERAL.—All invoices of merchandise to be imported into the United States and any electronic equivalent thereof considered acceptable by the Secretary in regulations prescribed under this section shall set forth, in written, electronic, or such other form as the Secretary shall prescribe, the following:"

(B) by amending paragraph (3) to read as fol­

lows:

"(3) A detailed description of the merchan­

dise, and each article of such merchandise. Such description and each such item is not to exceed the value of the merchandise, and

and

the marks, numbers, or symbols under which such merchandise is imported, together with the marks and numbers of the packages in which the merchan­

dise is packed;", and

(c) IMPORTER PROVISION OF INFORMATION.— Any information required to be set forth on an invoice may alternatively be provided by any of the parties qualifying under section 484(a)(2)(B) by such means, in such form or manner, and within such time as the Secretary shall by regulation prescribe;", and

(2) by inserting after the period at the end of subsection (d) the following:

"(d) IMPORTER OF RECORD.—The Secretary may prescribe, the Customs Service shall set forth such facts in regard to the importation as the Secretary may require and shall be accompanied by such invoices, bills of lading, certificates, and docu­

ments, or their electronically submitted equiv­

lents, as are required by regulation.

(e) PRODUCTION OF INVOICE.—The Secretary may provide by regulation for the production of an invoice, part thereof, or the electronic equivalents thereof, in such manner and form, and under such terms and conditions, as the Secretary considers necessary.

(f) STATISTICAL ENUMERATION.—The Secre­

tary, the Secretary of Commerce, and the United States International Trade Commission shall establish from time to time for statistical purposes an enumeration of articles in such de­

tail as in their judgment may be necessary, com­

prehending all merchandise imported into the United States and exported from the United States, and shall seek, in conjunction with sta­tistical programs for domestic production and programs for achieving international harmoni­

zation of trade statistics, to establish the com­

parability thereof with such enumeration of ar­

ticles. All import entries and export declarations shall include or have attached thereto an accu­

rate statement specifying, in terms of such de­

ailed enumeration, the kinds and quantities of merchandise imported into the United States and the value of the total quantity of each kind of arti­

cle.

(g) STATEMENT OF COST OF PRODUCTION.— Under such regulations as the Secretary may prescribe, the Customs Service may require a verified statement from the manufacturer or pro­
ducer, covering the cost of producing the im­
ported merchandise, if the Customs Service con­

siders such verification necessary for the ap­

propriate customs officer and inserting "The Customs Service".

(h) ADMISSIBILITY OF DATA ELECTRONICALLY TRANSMITTED.—Any entry or other information transmitted by means of an authorized elec­
tronic data interchange system shall be admissi­

ble in any and all administrative and judicial proceedings as evidence of such entry or infor­

mation.

SEC. 238. APPRAISEMENT AND OTHER PROCE­

DURES. Section 501 (19 U.S.C. 1501) is amended—

(1) by striking out "the appropriate customs officer" and inserting "the Customs Service";

(2) by striking out "appraise" in subsection (a) and inserting "fix the final appraisement of";

(3) by striking out "the final", and;

(4) by amending subsection (d) to read as fol­

lows:

"(d) SIGNING AND CONTENTS.—Entries shall be signed by the importer of record, or his agent, unless filed pursuant to an electronic data interchange system. If electronically filed, such transmission of data shall be certified by an im­

porter of record or his agent, one of whom shall be resident in the United States for purposes of the application of the laws of the United States, being true and correct to the best of his knowledge and belief, and

such transmission shall be binding in the same manner and to the same extent as a signed document. The entry shall set forth such facts

in accordance with such regulations as the Secre­

tary may prescribe, the Customs Service shall, or in the event the best of the laws of the

and

in accordance with such regulations as the Secre­

tary may prescribe, and

in accordance with such regulations as the Secre­

tary may prescribe.

SEC. 301. VOLUNTARY RELIQUIDATIONS BY THE CUSTOMS SERVICE.

SEC. 340. APPRAISAL REQUISITIONS.

Section 502 (19 U.S.C. 1502) is amended—

(1) by amending subsection (a)—

(A) by inserting "(including regulations establish­ing procedures for the issuance of binding
SEC. 505. [Sections 505 to 508 are redesignated as sections 506 to 509, respectively.] 1641) is amended—
(1) by striking subsection (a)—
(A) by striking "Except as provided in subsection (b)," and inserting "Unless an entry is extended under subsection (b) or suspended as required by statute or court order, ";
(B) by striking "or" at the end of paragraph (2),
(C) by inserting "or" after the semicolon at the end of paragraph (3), and
(D) by inserting the following new paragraph after paragraph (3):
"(4) If a reclassification is filed, or should have been filed, the date of the filing under section 484 of this title for reclassification should have been filed;";
(2) by amending subsections (b), (c), and (d) to read as follows:
"(b) EXTENSION.—The Secretary may extend the period in which to liquidate an entry (—
(1) the information needed for the proper appraisement or classification of the merchandise, or for computing duties or for computing compliance with applicable law, is not available to the Customs Service; or
(2) the importer of record requests such extension and shows good cause therefor. The Secretary shall give notice of an extension under this subsection to the importer of record and the surety of such importer of record. Notice of the extension shall be in such form and manner (which may include electronic transmission) as the Secretary shall by regulation prescribe. Any entry the liquidation of which is extended under this subsection shall be treated as having been liquidated at the rate of duty, value, quantity, and amount of duty asserted at the time of entry by the importer of record at the expiration of 4 years from the applicable date specified in subsection (a).
(3) NOTICE OF SUSPENSION.—If the liquidation of any entry is suspended, the Secretary shall by regulation require that notice of the suspension be given in such manner as the Secretary considers appropriate, to the importer of record and to any authorized agent and surety of such importer of record.
(4) SUSPENSION FOR COMPLIANCE.—When a suspension required by statute or court order is removed, the Customs Service shall liquidate the entry within 6 months after receiving notice of the removal from the Department of Commerce, other agency, or a court with jurisdiction over the entry. Any entry not liquidated by the Customs Service within 6 months after receiving such notice shall be treated as having been liquidated at the rate of duty, value, quantity, and amount of duty asserted at the time of entry by the importer of record.
SEC. 242. PAYMENT OF DUTIES AND FEES.
(a) AMENDMENT TO SECTION 305.—Section 305 (U.S.C. 1506) is amended to read as follows:
"SEC. 305. PAYMENT OF DUTIES AND FEES.
"(a) DEPOSIT OF ESTIMATED DUTIES, FEES, AND INTEREST.—Unless merchandise is entered for warehouse or transportation, or under bond, the importer of record shall deposit with the Customs Service at the time of making entry, or at such later time as the Secretary may prescribe by regulation, the amount of duties and fees estimated to be payable thereon. Such regulations may provide that estimated duties and fees shall be deposited before or at the time an import activity summary statement is filed. If an import activity summary statement is filed, the estimated duties and fees shall be deposited together with interest, at a rate determined by the Secretary, accruing from the first day of the month the statement is required to be filed until the date such statement is actually filed.
"(b) COLLECTION OR REFUND OF DUTIES, FEES, AND INTEREST.—The Customs Service shall collect any increased or additional duties and fees due, together with interest thereon, or refund any excess moneys deposited, together with interest thereon, as determined on a liquidation or reclassification. Duties, fees, and interest determined to be due upon liquidation or reclassification are due 30 days after issuance of the bill for such payment. Refunds of excess moneys deposited, together with interest thereon, shall be paid within 30 days of liquidation or reclassification.
"(c) INTEREST.—Interest assessed due to an underpayment of duties, fees, or interest shall accrue, at a rate determined by the Secretary, from the date the importer of record is required to deposit estimated duties, fees, and interest to the date of liquidation or reclassification. Interest on excess moneys deposited shall accrue, at a rate determined by the Secretary, from the date the importer of record is required to deposit estimated duties, fees, and interest to the date of liquidation or reclassification of the applicable entry or reclassification. Interest on delinquency—(d) DELINQUENCY.—If duties, fees, and interest determined to be due or refunded are not paid in full within the 30-day period specified in subsection (b), any unpaid balance shall be considered delinquent and bear interest by 30-day periods, at a rate determined by the Secretary, from the date of liquidation or reclassification until the full balance is paid. No interest shall accrue during the 30-day period in which payment is actually made.
"(b) CONFORMING AMENDMENTS.—Subsection (d) of section 520 (U.S.C. 1595(d)) is repealed.
SEC. 243. ABANDONMENT AND DAMAGE.
Section 506 (U.S.C. 1506) is amended—
(1) by striking "the appropriate customs officer" and "such customs officer" wherever they appear and inserting "the Customs Service";
(2) by amending paragraph (1)—
(A) by striking out "not sent to the appraiser's stores for" and inserting "released without an";
(B) by striking out "of the examination package or qualified copy of" and inserting "the appraiser's files";
(C) by striking out "the appraiser's stores" and inserting "the Customs Service"; and
(D) by inserting "or entry" after "invoice";
and
(3) by amending paragraph (2)—
(A) by inserting "electronically or otherwise" after "files"; and
(B) by striking out "written".
SEC. 244. CUSTOMS OFFICER'S IMMUNITY.
Section 513 (U.S.C. 1513) is amended to read as follows—
"SEC. 513. CUSTOMS OFFICER'S IMMUNITY.
"No customs officer shall be liable in any way to any person for or on account of—
"(1) any ruling or decision regarding the appraisement or the classification of any imported merchandise or regarding the duties, fees, and taxes charged thereon;
"(2) the collection of any dues, charges, duties, fees, and taxes on or on account of any imported merchandise, or
"(3) any other matter or thing as to which any person might under this Act be entitled to protest or appeal from the decision of such officer."
to be filed with the Customs Service in furtherance of such activities, whether or not signed or filed by the preparer, or activities relating to the unloading of such merchandise or baggage, and inserting “Customs Service issues a permit for the unloading of such merchandise or baggage at such port.”

**Subtitle C—Miscellaneous Amendments to the Tariff Act of 1930**

**SEC. 249. CONFORMING AMENDMENTS.**

Section 321 (19 U.S.C. 1221) is amended—

(1) by amending subsection (a)(1)—

(A) by striking out “of less than $10” and inserting “of amount specified by the Secretary by regulation, but not less than $20,”; and

(B) by inserting “fees, after “duties” wherever it appears, and

(C) by striking out “and” at the end thereof;

(2) by amending subsection (a)(2)—

(A) by striking out “shall not exceed” and inserting “shall not exceed an amount specified by the Secretary by regulation, but not less than—”;

(B) by striking out “$50” and “$100” in subparagraph (A) and inserting “$100” and “$200”, respectively,

(C) by striking out “$25” in subparagraph (B) and inserting “$200”,

(D) by striking out “$5” in subparagraph (C) and inserting “$200”, and

(E) by striking the period at the end thereof and inserting “; and”;

(3) by inserting a new paragraph (3) at the end of subsection (a) to read as follows:

“(3) so that the collection of duties, fees, and taxes due on entered merchandise when such duties, fees, or taxes are less than $20 or such greater amount as may be specified by the Secretary by regulation;”;

(4) by amending subsection (b)—

(A) by striking out “to diminish any dollar amount specified in subsection (a)” and;

(B) by striking out “such subsection” wherever it appears and inserting “subsection (a)”;

**SEC. 250. REPORT OF ARRIVAL.**

Section 433 (19 U.S.C. 1433) is amended—

(1) by amending subsection (a)(1)—

(A) by striking out “or” at the end of subparagraph (B),

(B) by inserting “or” after the semicolon at the end of subparagraph (C), and

(C) by adding after paragraph (C) the following—

“(D) any vessel which has visited a hovering vessel or received merchandise while outside the territorial sea;”;

(2) by striking out “present to customs officers such” in subsection (d) and inserting “present, transmit, or transmittal, or an electronic data interchange system, to the Customs Service such information, data,”; and

(3) by amending subsection (e) to read as follows:

“(e) PROHIBITION ON DEPARTURES AND DISCHARGE.—Unless otherwise authorized by law, a vessel, aircraft or vehicle arriving in the United States or Virgin Islands may, but only in accordance with regulations prescribed by the Secretary—

(1) depart from the port, place, or airport of arrival; or

(2) discharge any passenger or merchandise (including baggage).”

**SEC. 252. UNLAWFUL RETURN VESSELS.**

Section 434 (19 U.S.C. 1444) amended to read as follows:

“(a) FORMAL ENTRY.—Within 24 hours (or such other period of time as may be provided under subsection (c)(2)) after the arrival at any port or place in the United States of—

(1) any vessel other than a foreign port or place;

(2) any foreign vessel from a foreign port or place;

(3) any vessel of the United States having on board bonded merchandise or foreign merchandise for which entry has not been made; or

(4) any vessel which has visited a hovering vessel or has delivered or received merchandise while outside the territorial sea;

(b) as the Secretary shall prescribe, unless otherwise provided by law, make formal entry at the nearest customs facility or such other place as the Secretary may prescribe by regulation.

(c) REGULATIONS.—The Secretary may by regulation—

(1) prescribe the manner and format in which entry under subsection (a) or subsection (b), or both, must be made, and such regulations may provide that any such entry may be made electronically pursuant to an electronic data interchange system;

(2) provide that—

(A) formal entry must be made within a greater or lesser time than 24 hours after arrival, but in no case more than 48 hours after arrival; and

(B) formal entry may be made before arrival; and

(3) authorize the Customs Service, upon a preliminary entry of any vessel to be made at a place other than a designated port of entry, under such conditions as may be prescribed by the Secretary.

**SEC. 254. VESSELS NOT REQUIRED TO ENTER.**

Section 441 (19 U.S.C. 1441) is amended—

(1) by amending the text preceding paragraph (1) to read as follows: “The following vessels shall not be required to make entry under section 434 or to obtains clearance under section 437 of the Revised Statutes of the United States (46 U.S.C. App. 91);”:

(2) by amending paragraph (3) to read as follows:

“(3) Any vessel carrying passengers on excursion from the United States Virgin Islands to the British Virgin Islands which the master of, and any other person on board, reports the article to the Customs Service immediately upon arrival;”.

(3) by redesignating paragraphs (4) and (6) as paragraphs (5) and (7), respectively, and inserting after paragraph (3) the following:

“(4) Any United States documented vessel with recreational endorsement or any undocumented United States pleasure vessel not engaged in trade, if—

(1) the vessel complies with the reporting requirements of subsection 432, and with the customs and navigation laws of the United States; and

(2) the vessel has not visited any hovering vessel; and

(3) the master of the vessel, if there is on board any article required by law, reports the article to the Customs Service immediately upon arrival;”;

(4) by amending subsections (e), (f) and inserting after paragraph (3) the following:

“(e) the vessel complies with the reporting requirements of subsection 432, and with the customs and navigation laws of the United States; and

(2) the vessel has not visited any hovering vessel; and

(3) the master of, and any other person on board, the vessel, if the master or such person has on board any article required by law to be declared, and any other person on board, reports such article to the Customs Service immediately upon arrival;”;

and

(5) by amending the section heading to read as follows:

**SEC. 255. VESSELS NOT REQUIRED TO ENTER.**
"SEC. 441. EXCEPTIONS TO VESSEL ENTRY AND CLEARANCE REQUIREMENTS."

"SEC. 258. UNLOADING."
Section 448(b)(4) (19 U.S.C. 1448(b)(4)) is amended—
(1) by striking the first sentence;
(2) by striking out "enter" and inserting "enter"; and
(3) by striking out "or electronic data interchange system" after "issued".

"SEC. 259. UNCLAIMED MERCHANDISE."
Section 451 (19 U.S.C. 1451) is amended—
(1) by amending subsection (a)—
(A) by striking out "customs custody for one year;" in the first sentence and inserting "in a bonded warehouse pursuant to section 450 for 6 months;" after "entered" and inserting "in a bonded warehouse pursuant to section 450 for 6 months;" after "entered";
(B) by striking out "public store or bonded warehouse for a period of one year;" in the second sentence and inserting, pursuant to section 450 in a bonded warehouse for 6 months; and
(C) by striking out "estimated duties and storage" in the first sentence and inserting "estimated duties, taxes, fees, interest, storage;" after "duties," wherever it appears, and
(D) by striking out "duties" in the last sentence and inserting "duties, taxes, interest, and fees;" after "duties;"
(2) by redesignating subsection (b) as subsection (c); and
(3) by striking out the following new subsection:

"SEC. 260. DESTRUCTION OF MERCHANDISE."
Section 492 (19 U.S.C. 1492) is amended—
(1) by inserting "$2,500;" after "dues;"
(2) by striking out "by the appropriate customs officer in the Treasury of the United States" and inserting "in the Customs Service;" and
(3) by striking out "such customs officer and inserting "the Customs Service."

"SEC. 261. ENTRY UNDER REGULATIONS."
Section 493 (19 U.S.C. 1493) is amended—
(1) by amending paragraph (1) to read as follows:

"SEC. 262. AMERICAN TRADemarks."
Section 526(e) (19 U.S.C. 1526(e)) is amended—
(1) by striking out "1 year" and inserting "60 days;" after "duties;" and
(2) by striking out "the Customs Service;" and

"SEC. 263. CUSTOMS FORFEITURE FUND."
Section 613A (19 U.S.C. 1613A) is amended—
(1) by amending subsection (a)—
(A) by striking out "appropriate customs officer;" "such officer" and "the customs officer;" where they appear and inserting "the Customs Service;" and
(2) by striking out "the carrier;"
(1) by redesignating subparagraphs (E) and (F) of subsection (a)(3) as subparagraphs (G) and (H), respectively, and inserting the following new subparagraphs—

"(G) the payment of transfer and storage charges and expenses under section 491(c);" and

"(H) the payment of transfer and storage charges and expenses under section 592(d), 593A(d), and 593B(d), as applicable; and"

(2) by inserting "shall" in subsection (d) and inserting "and following thereof and inserting the following new subsection:

"SEC. 281. LIMITATION ON ACTIONS. Section 621 (19 U.S.C. 1621) is amended—

"(a) by inserting "in any duty under section 629(d), or, before 'any pecuniary penalty', "(2) by striking out "discovered," and all that follows thereafter and inserting the following—'

"discovered, except that—'

"(1) in the case of an alleged violation of section 592 or 593A no suit or action may be instituted unless commenced within 5 years after the date of the alleged violation or, if such violation arises out of fraud, within 5 years after the date of discovery of fraud, and"

"(2) the time of the absence from the United States of the property subject to the penalty or forfeiture, or of any concealment or absence of the property, shall not be reckoned within the 5 years referred to in paragraph (1);" and

"SEC. 282. COLLECTION OF FEES ON BEHALF OF OTHER AGENCIES. The Tariff Act of 1930 is amended by inserting after section 629 the following new section:

"SEC. 629. COLLECTION OF FEES ON BEHALF OF OTHER AGENCIES. The Customs Service shall be reimbursed from fees collected for the cost and expense, administrative and otherwise, incurred in collecting any fees on behalf of any government agency for any reason.

"SEC. 283. AUTHORITY TO SETTLE CLAIMS. The Tariff Act of 1930 is amended by inserting after section 629 the following new section:

"SEC. 629A. AUTHORITY TO SETTLE CLAIMS. The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to-'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.

"The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to—'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.

"The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to—'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.

"The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to—'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.

"The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to—'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.

"The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to—'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.

"The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to—'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.

"The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to—'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.

"The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to—'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.

"The Secretary may settle, for not more than $1,000,000, any claim to which the Secretary is subject to—'

"(1) concerns commercial property;

"(2) is presented to the Secretary more than 1 year after it occurs; or

"(3) is presented by an officer or employee of the United States Government and arises within the scope of employment.
Section 284. AMENDMENTS TO THE REVISED STATUTES OF THE UNITED STATES.

(a) ENROLLED OR LICENSED VESSELS.—Section 2753 of the Revised Statutes of the United States (46 U.S.C. App. 111 and 122) is amended by striking out the first semicolon and all the text that follows thereafter and inserting a period.

(b) REGISTERED VESSELS AT FOREIGN PORTS.—Section 3126 of such Revised Statutes (19 U.S.C. 252) is amended—

(1) by striking out “Any vessel, on being duly registered in pursuance of the laws of the United States,” and inserting “Any United States documented vessel with a registry and coastwise clearance requirements”;

(2) by striking out all the text occurring after the first sentence.

(c) CLEARANCE REQUIREMENTS.—Section 4197 of such Revised Statutes (46 U.S.C. App. 81) is amended to read as follows:

“SEC. 4197. CLEARANCE VESSELS:—

(a) WHEN ENROLLED; VESSELS OF THE UNITED STATES.—Except as otherwise provided by law, any vessel of the United States shall obtain clearance from the Customs Service before proceeding from a port or place in the United States—

(1) for a foreign port or place;

(2) for another port or place in the United States if the vessel has on board bonded merchandise or foreign merchandise for which entry has not been made; or

(3) outside the territorial sea to visit a hovering vessel or to receive merchandise while outside the territorial sea.

(b) WHEN REQUIRED; OTHER VESSELS.—Except as otherwise provided by law, any vessel that is not a vessel of the United States shall obtain clearance from the Customs Service before proceeding from a port or place in the United States—

(1) for a foreign port or place;

(2) for another port or place in the United States; and

(3) outside the territorial sea to visit a hovering vessel or to receive or deliver merchandise while outside the territorial sea.

(c) CLEARANCE REQUIREMENTS.—The Secretary of the Treasury may by regulation—

(1) prescribe the manner in which clearance under this section is to be obtained, including the documents, data or information which shall be submitted or transmitted, pursuant to an authorized data interchange system, to obtain the clearance.

(2) permit the Customs Service to grant clearance for a vessel under this section before all requirements for clearance are complied with, but only if the vessel is to proceed to or from a port or place in the United States—

(a) under section 499(b) of the Tariff Act of 1930; or

(b) to permit the Customs Service to grant clearance of any vessel to be obtained at a place other than a designated port of entry, under such conditions as he may prescribe.”.

SEC. 286. AMENDMENTS TO TITLE 18, UNITED STATES CODE.

Section 956(a) of title 18, United States Code, is amended—

(1) by striking out “sections 91, 92, and 94 of Title 46” and inserting “section 431 of the Tariff Act of 1930 (19 U.S.C. 1431) and section 4197 of the Revised Statutes of the United States (46 U.S.C. App. 91)”;

(2) by striking out “the collector of customs for the district wherein such vessel is then located” and inserting “the Customs Service”;

and

(3) by striking out “the collector like” and inserting “in lieu thereof” “the Customs Service like”.

SEC. 286. AMENDMENT TO THE ACT TO PREVENT POLLUTION FROM SHIPS.

Section 956 of the Act to Prevent Pollution from Ships (94 Stat. 2301, 33 U.S.C. 1906(e)) is amended by striking out “shall refuse or revoke” and all of the text following thereafter and inserting “shall refuse or revoke the clearance required by section 4197 of the Revised Statutes of the United States (46 U.S.C. App. 91). Clearance may be granted upon the filing of a bond or other surety satisfactory to the Secretary.”.

SEC. 287. AMENDMENTS TO THE ACT OF NOVEMBER 6, 1966.

Sections 2(e) and 3(e) of the Act of November 6, 1966 (46 U.S.C. App. 417(e) and 418(e)) are each amended—

(1) by striking out “The collector of customs at” and inserting “At”;

and

(2) by inserting “the Customs Service” after “subsection (a) of this section”.

SEC. 288. REPEAL OF OBSOLETE PROVISIONS OF LAW.

(a) REVISED STATUTES.—The following provisions of the Revised Statutes of the United States are repealed:

(1) So much of section 2792 as is codified at 19 U.S.C. 289 and 46 U.S.C. App. 119 and 112 (as in effect on the date of the enactment of this Act).

(2) Section 3111 (19 U.S.C. 282).


(8) Section 3199 (46 U.S.C. App. 94).

(9) Section 4199 (46 U.S.C. App. 93).

(10) Section 4201 (46 U.S.C. App. 96).


(13) So much of section 4211 as is codified at 46 U.S.C. App. 113 (as in effect on the date of the enactment of this Act).

(14) Section 4222 (46 U.S.C. App. 126).


(b) CUSTOMS LAWS.—The following provisions of the Tariff Act of 1930 (19 U.S.C. 201) is amended—

(1) by redesignating subsection (d) as subsection (e), and

(2) by inserting after subsection (c) the following:

“(d) COMPLIANCE PROGRAM.—The Commissioner of Customs shall—

(1) advise and implement a methodology for estimating the level of compliance with the laws administered by the Customs Service; and

(2) include as an additional part of the report required to be submitted under subsection (a) for each of fiscal years 1995, 1996, and 1997, an evaluation of the extent to which such compliance was obtained.”.

SEC. 289. THE CUSTOMS SERVICE.—The provisions of this Act shall take effect—


(2) in paragraph (2) of section 4573 through 4576 (46 U.S.C. App. 1101 et seq.) of the Tariff Act of 1930, on July 1, 1993.
The phrase ‘country with a state-controlled economy’ means—

(A) private property has not been institutionalized,

(B) a legal system to enhance economic efficiency and to specify and enforce property rights has not been institutionalized,

(C) regulatory reform to enhance microeconomic flexibility and economic efficiency has not been institutionalized,

(D) price liberalization and market formation of scarcity prices has not been implemented,

(E) a convertible currency has not been established,

(F) a competitive capital market to allocate savings efficiently has not been implemented,

(G) a labor market strategy to create a highly mobile labor force that can react to price signals has not been implemented.

To the following new subsection is added at the end:

"(f) For the purposes of subsection (e)(2), the President or his designee shall promptly publish a list of all countries determined to be differentiated with state-controlled economies and shall periodically revise the list when considered appropriate.

SEC. 402. END-USE CERTIFICATES.

(a) In General.—The Secretary of Agriculture (hereinafter in this section referred to as the “Secretary”) shall implement a program requiring that end-use certificates be included in the documentation covering the entry into, or the withdrawal from warehouse for consumption in, the customs territory of the United States of any wheat or barley that is a product of any foreign country or instrumentality that requires end-use certificates for imports of wheat or barley that is a product of the United States.

(b) Regulations.—The Secretary shall prescribe such requirements regarding the information to be included in end-use certificates as may be necessary and appropriate to carry out this section.

(c) Producer Protection.—At any time after the close of the 18-month period beginning on the date of the implementation of the program under subsection (a), the Secretary, may, subject to paragraph (2), suspend the operations of such program upon making a determination that the program has directly resulted in—

(A) the reduction of income to United States producers of agricultural commodities;

(B) the reduction of competitiveness of United States agricultural commodities in the world export markets.

(2) Period for Congressional Review.—The Secretary may not suspend the operations of the program established under subsection (a) before the end of the 90-day period beginning on the date on which the report under subsection (d) is submitted to Congress. Such 90-day period shall be computed by excluding the days described in 1540(b)(1) and (2) of the Trade Act of 1974 (19 U.S.C. 2194(b)(1) and (2)).

(d) Report to Congress.—Prior to suspending the operations of the program established under subsection (a), the Secretary shall submit to the Congress a report detailing the determinations necessary to be made under subsection (a) and the reasons for making such determination.
SEC. 403. NEGOTIATIONS ON ANTICOMPETITIVE PRACTICES.

As soon as practicable, the President shall enter into negotiations for the purpose of concluding trade agreements that—

(1) eliminate the adverse effects of private anticompetitive practices on international trade; and

(2) implement the provisions of the Uruguay Round Agreements and the implementing legislation.

SEC. 404. CONGRESSIONAL RESEARCH SERVICE SPECIAL TRADE UNIT.

Within 120 days after the date of the enactment of this Act, the Director of the Congressional Research Service shall make recommendations to the Congress on data and trends in international trade between the United States and foreign countries.

The President shall no later than March 31, 1993, submit to Congress a written report on the status of such negotiations.

SEC. 405. MACHINE TOOL IMPORT ARRANGEMENT.

(a) IN GENERAL.—Section 1501(c) of the Omnibus Trade and Competitiveness Act of 1988 is amended—

(1) by striking "The Secretary of Commerce is authorized to request the Secretary of the Treasury to" in the first sentence of paragraph (1) and substituting "the President shall request that the Secretary of Commerce shall, at the request of the Secretary of Commerce,;"; and

(2) by inserting after the first sentence in paragraph (1) the following new sentence: "Notwithstanding any other provision of law, unless a bilateral agreement is negotiated with Taiwan pursuant to the President's machine tool decision of May 20, 1986," and "and"

(b) SENSE OF CONGRESS.—It is the sense of Congress that any bilateral agreement negotiated with Taiwan pursuant to the President's decision of December 27, 1991, shall be effective for 2 years from the date it is signed.

SEC. 406. SIMPLIFICATION OF CERTAIN UNITED STATES INTERNATIONAL TRADE LAWS.

(a) REPORT.—Before January 1, 1994, the United States International Trade Commission shall prepare and submit to the Congress a report that contains suggested legislative proposals for the simplification and clarification of the United States international trade laws. The objectives that the Commission should seek to achieve in preparing the suggested legislative proposals include, but are not limited to—

(1) the logical arrangement of provisions; (2) the elimination of ambiguous, duplicative, and illogical existing provisions; (3) simplification of language; and (4) no substantive or procedural change from existing provisions.

(b) DEFINITIONS OF INTERNATIONAL TRADE LAWS.—For purposes of subsection (a), the international trade laws of the United States are those laws of the United States (other than the Harmonized Tariff Schedule of the United States) under which tariffs or quantitative or other restrictions may be imposed on imports into the United States, including—

(1) section 1308 of such Act (relating to the imposition of countervailing and antidumping duties), section 337 of such Act (relating to the exclusion of goods found to be subject to, or in violation of, section 337(a) (or any act in importation), section 338 of such Act (relating to the imposition of additional duties in response to discriminatory trade actions by foreign country), and title III of the Trade Act of 1974 (relating to the enforcement of United States rights under trade agreements and responses to certain foreign trade practices).

(c) OTHER SANCTIONS AVAILABLE.—The sanction which may be imposed for activities described in this subsection is in addition to any other sanctions which may be imposed for the same activities under any other provision of law.

SEC. 407. REPORT REGARDING SECONDARY ARAB LEAGUE BOYCOTT.

SEC. 408. SIMPLIFICATION OF CERTAIN UNITED STATES INTERNATIONAL TRADE LAWS.

(a) DEFINITION.—For purposes of this subsection, the term "knowing" means situations in which a person "knows," as "knowing" is defined in section 104 of the Foreign Corrupt Practices Act of 1977 (15 U.S.C. 78dd-2).

(b) CONSULTATION WITH AND ACTIONS BY FOREIGN GOVERNMENT OF JURISDICTION.—

(1) CONSULTATIONS.—If the President makes the determinations described in subsection (a)(1), he shall consult with the appropriate foreign government of jurisdiction to determine if designation or sanctions against that government is appropriate. The President shall consult with the appropriate foreign government of jurisdiction to determine if designation or sanctions against that government is appropriate.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—The President shall impose the sanctions against that government, the President may delay imposition of the sanction pursuant to this section for up to 90 days. Following these consultations, the President shall impose the sanctions against that government unless the President determines and certifies to the Congress that the government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in the activities described in subsection (a)(1).

SEC. 409. REPORT TO CONGRESS ON DEFINITIONS OF SANCTIONS.

(a) REPORT.—The President shall submit to the President, the Speaker of the House of Representatives, the Majority Leader of the Senate, the Majority Leader of the House of Representatives, the Majority Whip of the Senate, and the Majority Whip of the House of Representatives a report on the status of consultations with the appropriate government under this section, and the basis for any determination under paragraph (2) of this subsection such that the President has taken specific corrective actions.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the President, the Speaker of the House of Representatives, and the Majority Leader of the Senate and the Majority Leader of the House of Representatives should consult with the appropriate government under section (a) and such that the President has taken specific corrective actions.

SEC. 410. TERMINATION OF SANCTIONS.

(a) IN GENERAL.—Any sanctions imposed under this section shall cease to be in effect if the President determines and certifies to the President that the actions described in subsection (a)(1) of this section have been taken, or that the activities described in subsection (a)(2) of this section have not been taken.

(b) TERMINATION OF SANCTIONS AGAINST certain Foreign Persons.—Any sanctions imposed under this section shall cease to be in effect if the President determines and certifies to the President that the actions described in subsection (a)(2) of this section have been taken, or that the activities described in subsection (a)(2) of this section have not been taken.
part items designated by the President pursuant to section 309(c) of such Act, and all technical assistance requiring authorization under section 576, of the Atomic Energy Act of 1954;

(3) the term "nuclear energy" means the safeguards set forth in an agreement between a country and the International Atomic Energy Agency, as authorized by Article III (a)(6) of the Statute of the International Atomic Energy Agency;

(4) the term "nuclear explosive device" means any device that is designed to produce an instantaneous release of an amount of nuclear energy from special nuclear material that is greater than the amount of energy that would be released from the combustion of one pound of trinitrotoluene (TNT);

(5) the term "non-nuclear-weapon state" means any country which is not a nuclear-weapon state, as defined by Article II (t) of the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, London, and Moscow on July 1, 1968;

SEC. 412. ADMINISTRATIVE REVIEW OF DETERMINATIONS.-Subsection (b) of section 771(7)(C)(iii) of the Tariff Act of 1930 (19 U.S.C. 1677j(a)) is amended by inserting at the end of such subsection (a), the following: "The review must be completed by the 290th day after the day on which the request for the review was received by the administering authority.".

SEC. 421. MATERIAL INJURY.-Subsection (d) of section 731(b)(1)(B)(vii) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)(4)) is amended by adding at the end of the section the following: "No allowance shall be made to account for changes in input costs that are based on whether the end product made from the input is sold in the home market or exported.".

SEC. 422. STANDARD FOR DETERMINATION.-Subsection (b) of section 731(b)(1)(B)(vii) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)(4)) is amended by adding at the end of the section the following: "The Commission shall establish a standard for determining whether the merchandise subject to countervailing duty order or finding, which are the subject of an order or finding described in paragraph (2), applies, and whether imports into the United States of the parts or components produced in such foreign country have increased after the issuance of such order or finding.

SEC. 423. DUAL PRICING OF INPUTS.-Subsection (a) of section 731(b)(4) of the Tariff Act of 1930 (19 U.S.C. 1677b(a)(4)) is amended by adding at the end the following new sentence: "No allowance shall be made to account for changes in input costs that are based on whether the end product made from the input is sold in the home market or exported.".

SEC. 424. REPORT, AND ACCESS TO DATA, REGARDING COUNTERVAILING AND ANTIDUMPING DUTY COLLECTIONS.-Subsection (a) of section 309(a) of the Tariff Act of 1930 (19 U.S.C. 1671c(a)) is amended by adding at the end the following: "(c) An administrative review of an order or finding of the Commission under this section shall be limited to the period during which the order or finding was in effect.".
(b) MERCHANDISE COMPLETED OR ASSEMBLED IN OTHER FOREIGN COUNTRIES.—Section 771(b) of the Tariff Act of 1930 (19 U.S.C. 1677(b)) is amended to read as follows:

"(1) MERCHANDISE COMPLETED OR ASSEMBLED IN OTHER FOREIGN COUNTRIES.— "(1) In general.—In determining whether merchandise completed or assembled in a foreign country is subject to an antidumping or countervailing duty order or finding and whether to include such merchandise in that order or finding, the administering authority shall consider—

(A) the pattern of trade,

(B) the value and sources of supply of parts or components historically used in completion or assembly of the merchandise subject to an antidumping or countervailing duty order.

(C) whether the manufacturer or exporter of the merchandise is produced in the foreign country that is subsequently imported into the United States, and

(D) whether imports into the foreign country of the merchandise described in paragraph (2)(B) have increased after the issuance of such order or finding.

(2) MERCHANDISE THAT MAY BE INCLUDED IN ORDER OR FINDING.—If—

(A) merchandise imported into the United States is either of the same class or kind or incorporated components thereof of the same class or kind as merchandise produced in a foreign country that is the subject of—

(i) an antidumping duty order issued under section 731, 733, or 735 of the Tariff Act of 1930 (19 U.S.C. 1671ff),

(ii) an antidumping duty order issued under section 731, 733, or 735 of the Tariff Act of 1930 (19 U.S.C. 1671ff) on any final order issued pursuant to recommendations, regarding the modification of standards applicable to the initiation of countervailing and antidumping duty actions in order to make petitioning for such initiations less costly and more accessible for domestic petitioners. In conducting such study, the Secretary and the Commission shall give due consideration to the obligations of the United States under international trade agreements.

SEC. 420. REPORTS BY UNITED STATES TRADE REPRESENTATIVE ON OPERATIONS OF COMMERCIAL AIRCRAFT AGREEMENT.

(a) GENERAL REQUIREMENT.—The United States Trade Representative shall submit to the Congress a report on the operation of the Agreement Concerning the Air Transport Agreement on Trade in Civil Aircraft (in this section referred to as the "Agreement") initiated between the United States and the European Community on December 23, 1966 (19 U.S.C. 1337), amended by the Agreement on Trade in Civil Aircraft (in this section referred to as the Agreement)), entered into between the United States and the European Community on December 23, 1966 (19 U.S.C. 1337), amended by the Agreement on Trade in Civil Aircraft (in this section referred to as the Agreement)), entered into between the United States and the European Community on December 23, 1966 (19 U.S.C. 1337), amended by the Agreement on Trade in Civil Aircraft (in this section referred to as the Agreement)), entered into between the United States and the European Community on December 23, 1966 (19 U.S.C. 1337), amended by the Agreement on Trade in Civil Aircraft (in this section referred to as the Agreement)), entered into between the United States and the European Community on December 23, 1966 (19 U.S.C. 1337),

(1) before the expiration of the 60-day period beginning on the date of the enactment of this Act, and

(2) not later than March 31, 1993, and March 31 of each succeeding year that the Agreement is in effect.

(b) CONTENTS.—Each report required by this section shall describe—

(1) the operation of the Agreement, including—

(A) a full listing of all subsidies or other assistance provided to the aerospace industry, directly or indirectly, by the nations of the European Community that are parties to the Agreement; and

(B) an analysis of any beneficial effect of the Agreement with respect to the United States aerospace industry; and

(2) any subsidies provided by the European Space Agency to Ariane space in the field of commercial launches.

SEC. 421. INTERNATIONAL TRADE AGREEMENTS ON ANTIDUMPING.

It is the sense of the Congress that the President should not enter into or extend any international trade agreement on antidumping requiring changes in United States antidumping laws which would reduce the effectiveness of such laws as a remedy against injurious dumped imports. In this regard, the Congress strongly urges the President to receive carefully the provisions on antidumping contained in the Draft Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations proposed by the Director-General of the General Agreement on Tariffs and Trade on December 21, 1991, and to seek those changes in such provisions that are necessary to maintain and to strengthen the effectiveness of United States antidumping laws, including, but not limited to, changes in the provisions dealing with cumulation of injury and dispute settlement.

SEC. 422. TRADE DISTORTING SUBSIDIES BY FOREIGN GOVERNMENTS.

It is the sense of the Congress that the United States Government should not, as a matter of official policy, negotiate with the governments of foreign countries to lower subsidies provided by the foreign governments of trade distorting subsidies, including development subsidies, that cause material injury to industries in the United States.

SEC. 423. NONMARKET ECONOMY COUNTRY ANTI-DUMPING INVESTIGATIONS.

If, in any antidumping proceeding involving members of a nonmarket economy country, the administering authority finds that the conditions set forth in paragraph (1)(A) and (B) of subsection (c) of section 773 of the Tariff Act of 1930 (19 U.S.C. 1677c(c)(1)(A) and (B)) exist, the administering authority shall determine the foreign market value of such merchandise as prescribed by such subsection (c) on the basis of the value of the production in the appropriate country or countries selected pursuant to paragraph (4) of such subsection (c), if such information is available. To the extent that any final determination made after August 23, 1990 (date of the enactment of the Omnibus Trade and Competitiveness Act of 1990), is contrary to this requirement and is under judicial review on the effective date of this Act, the administering authority shall take appropriate steps to resolve such litigation in accordance with the previous sentence.

SEC. 430. MATERIAl INJURY.

Section 771(T)(C) of the Tariff Act of 1930 (19 U.S.C. 1677(T)(C)) is amended by adding at the end of clause (iv) the following new sentences: "Where actual decline or actual negative effect of dumping is not sufficient to cause injury, the Commission may refuse to order antidumping duties to be assessed provided that the finding is supported by an affirmative determination, the injury is material, the foreign government or companies have not engaged in anti-competitive behavior, and offsetting causes, including countervailing duties, are unavailable."
(B) With respect to review of countervailing duty and antidumping duty actions taken by a signatory to the General Agreement on Tariffs and Trade (GATT) under its national laws, the dispute settlement mechanisms and procedures described in subparagraph (A) shall not apply—

(1) the review of issues that were not properly presented to the investigating authorities for resolution during the administrative proceeding conducted under such laws;

(2) a petition requesting such status for the article is withdrawn, then eligible article status may not be granted to the article under this title any sooner than the end anniversary of the national period during which denial or withdrawal occurred.

SEC. 442. IMPLEMENTATION OF ANNEX D OF THE NAFTOM PROTOCOL.

(a) In GENERAL.—U.S. Note 9 of chapter 98 of the Harmonized Tariff Schedule of the United States is amended as follows:

(1) Paragraph (a) and (b) are amended to read as follows:

(a) For the purposes of subheading 9810.00.60 and its superior text—

(i) the term "scientific" means pertaining to the physical or life sciences and, unless otherwise precluded by the terms of this note, to applied sciences, but excluding therapeutic and diagnostical applications, skills, knowledge or uses pertaining solely to or developed principally for commerce, business, or industrial purposes of commercial exploitation; and

(ii) "the term 'instruments and apparatus' means devices, instruments, machines or similar contrivances specially designed for generating data useful for scientific experimentation or research or for collecting information therefrom, by means of sensing, analysing, measuring, classifying, recording, separating, or similar operations; but the term does not include instruments and apparatus principally used in the production of merchandise, ordinary equipment suitable for use in building construction or maintenance, or equipment or materials of the type used in the supporting activities of the applicant institution or its administrative, eating, residential, or religious facilities.

(6) An institution desiring to enter an article under subheading 9810.00.60 shall make an application for the physical or life sciences and, unless otherwise precluded by the terms of this note, to applied sciences, but excluding therapeutic and diagnostical applications, skills, knowledge or uses pertaining solely to or developed principally for commerce, business, or industrial purposes of commercial exploitation; and

(7) a statement that the instrument or apparatus under this title any sooner than the end anniversary of the national period during which denial or withdrawal occurred.

(b) RELATED AMENDMENTS.—Subchapter X of chapter 98 of such Schedule is further amended—

(1) by striking "Union of Soviet Socialist Republics"; and

(2) by redesignating "this U.S. note" in U.S. Note 1 thereto and inserting "this U.S. note and U.S. note 6 to this subchapter"; and

(3) by amending the article description of subheading 9810.00.60 to read as follows: "Scientific instruments and apparatus, if no instrument or apparatus of equivalent scientifice value for that purpose is being manufactured in the United States, or on appeal from a finding by the Secretary before the United States Court of Appeals for the Federal Circuit, an institution cancels an order for the instrument or apparatus covered by its application, or if it no longer has a firm intention to order such instrument or apparatus, it shall promptly so notify the Secretary or the Court, as the case may require.

(2) Paragraph (j) is repealed.

(3) Paragraphs (c) through (e) are redesignated as paragraphs (e) through (g), respectively, and the following new paragraphs are inserted after paragraph (b):

(c) Notwithstanding U.S. Note 1 to this subchapter, an instrument or apparatus found eligible for duty-free entry under this U.S. note shall not be disqualified on the basis of commercial use.

(d) If the Secretary considers that the instrument or apparatus under this U.S. note, including the burden of proving that no instrument or apparatus of equivalent scientific value for that purpose is being manufactured in the United States.

(4) Paragraph (e) (as redesignated by paragraph (f) of this subchapter) is further amended—

(1) by striking "Union of Soviet Socialist Republics"; and

(2) by redesignating "this U.S. note" in U.S. Note 1 thereto and inserting "this U.S. note and U.S. note 6 to this subchapter"; and

(3) by amending the superior text to subheadings 9810.00.60 through 9810.00.67 to read as follows: "Articles entered for the use of any non-profit institution established for educational or scientific purposes or for the use of any governmental entity;" and

(4) by amending the article description of subheading 9810.00.60 to read as follows: "Scientific instruments and apparatus, if no instrument or apparatus of equivalent scientifice value for that purpose is being manufactured in the United States, or on appeal from a finding by the Secretary before the United States Court of Appeals for the Federal Circuit, an institution cancels an order for the instrument or apparatus covered by its application, or
(b) CERTAIN MOTOR FUEL AND MOTOR FUEL BLENDING STOCK—

<table>
<thead>
<tr>
<th>Description</th>
<th>Free (IL)</th>
<th>Free (CA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor fuel</td>
<td>5.25¢/gal</td>
<td>$1.05/gal</td>
</tr>
<tr>
<td>Motor fuel blending stock</td>
<td>5.25¢/gal</td>
<td>$1.05/gal</td>
</tr>
</tbody>
</table>

(2) STAGED RATE REDUCTIONS.—Any staged rate reduction of a special rate of duty set forth in subheading 2707.50.00 that was proclaimed by the President before the date of enactment of this Act and that takes effect after the date of enactment of this Act shall apply to the corresponding special rates of duty in subheadings 2707.50.10 and 2707.50.20 (as added by paragraph (1)(C)).

(3) AMENDMENTS TO THE TRADE AGREEMENTS UNDER THE GENERAL AGREEMENT ON TARIFFS AND TRADE AGREEMENTS UNDER ANY FREE TRADE AGREEMENT TO WHICH THE UNITED STATES IS A PARTY.—(A) The Superior Text for subheadings 7306.30.30 and 7306.30.50 is amended as follows:

(4) STAGED RATE REDUCTIONS.—Any staged rate reduction of a special rate of duty set forth in subheading 2707.50.10 that was proclaimed by the President before the date of enactment of this Act and that takes effect after the date of enactment of this Act shall apply to the corresponding special rates of duty in subheadings 2706.30.35 and 2706.30.55 (as redesignated by paragraph (1)).

<table>
<thead>
<tr>
<th>Description</th>
<th>Free (E, IL)</th>
<th>Free (A, E, IL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aromatic or modified aromatic:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Linear alkylbenzenesulfonates</td>
<td>3.76¢/kg</td>
<td>15.4¢/kg</td>
</tr>
<tr>
<td>Other</td>
<td>1.2%</td>
<td>15.4¢/kg</td>
</tr>
</tbody>
</table>

(5) AMENDMENTS TO THE TRADE AGREEMENTS UNDER THE UNITED STATES-Canada Free-Trade Agreement.—

<table>
<thead>
<tr>
<th>Description</th>
<th>Free (CA)</th>
<th>Free (CA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Having a wall thickness of 1.65 mm or more, galvanized</td>
<td>15.4¢/kg</td>
<td>15.4¢/kg</td>
</tr>
</tbody>
</table>

(6) WAGE CERTIFICATES ISSUED TO CERTAIN PRODUCERS OF WATCHES AND WATCH MOVEMENTS.—

<table>
<thead>
<tr>
<th>Description</th>
<th>Free (C, E, IL)</th>
<th>Free (C, E, IL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A) Any wage certificate issued to the holder of a certificate that is sold by the holder under subparagraph (h) (I) (19 U.S.C. 1202)</td>
<td>15.4¢/kg</td>
<td>15.4¢/kg</td>
</tr>
</tbody>
</table>
(j) INCREASE IN DUTY-FREE TOURIST ALLOWANCE.-
(1) DUTY-FREE ALLOWANCE FOR RETURNING RESIDENTS.—U.S. Note 4 of subchapter IV of chapter 98 of the Harmonized Tariff Schedule of the United States is amended by inserting "and Bermuda" before the period.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to residents of the United States who arrive in the United States on or after the 15th day after the date of the enactment of this Act.

(a) CERTAIN SWEATERS ASSEMBLED IN GUAM.—
(1) IN GENERAL.—Heading 9902.62.00 of the Harmonized Tariff Schedule of the United States is amended—

(A) by striking "Sweaters that——" and inserting "Sweaters——";

(B) in clause (i), by inserting "that" before "for do not";

(C) in clause (ii)—

(i) by inserting "that" before "are assembled;

(ii) by striking "exclusively" and all that follows through "aliens——";

(iii) by striking the semicolon and inserting a comma;

(D) by inserting after clause (ii) the following:—

"(iii) for which the number of United States citizens, nationals, or resident aliens who perform the assembly operation comprises at least 50 percent of the United States number of assembly production workers; and"

(2) CONDITIONS.—Subchapter II of chapter 99 is amended—

(A) by redesignating subsections (a) and (c) as sections (a) and (c), respectively;

(B) by inserting after section 9902.31.00 the following:

"9902.32.00. Articles assembled by workers paid less than the minimum wage."

(3) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on January 1, 1993.

(b) CUSTOMS TREATMENT OF CERTAIN FABRIC.—

(1) IN GENERAL.—Any fabric wholly of polyacrylonitrile fiber that is entered in paragraph (3) shall be treated as having been exported from the United States in accordance with the temporary importation bond applicable to that entry and all obligations of the Foreign Trade Zones Act (19 U.S.C. 81c(b)), is amended by striking "on or before December 31, 1991" and inserting "on or before December 31, 1994".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on January 1, 1993.

(c) REEXPATRIATION OF COMMUNICATIONS SATELLITE ARTICLES.—

(1) IN GENERAL.—(A) The first sentence of U.S. Note 7 to subchapter XII of chapter 98 of the Harmonized Tariff Schedule of the United States is amended—

(i) by striking "and"

(2) EFFECTIVE DATE.—The amendment made by subparagraph (A) of section 9813.00.05, the time for exportation may be extended for 1 or more further periods which, when added to the initial year, shall not exceed a total of 5 years, but any application for an extension beyond the 3rd year must be accompanied by the importer's certification that the articles are dedicated for incorporation into a communications satellite.

(d) DENIAL OF CHARITABLE DEDUCTION.—No deduction shall be allowed under section 170 of the Internal Revenue Code of 1986 for any donation referred to in paragraph (1)(A).

(2) EXPEDITED MITIGATION OF PENALTY ASSESSMENTS ON REEXPORTS DELAYED BY LAUNCH SYSTEM FAILURES.—Goods imported under heading 9813.00.05 of the Harmonized Tariff Schedule of the United States on or before January 1, 1983, and before the effective date established under subparagraph (A) of section 9813.00.05, which, when added to the initial year, shall not exceed a total of 5 years, but any application for an extension beyond the 3rd year must be accompanied by the importer's certification that the articles are dedicated for incorporation into a communications satellite.

(e) AGREEMENT REQUIREMENTS.—Any agreement entered into under paragraph (1)(B) shall be subject to such terms and conditions as the Secretary of the Treasury considers necessary or appropriate to carry out the purposes of this subsection, including, but not limited to, the following:

(A) With respect to any of the fabrics donated under paragraph (1)(A), the donee organization shall be liable for—

(1) the duty that would have been assessed on the fabric at the time of entry but for the duty-free temporary importation under bond, and

(ii) a penalty in the amount of the duty referred to in clause (i), if the donee organization, at any time before the tenth anniversary of the date of donation—

(1) sells the fabric, or

(2) uses, or permits the use of, the fabric in the production of any article that is sold, or otherwise entered, into commerce.

(B) The donee corporation may, at any time within the 10-year period referred to in subparagraph (A) and under Customs supervision, destroy the fabric or export the fabric from the United States.

(3) AFFECTED ENTRIES.—The entries referred to in subparagraph (1), made at the port of San Diego, California, are as follows:

Entry No.  |
Date of Entry
11-4461-3  | 9/5/90
11-4471-8  | 10/6/90
11-4486-4  | 11/9/90
11-4492-8  | 11/9/90
11-1725-8  | 12/15/90
11-1727-4  | 12/15/90
11-1802-5  | 1/9/91
11-1808-9  | 1/9/91
11-1815-5  | 2/2/91
11-1815-6  | 2/2/91
11-1815-7  | 2/2/91
11-1815-8  | 2/2/91
11-1815-9  | 2/2/91
11-1816-0  | 3/9/91
11-1821-8  | 3/2/91
11-1822-7  | 3/2/91
11-1827-9  | 4/1/91
11-1833-3  | 4/1/91
11-1836-8  | 5/5/91
11-1868-9  | 6/2/91
11-1906-4  | 6/2/91
11-1906-8  | 6/2/91
18237
10/12/90
11-1815-3  | 2/2/91
11-1815-9  | 2/2/91
11-1822-7  | 3/2/91
11-1827-9  | 4/1/91
11-1833-3  | 4/1/91
11-1836-8  | 5/5/91
11-1868-9  | 6/2/91
11-1906-4  | 6/2/91
11-1906-8  | 6/2/91
18237
10/12/90

(1) Personal effects of participants in, officials of, or accredited members of delegations to the XXVI Summer Olympiad or the Cultural Olympiad associated with the XXVI Summer Olympiad, or of immediate families or servants of any of the foregoing persons.

(2) Any article for which entry is sought by participants in, officials of, or accredited members of delegations to the XXVI Summer Olympiad and which is to be used or consumed at or in connection with the Olympiad.

(3) Any article for which entry is sought by participants in, officials of, or accredited members of delegations to the XXVI Summer Olympiad and which is to be used or consumed at or in connection with the Cultural Olympiad.

(4) Subject to regulations prescribed by the Secretary of the Treasury, any other article for which entry is sought for use at or in connection with the XXVI Summer Olympiad.

SEC. 444. COST ESTIMATE. The applicable cost estimate of this Act for all purposes of sections 252 and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes in outlays</td>
<td>Not applicable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in receipts</td>
<td>6</td>
<td>21</td>
<td>21</td>
<td>21</td>
</tr>
</tbody>
</table>

The CHAIRMAN. No amendment to said substitute shall be in order except according to the amendments printed in House Report 102-852. Said amendments shall be considered en bloc, shall be considered as read, shall not be subject to amendment, and shall not be subject to a demand for a division of the question. Debate time specified for the amendments en bloc shall be equally divided and controlled by the proponent of the amendment and a Member opposed thereto.

AMENDMENTS IN BLOC OFFERED BY MR. GEPHARDT.

Mr. GEPHARDT. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc are as follows:

Amendments en bloc offered by Mr. GEPHARDT: Page 20, lines 4 and 5, strike out "a "trade agreement" and insert "as promptly as practicable a comprehensive trade agreement affecting the automotive sector or, if appropriate in order to achieve each of the objectives listed below, two or more trade agreements"

Page 20, line 25, strike out "and". Page 21, strike out lines 8 through 24, inclusive, and insert the following:

Japanese sources in the Japanese market; and

(b) offsets any detrimental impact of the European Community-Japan Automotive Agreement on the United States motor vehicle industry by addressing, to the greatest extent practicable, the problem of excess Japanese motor vehicle manufacturing capacity and committing the Government of Japan to effect annually a voluntary limitation of no more than 1.65 million units which is the voluntary limitation for that Government's fiscal year ending March 31, 1993) on the export of Japanese motor vehicles to the United States for so long as limitations are in effect under the European Community-Japan Automotive Agreement regarding Japanese motor vehicle exports to, and sales within, the European Community.

(3) REPORTS.—The status of negotiations reports under subsection (b). The first such report shall be submitted or before the 90th day after the date of the enactment of this Act and reports shall be submitted thereafter on a 90-day basis for such negotiations are engaged in. The United States Trade Representative shall include in such reports any recommendation for action that the United States Trade Representative considers appropriate in order to achieve each of the purposes of sections 252 and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes in outlays</td>
<td>Not applicable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in receipts</td>
<td>6</td>
<td>21</td>
<td>21</td>
<td>21</td>
</tr>
</tbody>
</table>

(d) MONITORING SYSTEM. The President shall direct the appropriate agency in the executive branch to evaluate the extent to which motor vehicle parts produced by United States manufacturers are—

(A) achieving market share in Japan; and

(B) being utilized by motor vehicle manufacturers located in the United States that are Japanese owned or controlled (hereinafter in this section referred to as "transplant vehicle manufacturers") in meeting the commitment referred to in paragraph (1) regarding increased United States content. The first report required under this paragraph shall be submitted to Congress no later than the 90th day after the date of the enactment of this Act.

(e) ENFORCEMENT. The President shall direct the appropriate agency in the executive branch to enforce the provisions of this Act and report s shall be submitted thereafter on a 90-day basis, for each calendar year after 1992, and an additional report submitted on June 30 of each calendar year after 1992 for the purpose of assuring that the provisions of this Act are being implemented.

(f) TITLE III TREATMENT. The United States Trade Representative consults with the President in order to determine, in accordance with section 301(a)(1)(B) of such Act, whether the monitoring systems of the United States Trade Representative are adequate to achieve the purposes of such Act.

(2) DETERMINATIONS BASED ON REPORTS.—Within 30 days after receiving any report under subsection (d) (or any monitoring report provided under a trade agreement referred to in paragraph (2)(B) of that subsection), the United States Trade Representative shall determine whether each commitment that is addressed in the report is being implemented.

(3) SYSTEM CHARACTERISTICS.—The monitoring system under paragraph (1) shall include procedures for measuring the United States parts content of motor vehicles (whether by model, line, or class) produced by transplant vehicle manufacturers. Such procedures shall be based on the methodologies developed to measure the regional content of motor vehicles under an agreement establishing a North American free trade area.

(4) REPORTS.—The United States agency that administers the monitoring system required under this paragraph shall submit to the United States Trade Representative written reports on the results of such monitoring, including an evaluation of the extent to which the United States content is being achieved and the adequacy of the methodologies and systems developed to measure the regional content of motor vehicles under an agreement establishing a North American free trade area.
the foreign goods or economic sector involved in the act, practice, or policy that is the subject of such action, excluding goods produced by parent corporations of transplant vehicle manufacturers that are in compliance with the commitment referred to in section (d), according increased United States parts content.

(f) CONSTRUCTION—Nothing in this Act may be construed to have the effect of—

(1) terminating or limiting to any extent the production of motor vehicles by transplant vehicle manufacturers; or

(2) limiting or reducing jobs of United States workers at the facilities of such manufacturers.

(g) 5-YEAR EXTENSION OF FAIR TRADE IN AUTO PARTS ACT OF 1988.—Section 2125 of the Fair Trade in Auto Parts Act of 1988 (15 U.S.C. 1704) is amended by striking out "1993" and inserting "1998."

The CHAIRMAN. Pursuant to the rule, the gentleman from Missouri [Mr. GEHRARDT] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

Is the gentleman from Illinois [Mr. CRANE] opposed to the amendment? Mr. CRANE, Yes, I am opposed to the amendment, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois [Mr. CRANE], a co-sponsor of the amendment, will be recognized for 30 minutes.

Mr. GEHRARDT. Mr. Chairman, I yield 4 minutes to begin our debate to Mr. GEPHARDT.

The CHAIRMAN. The gentleman from Michigan [Mr. LEVIN], a co-sponsor of the amendment, will be recognized for 30 minutes.

Mr. LEVIN of Michigan. Mr. Chairman, let us forget the slogans. We are really trying to make money. The second part of our amendment says that the Japanese should live up to the agreement, to the declaration that was issued by President Bush and the Japanese in Tokyo. That is all it says. Live up to it. It places this declaration within the texture of section 301 where the President has full discretion as to what response there would be if they do not live up to it.

It does not limit transplant production, and I want to make this so clear. I come from Michigan. I am proud to be from Michigan, but the motor vehicle industry is a national industry. There is not a single auto assembly plant in my present district. It is a national, national industry, and you say, well, it cannot happen here, that we could lose the No. 1 industry. It has happened with other industries. It could happen here.

This amendment says to America, "Wake up." There is a threat to a major industry. That is what it says. "Wake up."

Vote for the Gephardt-Levin amendment.

Mr. CRANE. Mr. Chairman, I yield 4 minutes to the gentleman from Florida [Mr. GIBBONS], the distinguished chairman of our Subcommittee on Trade.

Mr. GIBBONS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the gentleman from Michigan [Mr. CONTRES] asked a very good question here a while ago: Why can we not sell cars in Japan? The answer is very simple. We never tried.

Years ago I invited the heads of the Big Three to Washington and testify before the Committee on Ways and Means, and I sat for hours with them in my office discussing the problems of the auto industry. Two of the Big Three attended. Mr. Iacocca elected not to. I cannot quote exactly what they told me, but the gist of the conversation, as I remember it, is this: "Our strategy, Mr. GIBBONS, as you know, is to make money. Our strategy as far as the Japanese market is concerned is that it is not a good market for us. We do not have many things in their market. It is not a big market. We prefer to make money in the Japanese market by investing in Japanese auto producers." That was their strategy. Perhaps it has changed. I do not know. They have never come back to tell me that it has changed.

So we have never tried, as far as I am concerned, to sell cars in the Japanese market.

Second, it is obvious that we have never tried to sell cars in the Japanese market, because I think, as all people involved, the Japanese have driven all their lives down the left-hand side of the road, and I do not know of an American manufacturer that is producing a car for the Japanese market. Perhaps there are one or two, but I am not aware of them.

Yes, we have tried to sell parts there. The gentleman from Michigan [Mr. LEVIN] and the gentleman from Ohio [Mr. GLYNN] have done a good job. The American industry has done a good job trying to sell parts in Japan.

But when you look at Japan and you look at America, we are two vastly different countries in the way that we organize our industries. The Japanese industries are organized under their law according to their law and ours are organized and operating under ours, according to our laws.

The Japanese have a lifetime employment. They have long relationships with their suppliers. The suppliers and the lifetime employees work very closely together, and they make a very tight-knit organization.

It is very difficult to penetrate a Japanese organization in Japan because of that. These two countries are very different about the Japanese system. It seems to be highly productive. They do make a good car.

Actions have been brought in this country to limit the number of cars that are sold here, and as you know, just 2 weeks ago, the International Trade Commission turned down a dumping case on the grounds that the American industry, the complaining industry, could not prove that it had been injured by the Japanese imports. The International Trade Commission is a bipartisan group of professionals that looks at the evidence that is presented before it makes its decision. Whether its decision is right or wrong I am not here to complain about.

It made the decision after properly hearing the evidence that was presented to it.

There are many things that we need to do. The Japanese revenue system is
different than ours. The Japanese health care system is different than ours. Those are two things I touched on in my earlier remarks.

The key requirement to make America competitive and do the best we can for trade in this country, is not to adopt this amendment, but it is to adopt a better health care system than we have got here and a better revenue system than we currently operate under.

Mr. GEPHaRDt. Mr. Chairman, I yield 4 minutes to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the President and the Japanese cannot have it both ways. Either the Tokyo accords, reached during the President's visit to Japan last January, are an agreement, or they are not. When one of the President's chief trade officials, Michael Farren, the Under Secretary of Commerce for International Trade, testified on April 8, before the Subcommittee on Commerce, Consumer Protection, and Competition, in my chair, he referred to the January accords as an "agreement *** embraced by the Government of Japan during the President's trip."

Furthermore, Mr. Farren said the most important part of this agreement is Japan's commitment to increase to 70 percent by 1985, the percentage of American-made auto parts used in the cars Japanese auto manufacturers make at their transplant facilities in the United States.

When public reports indicated that perhaps the Japanese were not willing to stand behind the commitments contained in the agreement, the Prime Minister of Japan himself, in meetings with President Bush, dismissed those reports. He said Japan stood fully behind the commitments it made under the United States-Japan Semiconductor Agreement. Under that agreement, Japan is supposed to take actions that would enable United States semiconductor manufacturers to achieve at least a 20-percent market share by the end of this year.

Finally, this amendment authorizes the President to negotiate an agreement that would offset damage to United States automakers from restrictions the European Community has placed on Japanese imports into the European market. Unless the President negotiates such an agreement, the United States market will likely become the place where Japan's surplus auto production will be dumped at unfair prices.

In conclusion, it should be noted that this amendment specifically states that nothing in this proposal shall be construed to limit production of the three Japanese auto transplants operating in our country.

Mr. Chairman, I urge my colleagues to support the Gephardt-Levin amendment so the President will have the means to enforce the agreement he got from Japan.

Mr. CRANE. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. ARCHER], our distinguished ranking minority member of the Committee on Ways and Means.

Mr. ARCHER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the Gephardt-Levin amendment is thinly veiled protectionism for one special interest sector and should be opposed. Despite protests of good intentions, the amendment places an indefinite freeze on automobile imports and establishes a statutory procedure that discriminates against American companies in the transplant field.

The so-called voluntary quota mandated by this bill would be tied to the existence of auto restraints—at any level—in the European Communities. How can such an irrational policy be defended? Are the Europeans to set our standards for competitiveness?

Yes, Japan has offered to voluntarily restrain auto imports as the EC transitions to a unified market. Initial restraints are substantially higher than those applying to the number of cars Japan produces in the market in previous years and will expand each year until they disappear altogether in 1998. There is no domestic content requirement for parts and components and there will be no monitoring of purchases by transplant firms.

The proponents of the Gephardt-Levin amendment mischaracterize the EC program and use it as an excuse to impose protectionist quotas on our market. The United States is not a residual market for autos that cannot be sold in the EC. Japan entered our market with high-quality cars that consumers loved. Japanese auto manufacturers have huge investments in this country and develop their market strategies for American buyers.

Even more nefarious, is the discrimination against workers in transplant firms that is a clear element of the Gephardt-Levin amendment. It establishes a 70-percent domestic content requirement only for transplant firms, while allowing such firms to be 5 percent more competitive and less able to expand U.S. employment. The Big Three would not have to have 70-percent domestic content.

Furthermore, the amendment transforms a good-faith agreement on the part of Japanese auto manufacturers to voluntarily increase their purchases of United States auto parts into a unilateral enforced trust agreement. It sets requirements for compliance on a facility-by-facility basis and imposes mandatory sanctions for violations. The goals of the commitment are put in a straitjacket that will result in failure and retaliation.

Mr. Chairman, this amendment pits one American worker against another, raises prices for consumers and threatens our exports. I urge my colleagues to oppose the Gephardt-Levin amendment.

Mr. GEPHaRDt. Mr. Chairman, I yield 3 minutes to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Missouri [Mr. GEPHaRDt] and the gentleman from Michigan [Mr. LEVIN], and in support of H.R. 5100.

I think it should be noted that the amendment offered by the gentleman from Missouri does not limit any import cars from Japan. The 1.65 million unit limit is the very same limit that is accepted voluntarily by Japan under the voluntary restraint agreement, and which has been agreed to by the President at the Tokyo level, competitive settings which occurred earlier this year.

Also, the amendment does not affect Japanese transplants so long as they produce cars that have 70 percent domestic content. And I do not think that is an unlikely or unreachable goal for them to achieve.
Mr. Chairman, I rise in support of the Gephardt amendment. It is a good amendment. It is a good amendment.

Mr. GEPHARDT. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. KILDEE] who has been very active on this legislation.

Mr. KILDEE. Mr. Chairman, I rise today to express my strong support for the Gephardt amendment of which I am a cosponsor.

The Gephardt amendment is important to our Nation's economic security. This legislation goes a long way toward giving American automakers a fair chance at cracking the closed Japanese market. It has reached a point today, where United States auto suppliers are effectively prevented from selling to Japanese transplant even here in the United States.

Mr. Chairman, I have long argued that our Government must have a strong industrial policy—a policy that helps American industries better compete in the international marketplace.

The auto industry is an industry that affects virtually every district in the country. American automakers are major purchasers of textiles, steel, and semiconductors. The jobs created by the auto industry are good paying jobs. The loss of these jobs that are important to communities, and keep us from,” if we can maintain a decent standard of living for our children. We have lost hundreds of thousands of these high paying jobs, and many communities across the country have been devastated.

And Mr. Chairman, we are in danger of losing thousands of more good paying jobs because our Government is unwilling to enforce current U.S. trade laws that would eliminate unfair trade and business practices.

The Japanese have long recognized that Government can play a key role in promoting the exports of Japanese products. They have done virtually everything in their power to ensure that its industry is healthy and internationally competitive. They have blocked the entry of foreign products into their markets while the Government backs predatory trade practices abroad.

Mr. Chairman, before I close, let me just say that the effect of the Gephardt amendment is to politicize trade issues, at a time when the United States needs to project a united front in negotiations and application of U.S. trade law.

Next year, Congress will have considerable opportunity to review and if necessary, adjust United States trade laws when it considers the Uruguay round and the NAFTA negotiations.

Mr. Chairman, I urge my colleagues to take a stand against protectionism. Vote "no" on the Gephardt amendment.

Mr. KOLBE. Mr. Chairman, I rise 2 minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, quotes do not work. That is the message we ought to be hearing today. That is the message we ought to understand.

We do not want the Japanese to place quotas on celluar phones made in the United States, on refined copper that comes from this country, on microchips, or on the wheat or corn that we sell to them. But that is exactly what will happen if we adopt this amendment. Not only that, we are going to put U.S. autoworkers out of work.

Oh, yes, I know the amendment says there is no limit on the production of automobiles that are produced by transplant companies, but what about retaliatory action against the products from those transplant companies?

What about the different domestic con-
Why is it, as the chairman of the subcommittee pointed out, why is it that we are Americans and Japanese auto workers against the other autoworkers? Why do we pit the General Motors worker against the worker from Honda or Toyota? If we put a fig leaf over what is clearly a quota we are talking about? The amendment says: "We direct the President to negotiate," a limit of 1.65 million automobiles. How do you negotiate when you are told what you have to have as the end result?

And what about the consumer? Does anybody speak for the consumer? The voluntary quotas that have been in effect all these years have cost every American who has bought a car, whether a foreign car or an American car, hundreds of dollars on every single car that has been sold. The American consumers have to pay the price of extra dollars over the last several years for their autos, all because of the voluntary quotas that we have imposed.

So, who speaks for the consumer today? H.R. 5100 is bad legislation. This amendment is bad legislation heaped on bad legislation. Let us have confidence in the American workers, confidence that we can produce goods that can compete with other countries' products.

Let us defeat this amendment. Then, let us defeat this bill.

Mr. LEVIN of Michigan. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Indiana. [Mr. JONTZ]

Mr. JONTZ. Mr. Chairman, I rise in support of the bill and of the Gephardt-Levin amendment.

Mr. Chairman, over the last decade the U.S. automotive industry has made intense efforts to improve the quality of their product and they have succeeded. But now our auto industry finds that even with world-class product, Japanese markets are closed. In addition, our firms from the United States compete worldwide. We have a $17 billion surplus with Western Europe. Why then do we have a $30 billion auto trade deficit with Japan? Because Japan engages in various unfair trade practices which we need to address if we are to have the opportunity to compete on a fair basis.

The Gephardt-Levin amendment does two very important things. First of all it directs our trade representative to enter into negotiations to achieve a comprehensive auto sector agreement. This is important, in part because the Europeans have a comprehensive auto sector agreement with Japan. Absent such an agreement between the United States and Japan, the temptation will be for Japan to use American markets to absorb their excess capacities.

The second very important thing the Gephardt-Levin amendment does is to put into law a process to monitor and enforce the agreements or the commitments which Japan made when President Bush was in Tokyo earlier this year.

The 70-percent figure for the consumption of domestically produced parts at the transplants is not the figure that GEPHARDT and Mr. LEVIN came up with, but rather this is what Japan committed themselves to.

But we know from our experience that if we do not have some process to monitor compliance with that agreement and bring about its enforcement, that the prospects of its being achieved are very slim.

In fact, the Big Three auto makers in our country have about an 85-percent domestic parts situation at the present time, and we should keep a close eye on them to make sure that that number is improved.

But this amendment is very important to see that the 70-percent agreement is adhered to by the Japanese. We have suggested they can achieve.

Mr. JONTZ. Mr. Chairman, I rise today to express my support for H.R. 5100, the Trade Expansion Act. I rise in support of the Levin amendment. As the name indicates the purpose of this legislation is to open foreign markets to U.S. products.

America finds itself in a new era in international trade—an era for which we are not fully prepared. The military competition that dominated our foreign and domestic policies for half a century has suddenly disappeared, and we are faced with a new international economic competition. Today's competition is qualitatively different from that which we have seen before. In Europe and on the Pacific rim, our competitors have developed national and multinational policies designed to win economic hegemony while we cling to a laissez faire philosophy that is not only ineffective but tends to remove us from the playing field altogether. Some European and Japanese economists already discount a United States role in the 21st century world economy. If we are going to remain competitive, it requires the Congress to take important steps to open foreign markets to U.S. products. The Gephardt-Levin amendment requires the Congress to take action to redress the unfair trade practices of our foreign trade partners.

The Trade Expansion Act takes necessary and timely steps toward correcting our foreign trade deficit, particularly with Japan, and toward establishing fair international trade. I support the extension of the Super 301 authority for the period from 1993 to 1997. Super 301 is an important tool which we have used too little. H.R. 5100 requires the U.S. Trade Representative to target priority countries and practices for trade liberalization negotiations and to back up those negotiations with the initiation of section 301 investigations. Too often we fail to back up our trade talks with actions that signal our seriousness.

Additionally, it is time to initiate a section 301 investigation of the practices that Japan uses to protect its domestic markets from foreign competition. Japan's trade practices for trade policy, licensing, and other systematic anticompetitive practices. I am continually frustrated by the failure of our trade negotiators to press for United States access to the Japanese market with the same intensity and determination that Japan's trade leaders obviously bring to the penetration of our market. The USTR 1992 report on foreign trade barriers says that "contractual as well as informal understandings between Japanese automakers and their domestic dealers have effectively denied United States automotive manufacturers an opportunity to market through existing dealer outlets." We have participated in the market-oriented sector specific talks with Japan on motor vehicles and auto parts since 1986, and all we have to show for it is an agreement by Japan to participate in a pair of studies on the issue. Meanwhile the United States share of their auto parts market remains less than 2 percent, and only 30,000 United States assembled autos were sold in Japan in 1991, almost half of them United States-manufactured Hondas.

H.R. 5100 takes important steps to open previously closed markets to U.S. automotive products. The bill requires the USTR to initiate a section 301 investigation of Japanese business policies and practices that affect access to the Japanese market for United States-made vehicles. Additionally, the bill instructs the USTR to initiate an agreement with Japan which would:

First, eliminate or modify those acts, policies, and practices that act as barriers to U.S. exports of motor vehicles and motor vehicle parts;

Second, provide for the prompt implementation of the commitments made to the President last January for the purchase of United States auto parts by Japanese vehicle manufacturers;

Third, establish long-term goals for the purchase of high value-added auto parts; and

Fourth, establish a procedure for the exchange of information between the Japanese and United States Governments regarding auto and auto parts trade.

But, Mr. Chairman, I believe we must go further to secure the future of the U.S. auto and auto parts industry in the world market, so I also support the Levin amendment to H.R. 5100.

The U.S. auto and auto parts industry directly or indirectly employs one working American in six and it accounts for 12 percent of our gross national product, over $200 billion a year. But the auto industry is in trouble. General Motors announced last December its decision to lay off over 70,000 workers and close 21 or more plants. In 1991, the U.S. market share for the Big Three dropped below 50 percent of total sales. This is in large part due to intense and often unfair foreign competition.

Over the last decade the U.S. industry has made intense efforts to improve the quality of their product, and they have succeeded. They are now finding, however, that even with a world-class product, Japanese markets are closed to them. In auto parts, U.S. firms compete worldwide. We have a $16.7 billion surplus with Western Europe. Why then do we have a $30.1 billion auto trade deficit with Japan?

There are 15,000 U.S. auto parts companies comprise the most competitive sector of our industry. It employs twice as many workers as auto

CONGRESSIONAL RECORD—HOUSE
July 8, 1992
assembly plants and contributes twice as much to the GNP. While United States auto parts are marketed worldwide, they are not in the Japanese auto market. Since 1987, the Japanese have lost money in the United States market but captured a larger and larger market share. Worldwide penetration of the Japanese auto market is a puny 3 percent, the United States share of that is only 0.5 percent. To make matters worse, the Japanese recently agreed to the European Community to restrict their auto market share to about 16 percent, a circumstance which portends increased Japanese efforts to expand their United States market share because of their historic excess capacity.

We have for years negotiated with the Japanese about opening their market. The only results we have to show are additional studies. Without stiffer legislative action, such as the Levin amendment, Japan will not change its practice.

Without the amendment, H.R. 5100 does not sufficiently address the role that transplant plants play in all auto manufacturing strategy. The investment of the Japanese in assembly plants in the United States has in many ways brought benefits to this country, but this investment has also brought traditional Japanese business practices which are often at odds with our own. We cannot ignore the fact that these transplant companies are an integral part of their parent companies’ growth and marketing strategies, just the same way that General Motors’ decisions to invest in Mexican plants are a part of their business strategy here at home. Japanese transplants are here to take advantage of the American market. Their pricing structures, both internal and external, are designed to use the strength of the dollar to their advantage. The United States share of that is only 0.5 percent. To make matters worse, the Japanese recently agreed to the European Community to restrict their auto market share to about 16 percent, a circumstance which portends increased Japanese efforts to expand their United States market share because of their historic excess capacity.

We have for years negotiated with the Japanese about opening their market. The only results we have to show are additional studies. Without stiffer legislative action, such as the Levin amendment, Japan will not change its practice.

Without the amendment, H.R. 5100 does not sufficiently address the role that transplant plants play in all auto manufacturing strategy. The investment of the Japanese in assembly plants in the United States has in many ways brought benefits to this country, but this investment has also brought traditional Japanese business practices which are often at odds with our own. We cannot ignore the fact that these transplant companies are an integral part of their parent companies’ growth and marketing strategies, just the same way that General Motors’ decisions to invest in Mexican plants are a part of their business strategy here at home. Japanese transplants are here to take advantage of the American market. Their pricing structures, both internal and external, are designed to use the strength of the dollar to their advantage. The United States share of that is only 0.5 percent. To make matters worse, the Japanese recently agreed to the European Community to restrict their auto market share to about 16 percent, a circumstance which portends increased Japanese efforts to expand their United States market share because of their historic excess capacity.

We have for years negotiated with the Japanese about opening their market. The only results we have to show are additional studies. Without stiffer legislative action, such as the Levin amendment, Japan will not change its practice.

Without the amendment, H.R. 5100 does not sufficiently address the role that transplant plants play in all auto manufacturing strategy. The investment of the Japanese in assembly plants in the United States has in many ways brought benefits to this country, but this investment has also brought traditional Japanese business practices which are often at odds with our own. We cannot ignore the fact that these transplant companies are an integral part of their parent companies’ growth and marketing strategies, just the same way that General Motors’ decisions to invest in Mexican plants are a part of their business strategy here at home. Japanese transplants are here to take advantage of the American market. Their pricing structures, both internal and external, are designed to use the strength of the dollar to their advantage. The United States share of that is only 0.5 percent. To make matters worse, the Japanese recently agreed to the European Community to restrict their auto market share to about 16 percent, a circumstance which portends increased Japanese efforts to expand their United States market share because of their historic excess capacity.

We have for years negotiated with the Japanese about opening their market. The only results we have to show are additional studies. Without stiffer legislative action, such as the Levin amendment, Japan will not change its practice.

Without the amendment, H.R. 5100 does not sufficiently address the role that transplant plants play in all auto manufacturing strategy. The investment of the Japanese in assembly plants in the United States has in many ways brought benefits to this country, but this investment has also brought traditional Japanese business practices which are often at odds with our own. We cannot ignore the fact that these transplant companies are an integral part of their parent companies’ growth and marketing strategies, just the same way that General Motors’ decisions to invest in Mexican plants are a part of their business strategy here at home. Japanese transplants are here to take advantage of the American market. Their pricing structures, both internal and external, are designed to use the strength of the dollar to their advantage. The United States share of that is only 0.5 percent. To make matters worse, the Japanese recently agreed to the European Community to restrict their auto market share to about 16 percent, a circumstance which portends increased Japanese efforts to expand their United States market share because of their historic excess capacity.

We have for years negotiated with the Japanese about opening their market. The only results we have to show are additional studies. Without stiffer legislative action, such as the Levin amendment, Japan will not change its practice.

Without the amendment, H.R. 5100 does not sufficiently address the role that transplant plants play in all auto manufacturing strategy. The investment of the Japanese in assembly plants in the United States has in many ways brought benefits to this country, but this investment has also brought traditional Japanese business practices which are often at odds with our own. We cannot ignore the fact that these transplant companies are an integral part of their parent companies’ growth and marketing strategies, just the same way that General Motors’ decisions to invest in Mexican plants are a part of their business strategy here at home. Japanese transplants are here to take advantage of the American market. Their pricing structures, both internal and external, are designed to use the strength of the dollar to their advantage. The United States share of that is only 0.5 percent. To make matters worse, the Japanese recently agreed to the European Community to restrict their auto market share to about 16 percent, a circumstance which portends increased Japanese efforts to expand their United States market share because of their historic excess capacity.

We have for years negotiated with the Japanese about opening their market. The only results we have to show are additional studies. Without stiffer legislative action, such as the Levin amendment, Japan will not change its practice.

Without the amendment, H.R. 5100 does not sufficiently address the role that transplant plants play in all auto manufacturing strategy. The investment of the Japanese in assembly plants in the United States has in many ways brought benefits to this country, but this investment has also brought traditional Japanese business practices which are often at odds with our own. We cannot ignore the fact that these transplant companies are an integral part of their parent companies’ growth and marketing strategies, just the same way that General Motors’ decisions to invest in Mexican plants are a part of their business strategy here at home. Japanese transplants are here to take advantage of the American market. Their pricing structures, both internal and external, are designed to use the strength of the dollar to their advantage. The United States share of that is only 0.5 percent. To make matters worse, the Japanese recently agreed to the European Community to restrict their auto market share to about 16 percent, a circumstance which portends increased Japanese efforts to expand their United States market share because of their historic excess capacity.

We have for years negotiated with the Japanese about opening their market. The only results we have to show are additional studies. Without stiffer legislative action, such as the Levin amendment, Japan will not change its practice.

Without the amendment, H.R. 5100 does not sufficiently address the role that transplant plants play in all auto manufacturing strategy. The investment of the Japanese in assembly plants in the United States has in many ways brought benefits to this country, but this investment has also brought traditional Japanese business practices which are often at odds with our own. We cannot ignore the fact that these transplant companies are an integral part of their parent companies’ growth and marketing strategies, just the same way that General Motors’ decisions to invest in Mexican plants are a part of their business strategy here at home. Japanese transplants are here to take advantage of the American market. Their pricing structures, both internal and external, are designed to use the strength of the dollar to their advantage. The United States share of that is only 0.5 percent. To make matters worse, the Japanese recently agreed to the European Community to restrict their auto market share to about 16 percent, a circumstance which portends increased Japanese efforts to expand their United States market share because of their historic excess capacity.

We have for years negotiated with the Japanese about opening their market. The only results we have to show are additional studies. Without stiffer legislative action, such as the Levin amendment, Japan will not change its practice.

Without the amendment, H.R. 5100 does not sufficiently address the role that transplant plants play in all auto manufacturing strategy. The investment of the Japanese in assembly plants in the United States has in many ways brought benefits to this country, but this investment has also brought traditional Japanese business practices which are often at odds with our own. We cannot ignore the fact that these transplant companies are an integral part of their parent companies’ growth and marketing strategies, just the same way that General Motors’ decisions to invest in Mexican plants are a part of their business strategy here at home. Japanese transplants are here to take advantage of the American market. Their pricing structures, both internal and external, are designed to use the strength of the dollar to their advantage. The United States share of that is only 0.5 percent. To make matters worse, the Japanese recently agreed to the European Community to restrict their auto market share to about 16 percent, a circumstance which portends increased Japanese efforts to expand their United States market share because of their historic excess capacity.
Just because they happen to work at a plant in Georgetown, KY.

Do not make this economic internment camp out of the Camry plant in my district. Say "no" to this unprecedented, unwarranted, dangerous intrusion by the Federal Government. Say "no" to an apparent attempt to isolate America from the realities and opportunities of a competitive global economy. Say "no" to this bad amendment.

1500

Mr. LEVIN of Michigan. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I just want to answer the comments of the gentleman from Kentucky [Mr. HOPKINS]. All the amendment does is suggest that the Japanese should carry out the agreement announced at Toyko. That is what it says, and to start throwing around epithets I think is so totally unwarranted in this Congress.

Mr. Chairman, I yield 2½ minutes to the distinguished gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Chairman, I thank the gentleman from Michigan [Mr. Levin] for yielding this time to me, and I want to give congratulations to him and to our majority leader, the gentleman from Missouri [Mr. GEHRARDT] for bringing this Super Bowl of trade issues before the Congress of the United States today.

In fact, it is important that we tackle this issue because it is the most important question that divides us as two superpowers in the world today. The automotive segment of the deficit between the United States and Japan is the Super Bowl trade issue of the day.

Mr. Chairman, the Gephardt-Levin amendment simply puts the weight of law, through this amendment, behind the agreements that President Bush negotiated with Japan last January. The amendment is about opening Japan's market, opening their procurement practices, and deciding what foreign companies behave here, ensuring that there is a two-way street with our goods going there, and their goods coming here, allowing our firms and their firms to bid on parts of production equally. And, it is also about putting our foot down after 7 years of United States-Japan trade talks in the automotive sector that have been fraught with delay, meager results, and a worsening trade deficit.

Mr. Chairman, this chart says it all. It indicates that in the United States today a minimum of one-third of our market is consumed by imported vehicles, and at least 20 percent of them are from Japan in any given year. In Europe, of course, they cap their imports at about 16 percent. But in Japan, less than 3 percent of their market is composed of automotive goods from anywhere else in the world. So, when we look at the 150 nations in the world today, but the United States holds a massive trade deficit with only one of them: Japan. And half of that deficit is in the automotive sector.

This is why the Super Bowl issue of trade. What this amendment is about is opening up Japan's market, not just for the sake of the United States, but for the sake of the American automobile worker.

Japan marks up the cost of our vehicles by 33 percent when we are allowed to get them in there. They exclude our spare parts from their various retail stores. They do not allow our cars to be sold in their dealerships, yet they have their cars in over 4,000 U.S. dealerships.

By golly, one of our companies offered them free spark plugs in production back in 1975. They refused to take them.

What this amendment is about is saying enough is enough. Trade has to be a two-way street. Support the Gephardt-Levin Amendment.

Mr. CRANE. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSO].

Mr. LAGOMARSO. Mr. Chairman, I rise in opposition to the Gephardt amendment and to H.R. 5100, the so-called Trade Expansion Act. This is nothing but a flawed protectionist bill with a very misleading title. It is no coincidence that the Democratic leadership has brought to the floor less than a week before the Democratic National Convention this special interest measure which unless significantly modified will only result in a showdown with and veto by President Bush.

Today's tough economic challenges demand real solutions to effectively improving trade, not this election year political grandstanding which panders to certain unions and special interest constituencies. The sad irony is the Democratic majority is using this measure to claim it is creating jobs and bolstering U.S. productivity when, in reality, their own bill could do just the opposite. Cynically, the worst results would most likely take effect after the November election and the Democrats will gear up their propaganda machines to blame the Republicans, especially President Bush, for our economic woes.

Today's tough economic challenges demand real solutions to effectively improving trade, not this election year political grandstanding which panders to certain unions and special interest constituencies. The sad irony is the Democratic majority is using this measure to claim it is creating jobs and bolstering U.S. productivity when, in reality, their own bill could do just the opposite. Cynically, the worst results would most likely take effect after the November election and the Democrats will gear up their propaganda machines to blame the Republicans, especially President Bush, for our economic woes.

Since 1989, the United States has regained its position as the world's No. 1 exporter, selling $510 billion in goods and services abroad last year. It is expected that this year will result in over $510 billion in exports of goods and services. Seventy-five percent of our economic growth has come from exports. Each $1 billion in exports supports roughly 20,000 export-related jobs, and these jobs pay 17 percent more per hour than the average U.S. wage. We are seriously risking these promising developments with today's bill all for the sake of political expediency.

History has proven time and time again that further improvements in trade come not from increasing protectionism, but through expanding free and fair trade. Our experiences with the disastrous Hawley-Smoot Tariff Act which helped trigger the great depression of the 1930's is just one example. H.R. 5100 represents more of the former problem, not the latter solution.
July 8, 1992

It is no wonder that this Democratic special interest legislation is opposed by a wide spectrum of groups for my constituents and consumer communities, including many in my district. These are key industries like auto retailers—and, ironically, this bill claims to help the auto industry—consumer goods producers like Procter and Gamble and the National Cattlemen's Association. It is also strongly opposed by the State Department and the U.S. Trade Representative resulting in a much deserved veto by President Bush. For the record, I am submitting a letter I received from Ambassador Carla Hills, the U.S. Trade Representative, providing further details about the administration's concerns.

Enactment of this bill will, most likely, be viewed by our trading partners as an opening salvo in a new trade war triggering retaliation by our trading partners. That, in turn, hurts U.S. exporters and U.S. economic growth.

At present, we are successfully negotiating new fair trade agreements both bilaterally with countries like Japan and multilaterally through the GATT Uruguay round. The mandatory extension of Super 301 provisions and the mandatory 301 investigations of specific concerns, like Japanese auto trade, would undermine our flexibility in negotiating new market-opening efforts and lead to counter retaliation.

Specifically, I am concerned that the extension of Super 301 assumes the failure of the Uruguay round. It has failed. I am not opposed to considering a new Super 301 statute, but only after we have finished our best negotiations and it is determined then that such legislation is necessary. Clearly, there are countries, like India and Japan, which are not trading fairly with the United States and should be investigated and pressured to change their policies. The Bush administration is doing just that through a variety of means and has assured me it will use whatever tool would be most effective, including reciprocal, punitive tariffs, and other trade barriers. Congress should not be micromanaging these efforts and unilaterally deciding there will only be one tool available. But, in essence, that is what this bill does.

Congress will have ample opportunity to review and, if needed, adjust the United States' commitment to the Uruguay round and the North American Free Trade Agreement negotiations. Unfortunately, this bill is prejudging an incomplete process and, in fact, adding constraints that could jeopardize our gains in these negotiations and their promising results for the future. In no way does that really help U.S. jobs and the economy, it only helps pave the path to failure and recession.

I am opposed to H.R. 5100's continued discrimination against American automotive parts workers in so-called transplant firms. While the bill requires negotiations to open Japan's market for American automotive parts, the bill only protects plants owned by and controlled by United States citizens. Hence, American workers in other plants are treated as second-class citizens forced to find their own export markets. That is not fair.

I am also very concerned that because this bill provides additional protection for the rice and auto parts industries, it sends a very erroneous message that these are our only market access concerns. That's not so, especially in my district. Why are these inducements given first-class protection at the expense of others? That is not fair either.

I am shocked that the Ways and Means Committee deleted a provision in the bill expressing the sense of Congress that the United States should affect these be maintained. This is a purely political move to pander to the left wing elements in the Democratic Party who want to lessen the pressure on one of the last Communist dictatorships in the world, Castro's in Cuba. There is no better time than today to increase the pressure on Castro, who has been losing all his Communist allies including the Soviet Union. In fact, making its way through Congress with strong support is a measure to further strengthen the embargo and, hopefully, expedite Democratic change in Cuba. The deletion of the anti-Castro language in the bill under mines this effort and sends the wrong conciliatory message to Castro at the absolutely wrong time.

I am also opposed to new tariffs in the bill. As I have pointed out, new tariffs and nontariff barriers like mandatory quotas have repeatedly proven to be the absolutely wrong prescription for improving trade. Some of these tariffs will actually decrease revenue, further exacerbating the trade and Federal budget deficits.

It is the consumer who ultimately pays for the increase in tariffs, not the foreign producer. That is particularly true for raising the price of vehicles. The time this issue was raised, it was for the first time this issue was raised, it was for recession.

I have had the opportunity to study this legislation carefully and believe it would fail to meet its goals. H.R. 5100 contains provisions that would: eliminate the flexibility required to negotiate market-opening agreements and could lead to retaliation by our trading partners; boomerang against U.S. exporters; be challenged by our trading partners as an opening salvo in a new trade war; and, undermine ongoing bilateral negotiations as well as the Uruguay Round of global trade talks.

This Administration shares with you an understanding of the importance of trade. Indeed, working together, we have made tremendous progress in creating jobs at home and new export opportunities abroad. However, this progress would be threatened by the bill before you. Enclosed is a fact sheet on the bill's potential adverse impact on U.S. exports generally, and your state's exports in particular.

I am convinced that the market-opening negotiations we have underway, and the aggressive use we are making of existing trade laws, are the best way to ensure continued trade expansion abroad and meet our goals.

U.S. TRADE REPRESENTATIVE, 18245

Hon. ROBERT J. LAGOMARINO,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE LAGOMARINO: I am writing to express the Administration's strong opposition to H.R. 5100, the Trade Expansion Act of 1992, which was reported favorably by the Ways and Means Committee on Tuesday, June 16. For the reasons explained below, if this bill becomes law, I would recommend that the President should veto it.

Despite its title, the effect of this legislation will be trade contraction, not trade expansion. Many of the bill's provisions threaten to close markets, not open them. Thus, this bill would be particularly destructive at a time when the U.S. economy and job creation are enjoying sustained support from strong export growth.

Since the Bush Administration took office in 1989, the United States has regained its position as the world's number 1 exporter, with over $610 billion in exports of goods and services expected this year.

In recent years, 75 percent of our economic growth has come from exports; each $1 billion in exports supports roughly 20,000 export-related jobs, and these export-related jobs pay 17 percent more per hour than the average U.S. wage.

H.R. 5100 would jeopardize that job-creating export growth and send the United States down an ill-conceived path that would lead to an avalanche of adverse trade retaliation and economic contraction.

I have had the opportunity to study this legislation carefully and believe it would fail to meet its goals. H.R. 5100 contains provisions that would: eliminate the flexibility required to negotiate market-opening agreements and could lead to retaliation by our trading partners; boomerang against U.S. exporters; be challenged by our trading partners as inconsistent with our GATT obligations; leaving us vulnerable to forced compensation or retaliation; and, undermine ongoing bilateral negotiations as well as the Uruguay Round of global trade talks.

This Administration shares with you an understanding of the importance of trade. Indeed, working together, we have made tremendous progress in creating jobs at home and new export opportunities abroad. However, this progress would be threatened by the bill before you. Enclosed is a fact sheet on the bill's potential adverse impact on U.S. exports generally, and your state's exports in particular.

I am convinced that the market-opening negotiations we have underway, and the aggressive use we are making of existing trade laws, are the best way to ensure continued trade expansion abroad and meet our goals.

U.S. TRADE REPRESENTATIVE, 18245

Hon. ROBERT J. LAGOMARINO,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE LAGOMARINO: I am writing to express the Administration's strong opposition to H.R. 5100, the Trade Expansion Act of 1992, which was reported favorably by the Ways and Means Committee on Tuesday, June 16. For the reasons explained below, if this bill becomes law, I would recommend that the President should veto it.

Despite its title, the effect of this legislation will be trade contraction, not trade expansion. Many of the bill's provisions threaten to close markets, not open them. Thus, this bill would be particularly destructive at a time when the U.S. economy and job creation are enjoying sustained support from strong export growth.

Since the Bush Administration took office in 1989, the United States has regained its position as the world's number 1 exporter, with over $610 billion in exports of goods and services expected this year.

In recent years, 75 percent of our economic growth has come from exports; each $1 billion in exports supports roughly 20,000 export-related jobs, and these export-related jobs pay 17 percent more per hour than the average U.S. wage.

H.R. 5100 would jeopardize that job-creating export growth and send the United States down an ill-conceived path that would lead to an avalanche of adverse trade retaliation and economic contraction.

I have had the opportunity to study this legislation carefully and believe it would fail to meet its goals. H.R. 5100 contains provisions that would: eliminate the flexibility required to negotiate market-opening agreements and could lead to retaliation by our trading partners; boomerang against U.S. exporters; be challenged by our trading partners as inconsistent with our GATT obligations; leaving us vulnerable to forced compensation or retaliation; and, undermine ongoing bilateral negotiations as well as the Uruguay Round of global trade talks.

This Administration shares with you an understanding of the importance of trade. Indeed, working together, we have made tremendous progress in creating jobs at home and new export opportunities abroad. However, this progress would be threatened by the bill before you. Enclosed is a fact sheet on the bill's potential adverse impact on U.S. exports generally, and your state's exports in particular.

I am convinced that the market-opening negotiations we have underway, and the aggressive use we are making of existing trade laws, are the best way to ensure continued trade expansion abroad and meet our goals.

U.S. TRADE REPRESENTATIVE, 18245

Hon. ROBERT J. LAGOMARINO,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE LAGOMARINO: I am writing to express the Administration's strong opposition to H.R. 5100, the Trade Expansion Act of 1992, which was reported favorably by the Ways and Means Committee on Tuesday, June 16. For the reasons explained below, if this bill becomes law, I would recommend that the President should veto it.

Despite its title, the effect of this legislation will be trade contraction, not trade expansion. Many of the bill's provisions threaten to close markets, not open them. Thus, this bill would be particularly destructive at a time when the U.S. economy and job creation are enjoying sustained support from strong export growth.

Since the Bush Administration took office in 1989, the United States has regained its position as the world's number 1 exporter, with over $610 billion in exports of goods and services expected this year.

In recent years, 75 percent of our economic growth has come from exports; each $1 billion in exports supports roughly 20,000 export-related jobs, and these export-related jobs pay 17 percent more per hour than the average U.S. wage.

H.R. 5100 would jeopardize that job-creating export growth and send the United States down an ill-conceived path that would lead to an avalanche of adverse trade retaliation and economic contraction.

I have had the opportunity to study this legislation carefully and believe it would fail to meet its goals. H.R. 5100 contains provisions that would: eliminate the flexibility required to negotiate market-opening agreements and could lead to retaliation by our trading partners; boomerang against U.S. exporters; be challenged by our trading partners as inconsistent with our GATT obligations; leaving us vulnerable to forced compensation or retaliation; and, undermine ongoing bilateral negotiations as well as the Uruguay Round of global trade talks.

This Administration shares with you an understanding of the importance of trade. Indeed, working together, we have made tremendous progress in creating jobs at home and new export opportunities abroad. However, this progress would be threatened by the bill before you. Enclosed is a fact sheet on the bill's potential adverse impact on U.S. exports generally, and your state's exports in particular.

I am convinced that the market-opening negotiations we have underway, and the aggressive use we are making of existing trade laws, are the best way to ensure continued trade expansion abroad and meet our goals.
Round of global trade talks, and are on the verge of completing the North American Free Trade Agreement. We are also negotiating trade with the emerging democracies of Central and Eastern Europe, the former Soviet Union, and Latin America, and are opening markets throughout the dynamic Pacific Rim, including Japan.

At the same time, the Administration is aggressively implementing U.S. trade laws: we have initiated 19 section 301 investigations; we have never rejected a section 301 petition; and we have hesitated to take strong action to address trade barriers when warranted, working closely with industry and the Congress.

In sum, then, we are opening markets worldwide; now is not the time to abandon a successful strategy and begin to raise barriers to trade. Instead, the Administration and Congress should work together to support the entrepreneurial, market-oriented, economic policies that have made the United States the world’s top exporter.

Sincerely,

CARLA A. HILLS, U.S. Trade Representative.

Mr. CRANE. Mr. Chairman, I yield 3 minutes to our distinguished colleague, the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Mr. Chairman, this bill and this amendment might be better titled the Trade Reduction Act of 1992 or, more importantly, the Job Reduction Act of 1992.

I recently returned from my State where I visited a plant that supplies, not only Honda, but Ford Motor Co. and General Motors as well, and it employs 300 people, and I had an opportunity to meet almost all of those people, good, hard-working Americans, who reside in northwest Ohio, who are very concerned about the elimination of their jobs under this particular proposal. I have a Ford plant in Lima, OH, that employs 2,500 people, a General Motors plant in Mansfield, 3,200; Honda engine plant which employs over 2,000, and Honda alone employs over 10,000 people in the State of Ohio. That is just direct employment. They are very concerned about this type of protectionist legislation. Why? Because they have been successful.

We said, “We’re really worried,” a few years ago, “about the flow of imports into this country, and so, Japan, you better get it right. You better build plants over here and employ Americans,” and they did exactly that. They did exactly that, and they came to my State, and they became, not only a large builder of American automobiles, but even export 7,000 vehicles to Japan. Those are high-quality, high-paid, high-technical jobs that are being threatened under this particular legislation.

I heard one of my colleagues who speaks for the consumer talk about where are those great consumer groups that propose to speak for the consumer that we hear from all the time in committee. I have not heard a word from them. Apparently they are not particularly concerned about consumer choice and what they have to pay in the marketplace as to what kind of automobile they want to drive. This is essentially the oldest trick in the book to try to limit the ability of these companies, these transplants, to grow and prosper.

How am I going to go back to those people in Ohio and say, “Well, the Congress has done its job. We’re going to cripple you so that the other companies can compete.” It would not be so bad if I felt this would be effective in preserving some jobs in the American auto sector, but it will not.

Make no mistake about it. This will not preserve any jobs. It will just simply make us less competitive in a world economy.

Mr. Chairman, I recently saw an editorial in the Marion Star that I think accurately points out the situation. It says, and I quote:

Honda of Ohio has been a great benefit to the economy of the area and the quality of life. In the past 10 years, we have had a major factor that will influence our present and future generations to stay and raise their families and work in our community.

That really says it all. Defeat the Gephardt-Levin amendment. Defeat this legislation.

Mr. LEVIN of Michigan. Mr. Chairman, I yield 1 minute to the very distinguished gentleman from New Jersey [Mr. GIBBON].

Mr. GUARINI. Mr. Chairman, let me say to my distinguished colleagues that we are losing our domestic auto industry. The unremitting onslaught of foreign competition from the Japanese has whittled down the United States industry’s share of the domestic auto market. At the same time—our companies still face formidable barriers to sales in the Japanese market.

U.S. auto manufacturers have seen their share of the U.S. auto market drop tremendously from over 99 percent in 1951 to less than 67 percent today. In the past 10 years, we have accumulated over $1 trillion in trade deficits. Over $400 billion of this is attributable to Japan—much of which is in the automotive industry.

We simply cannot afford to let this continue. The automotive industry is an essential part of our economy and a vital part of our manufacturing base; 14 million jobs depend on it.

If the automotive industry were to go under, 1 out of 7 Americans would be put out of work. And with it would go our capability to build heavy machinery, tanks, and vehicles—the most essential components of a strong defense.

I strongly support the Gephardt-Levin amendment. In fact, I think we should be going even further. I had wanted to implement a more forceful amendment to actually establish the standard set in the European Community-Japan Agreement on Market Penetration as the basis for Japanese access to United States markets.

Japan’s share of the EC market is presently 11 percent. Under the new EC-Japan accord, Japan has agreed that its share of the EC motor vehicle market should be a maximum of 16 percent by 1999.

The EC and Japan have, in effect, established a world standard for determining Japan’s fair market share in a number of world markets and the use of domestically produced parts.

Japan’s share of the United States motor vehicle market is currently 30 percent, without any limits.

I would like our country to use these same definitions of market share and domestic content—and actually set a target for Japan’s share of the United States market at 16 percent by 1999.

Mr. Chairman, what this debate is really about is jobs, jobs, jobs. Manufacturing jobs in the automotive industry are an important component of our economic security. The automotive industry is not just the people who are involved in the direct production of cars. It is also the people who work in industries crucial to the production process: steel, rubber, plastics, glass, aluminum, chemicals, and electronics. The auto sector directly and indirectly accounts for about 12 percent of U.S. gross national product.

It is time that we recognize that our economic security is a vital part of our national security and take steps to ensure that our manufacturers and businesses are on equal ground with worldwide practices. The Gephardt-Levin amendment is an important first step in this direction. I urge my distinguished colleagues to support it.

Mr. LEVIN of Michigan. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Indiana [Mr. SITKOFF].

Mr. SHARP. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the amendment because of the critical importance of the automobile industry to our welfare in this country and to our whole economy of the U.S. auto industry. I think it is very important for us to understand that worldwide there is excess production capacity, and what is happening is people are being squeezed back around the world, except not everywhere, and the fact is we have already been squeezed dramatically in this country, we have already seen a scaling back of jobs, of productive investment in this country, and seen a transformation of our industry to be more competitive.

Mr. Chairman, what we are talking about here is simply the compliance with the public pledges that were made by the Japanese Government with the Bush administration on how they would behave. This should not invite any kind of retaliation, because all we are doing is writing into law what they said they would do anyway.
The fact is as long as the European market restricts itself and restricts Japanese imports there, the pressures only grow to push those imports into our market.

Mr. Chairman, this is fair. This is critical to jobs in this country, and I believe will lead to an international fairer situation for all concerned.

Mr. LEVIN of Michigan. Mr. Chairman, may I inquire how much time each side has remaining.

The CHAIRMAN. The gentleman from Michigan [Mr. LEVIN] has 13 minutes remaining and the gentleman from Illinois [Mr. CRANE] has 12 minutes remaining.

Mr. LEVIN of Michigan. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Chairman, I thank the gentleman for yielding time and also for his leadership role on this very important amendment.

Mr. Chairman, in January, the Government promised President Bush one more time to cooperate with the United States on the importation of auto parts. This amendment supports that promise with a monitoring system which will ensure that the commitments made by Japan are implemented.

No rhetoric, no economic theory can replace the need for this country to demand respect from other nations in any of its negotiations. The pattern of broken Japanese promises is well documented in the microelectronics industry. The cases of dumping and pillaging through our marketplace by that nation goes back to the destruction of our domestic television industry in a conspiratorial action by the major Japanese electronics companies in the late 1970's.

Then there were the machine tools and ball bearings. Now, it is the automotive parts industry.

All along the way we have been sweet-talked by the Japanese that the Japanese intent is clear. What is the Japanese intent? Is he going to buyour market or is he going to restrict our market?

If we are really concerned about American jobs and really concerned about the economy, which is in the doldrums right now, we should pass the Gephardt-Levin amendment.

Mr. LEVIN of Michigan. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Chairman, I rise in support of this measure. The opponents of the measure kind of remind me of the football coach who goes on television Sunday morning and says that his team had the most first downs and the fewest fumbles, but fails to mention that they not only lost, but lost big.

They say we are the world's biggest exporter. They fail to mention that we are the world's biggest importer, with over $100 billion trade deficit last year, $45 billion of which was to the nation of Japan alone.

They say that 70 percent of the new jobs are caused by imports. I think that 90 percent of the jobs that are lost are caused by imports.

Go to the store. See what is on the shelves. We invented the fax machines in this country; they are made in Japan. We invented the VCR's; they are made in Japan. Bit by bit we are giving away the American dream, because the American dream has been American manufacturing.

Mr. Chairman, if you care about this country, I encourage you to vote for this measure. It is a weak measure, but it is certainly better than no measure at all.

Mr. CRANE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California [Mr. HUNTER].

Mr. HUNTER of California. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California [Mr. HUNTER].

Mr. TAYLOR of Mississippi. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. HUNTER].

The CHAIRMAN. The gentleman from California [Mr. HUNTER] is recognized for 4 minutes.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for your courtesy.

Mr. Chairman, I think the first question we as Republicans have to ask ourselves is do we want to pull out of the recession? Because if we want to pull out of the recession, we are going to need, whether we live in San Diego, CA, in Indiana, New York, or wherever, to look at the automobile industry, because the automobile industry accounts for about 4.5 percent of the gross national product of this country. It has a six to one multiplier ratio, and that means that one job in the auto industry produces six jobs in other supportive industries.

Let me just ask my colleagues, do you care about the semiconductor industry, do you care about the steel industry, do you care about the glass industry, do you care about the rubber industry? Do you care about the hundreds of other attendant industries that support the auto industry? If you do, you are going to have to come to the conclusion that we cannot pull out of this recession with a 62-percent
The auto industry is darned important. It is darned important to conservative Republicans in San Diego who have no auto industry or workers in their district, and it is important across the length and breadth of this country.

As a result of those efforts, our negotiators now never go to Japan without American auto parts people consulting closely with them. We have a very active auto parts advisory committee to the Department of Commerce that is involved in every step of the way of setting negotiating objectives, documenting the need for changes and being a part of accomplishing them. So auto parts has been very much at the top of the United States agenda with Japan and with good results over time.

One of the big auto companies in America, for the first time has announced that they are going to produce a car that Japanese consumers will find to be appropriate to the way that they drive and their driving needs. One of those companies will have that car this year. The other companies will not even have such a car for a couple of years.

Meanwhile, let us see through what is happening on the negotiating front. Through the process of negotiations, through the pressure that our Government has put on the Japanese, Japanese auto manufacturers have eliminated prior consultation clauses in contracts with dealerships. In addition several important standards and certification requirements that have impeded the access of U.S. vehicles have been eliminated. Problem after problem, unfair trade barrier after unfair trade barrier has been negotiated away.

In sum, by the time our cars are ready to be marketed in Japan, that market will be prepared to receive them.

I want to make one other point. My interest in this has been not so much with the American auto industry as with the American auto parts industry, which is critical to the industrial base in America that supports every other manufacturing sector. And in that area, I think to look at auto parts the first 3 years of our existence, from 1983 to 1986 to get the American auto parts industry to decide what their agenda would be if the American negotiators would engage in talks on their behalf. It took a bit of time and a lot of negotiation in Washington for them to figure out what they would want their Government to do with them. At the same time we pressed the Reagan administration to put into his agenda and finally Moss talks, with an industry-directed agenda commenced.

The question, though, that arises is, does the great majority of the rest of the American business community oppose the Levin amendment?
they see it as a violation of a cardinal principle that we have developed in our international trade policy. That is, national treatment.

What do I mean by national treatment? I mean by national treatment that if we treat the foreign subsidiaries, those subsidiaries doing business in our country, the same way we treat our own subsidiaries, our own businesses. And likewise, on a reciprocal basis, we want our foreign subsidiaries doing business in their country the same way they treat their national companies. National treatment.

If my colleagues stop and think about it, it makes good sense. It is what has allowed us to vastly expand our trade opportunities around the world. Where were we just 20 years ago? Just 20 years ago the total exports of the United States were only about $20 billion or $25 billion. Today the exports of the United States are half a trillion dollars, $500 billion. From $25 billion to $500 billion, they have grown that much with a concomitant employment that goes along with it.

I offer instead a return to the failed VRA policies of the past and a program of discrimination against transplant auto and auto parts manufacturers. A mandatory VRA on auto imports from Japan will, as it did during the 1980’s, cost consumers billions of dollars in increased car prices. The Congressional Research Service has shown that the 1981 VRA’s inflated car prices by $1,200 for United States cars and $1,700 for Japanese cars.

American families cannot afford to pay the bill for another Detroit-sponsored round of protectionism.

The result of the auto VRA of the 1980’s was increased competitiveness of Japanese manufacturers who pushed forward with development of the Lexus and Infinity models. At great cost, this period of protection only delayed competitive adjustments crucial to the long-term survival of Big Three auto-makers.

The amendment also undermines recent achievements made by the President in bilateral negotiations with the Japanese on autos. By unilaterally redefining the understanding reached with the Japanese auto manufacturers who, in negotiations conducted in good faith, term of protection only delayed competitive adjustments crucial to the long-term survival of Big Three auto-makers.

The amendment also undermines recent achievements made by the President in bilateral negotiations with the Japanese on autos. By unilaterally redefining the understanding reached with the Japanese auto manufacturers who, in negotiations conducted in good faith, agreed to increase purchases of United States parts, we would jeopardize the President’s credibility in conducting negotiations.

For Congress to change the nature of the understanding between the two leaders, and subject it to unilateral enforcement mechanisms of trade retaliation, will only be interpreted by Japan as an act of bad faith.

Finally, imposing a 70 percent domestic content requirement on U.S. firms because they are foreign owned goes against the grain of American values of equal treatment under the law. Without the ability to source worldwide, the value and future outlook of these enterprises is severely eroded. The Big Three themselves use large amounts of foreign parts, as competitors in this international industry.
I was in 10 automobile plants in the United States in January, and I asked that very question in each plant. I asked that question of the heads of our three auto companies: Why have you not tried harder to sell automobiles in Japan? As the chart shows, there is only a 3-percent penetration of the Japanese market, 15 percent in general of the European market, the largest market in the world, and 30 percent of the American market. The obvious answer to our problem is to do better in Japan. Why have you not tried?

The answer that consistently came back was, the reason they did not put the wheel from the left to the right or the right to the left or move the various things around was because it would do no good. They said to me, "It is impossible to penetrate the Japanese market." One of the auto executives said to me, "They add $12,000 of costs to an American car coming there that are not added to a Japanese car coming here," so they said, "No matter what we do, we will not be able to penetrate that market."

This is the key to this amendment. How do we get our auto manufacturers to do the hard work over the next 10 and 20 years that will get them adequate success and access to the Japanese market? We think this amendment does that. It asks the President to go negotiate an auto policy with Japan, the largest market in the world, has one. They did not negotiate it. They sent a letter to Japan and they said, "You get 15 percent of the largest automobile market in the world. Thank you, and have a nice day." No negotiation, no communication with the United States, unilaterally achieved. That is the largest market.

Japan is the largest producer of automobiles and automobile parts in the world. If they are limited to 15 percent of the largest market, Europe, where do we think the rest of the cars are going to go? And at the same time we do not give access to their market. So we ask the President to go negotiate with Japan an auto policy.

Second, we say, "Please, Mr. President, let us enforce the agreement we already have, which is a good one. Let us make sure they live up to it, that we actually get the kind of purchase of American automobile parts and the transplants that the Japanese have pledged to try to reach." So this is a reasonable approach. It is not protectionism. It is the opposite of protectionism.

Final point. When Members go to vote on this amendment think of the people in this country employed in the auto industry, one of eight jobs, the second most important industry in this country when we take the direct and indirect jobs. We have lost 300,000 direct automobile jobs in the last 10 years. General Motors, our largest manufacturer, just some months ago said 75,000 people are going lost their jobs.

So as Members vote on this, think of the people that depend on this industry. The people who are going to lose them, how do we look them in the eye and say that we did not do our best to try to give them a fair shake to be able to earn a decent living in the second most important industry in this country.

I urge Members to vote for this amendment. It is reasonable, it is sensible, it gets us fair trade, and last but not least, it stands with the American people and gives them a chance to compete in this most important industry.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Mr. Chairman, H.R. 5100, the trade bill we will consider this week, is a wide-ranging, aggressive piece of legislation that will help put America back on track. It is good for American industry, and good for our Nation's workers, farmers, and other producers.

The legislation will help to sharpen the focus of administration officials who represent our trade interests—and of our Nation as a whole—on achieving fair, reciprocal trade with our major trading partners.

The bill is a mandate for our Government to be aggressive in getting a fair deal in foreign trade for our producers. The United States has absorbed a $500 billion trade deficit in the past 5 years, so it is clear that we need better access to foreign markets if we are going to continue a liberal policy toward imports.

There has been a lot of attention paid to the get tough provisions of this bill, and, in fact, they are important for our economy. However, the bill also provides for expansion of trade for both our own producers and our foreign trading partners. It liberalizes our trade policies and removes barriers to trade.

For example, the bill will convert much of the processing of imports from paper to computer, speeding the process of shipping products into the United States. It also terminates the restriction on former Soviet republics from enjoying the favorable trade terms of our generalized system of preferences. In the same vein, a provision that I sponsored will allow railroad grain cars to move freely from Canada into the United States, just as United States railroad cars have been sent into Canada without tariff since the implementation of the United States-Canada Free-Trade Agreement. My provisions will terminate a merchandise processing fee, which has made the leasing of Canadian cars prohibitive to United States railroad companies in recent years. This change is good for Canadian companies who have cars to lease, but it also means better opportunities for United States farmers to ship their products to market when farm prices are favorable.

In another section of the bill, I tried to safeguard our butter promotion program administered by the Department of Agriculture. Our Federal law requires, and our taxpayers expect, that any funds our Government spends to boost export sales of farm products must be spent on domestic farm products, not on foreign produce. I sponsored a section of the trade bill that will require imports of foreign grain to carry an end-use certificate, specifying the destination and final use of the grain, so that our own grain export program can be administered according to law. It is important, I think, when we consider this bill to remember that it addresses much more than the auto manufacturing sector or our trade deficit with Japan, important as those measures are. There are many ways to help American producers throughout our economy, and it is important that this legislation go forward.
July 8, 1992

July 8, 1992

Congressional Record—House 18251

inefficient manufacturing and low-quality product, not imports.

In fact, the quality of American cars today exceeds many Japanese models; of the 10 most productive plants in the world are American facilities; and capital spending by the domestic auto industry has exceeded net income by $44 billion over the past 3 years.

The American automobile industry is in a race where the competition has a headstart over them before the starting gun sounds. It can barely get in the Japanese market, let alone compete when the nontariff barriers can raise the price of an imported vehicle by as much as $12,000 once it arrives in Japan.

After 5 years of negotiations with Japan over the trade barriers to their market and their business practices in the United States, the only results have been studies of the problem. Its high powered lobby has been successful in keeping the status quo and making over the trade barriers to their market and establishing direction and fairness for Americans the only chance to compete and keep their jobs.

cause America can no longer afford to accept the [U.S. Congress's opening statement]

I strongly support H.R. 5100, the Trade Amendment Act of 1992, and commend Chairman Rostenkowski and his committee for initiating this legislation and bringing it to the House floor for serious consideration.

Mr. Chairman, the Gephardt amendment builds on the negotiations undertaken earlier this year by President Bush with the Japanese in Tokyo. It calls on the U.S. Trade Representative to negotiate one or more comprehensive automotive trade agreements with Japan and to implement the commitments the Japanese made to President Bush during his trip to Asia last January.

This is not a content amendment, as some have suggested, but a mechanism to develop additional agreements with the Japanese in an effort to open up their markets and reduce our trade deficit. Indeed, the content levelplan mentioned in the amendment was volunteered by the Japanese in Japan, and is unchanged in the amendment. The plan merely referenced the commitment and made it subject to monitoring and enforcement. This monitoring and enforcement is consistent with the Commerce Department's statement in a letter that the administration only recently modified the 70-percent commitment to preserve any shortfall that develops. Under this amendment and commitment the content levels are far below the levels now adhered to by the Big Three companies—General Motors, Chrysler, and Ford—which is troubling. However, that is the Japanese agreement. The amendment does not change it.

Nor is this amendment a quota amendment. It does recognize that there is a closed Japa­nese market to which the Big Three are adhering. But its purpose is not to flood the United States market with more imports. It should be emphasized that the Japanese have already established a voluntary quota of approximately 200,000 units for this fiscal year. This level is substantially more than is now being exported to the United States. The amendment merely seeks to extend that generous voluntary restraint by the Japanese through the remainder of this century. It will not adversely affect U.S. auto dealers, as our hearings on a companion bill, H.R. 4100, showed.

The amendment contains the following disclaimer:

No action in this amount may be construed to have the effect of, first terminating or limiting to any extent the production of motor vehicles by American manufacturers; or second, limiting or reducing jobs of U.S. workers at the facilities of such manufacturers.

I want to emphasize the importance of this disclaimer, since a number of people representing the transplants in the United States have contended erroneously that the objective of H.R. 4100, H.R. 5100 and this amendment is to harm the transplants and the American people who work there. This disclaimer makes it clear that that contention is not only not intended, but is expressly prevented. Whatever might happen to the transplants in the future will not be determined by the provisions of this amendment.

It will be up to the Japanese in their negotiations with Japan, under H.R. 5100 as reported, and under this amendment, to deal with matters related to the transplants.

Mr. Chairman, early this year President Bush and a number of executive officers from various industrial sectors traveled to Japan and other countries in Asia, to engage in trade negotiations involving several industrial sectors, including the all-important automobile sector. That sector alone accounts for, directly and indirectly, about 12 percent of the gross national product of this country. The industry includes not only the auto manufacturers, such as the Big Three and the transplants, but also the many suppliers of that industry: rubber, glass, steel, aluminum, electronics, textiles, and machine tools. When the auto industry suffers, as it is today, its suppliers and the people working for them also find themselves in difficulty.

The trade negotiations with Japan were important not only because they included Gov­ernment-to-Government negotiations, but also the interests of this industry and the business community. While the negotiations themselves produced few commitments by the Japanese, it is these commitments that the administration tells us are helping to open Japanese markets and improve the trade picture in the United States. However, as my June 2, 1992, letter to the admin­istration shows, too many of these commit­ments are already behind schedule.

This amendment compliments the actions taken by the Japanese themselves with the European Community last year. It is interest­ing to know that at a recent meeting televised on C-SPAN, the Japanese ambassador indi­cated that in fact no agreements were reached with the Europeans last year that would deal with exports to the EC. This is strange because we have correspondence with the admin­istration that clearly indicates that such an agreement exists between the Japanese and the EC.

I strongly urge support for this amendment.

Mr. WOLFE. Mr. Chairman, I rise today in support of the Gephardt-Levin amendment to the Trade Expansion Act. This amendment is the most modest in its scope and essential in its message.

All the amendment asks is that commit­ments which both our Government and the Japanese Government entered into be hon­ored. If those commitments are not honored, then the President is given the authority to correct such a breach of faith and trust.

There are many reasons for our current trade deficit. I think it is irresponsible to point to the behavior of our trade partners. We have certainly seen domestic failures in trade and industrial policy. We have witnessed a dangerous shortsightedness in both Wash­ington and in private industry.

However, Mr. Chairman, over the past 45 years, while the United States has been busy defending the world against various threats, real or perceived, our principal trade partners have been investing in themselves. Our trade partners and trade competitors have been in­vesting in the education of their children, in worker training and retraining, in public infra-
structure, and in research and development. As a result, our trade partners have been able to enhance their international efficiency and competitiveness while we have fallen behind.

It is time for the United States to get to the business of refocusing our priorities. We have tremendous advantages in this Nation. We have a willing and trained work force. We have a history of innovation. We have vast human and natural resources. Now, let us focus our attention on using our resources in an efficient and competitive way.

Yet, it is equally clear that there are significant barriers to our products and that some of our trade partners enjoy barriers to our exports. We are simply burying our heads in the sand. This ostrichlike approach to our trade relations will only undermine our hopes for a more prosperous economic future.

The Gephardt-Levin amendment is entirely reasonable and modest. Since the early 1970's, over two decades ago, every United States President has gone to Japan and has entered into solemn agreements. The Japanese have pledged to do better, and the various administrations have assured the American people that all was well. All has not been well. This amendment simply requires the administration to monitor and enforce the commitments which the Japanese made to the President last January. If enforcement is necessary, restrictions would be limited to the auto sector. If American subsidiaries of Japanese companies are in compliance with the agreements the Japanese Government made, we have, there would be no effect on those subsidiaries.

This amendment represents a small step toward a fair trading system, but it is an important step. It deserves the full support of the House.

Mr. GILCHREST. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the marketplace, and especially the international marketplace, are very difficult things to understand. Obvious solutions often prove counterproductive, and protection of one group usually penalizes another. I believe that this amendment and probably this entire bill reflect this.

We will hear today from Members who claim that their other goal is to create a level playing field with the Japanese. Where were these Members when we voted on the rule? Congress then tried to offer an amendment to create a level playing field—through a free-trade agreement— with Japan, and yet these same Congressmen and Congresswomen voted to support the rule and block this. Mr. Chairman, the advocates of this amendment do not want a level playing field, they want a captive market.

There are things we could do to level the playing field. Japan has a much lower cost of capital than we do, and this helps their corporations immensely. They do not suffer from the punitive capital gains tax our firms face. If we were to cut the capital gains tax, it would help our companies reinvest and add to their competitiveness, creating jobs. But the protectionists all oppose this, saying it would only help the rich. Since when are the United Auto Workers the rich?

Our deficit takes a huge chunk out of national savings, driving the cost of capital up further. And yet when we offered a balanced budget amendment, many protectionists opposed it. Do the Japanese have to run a $400 billion deficit to provide us a level playing field?

The fact is, our own Tax Code and our own regulatory policies are the main impediments to our competitiveness. Yet most Members on the other side of the aisle will continue to tax and regulate our businesses into noncompetitiveness, and then blame the Japanese.

And yet despite this, our exports to Japan are growing at a rapid rate, and our trade deficit with that country is shrinking. The United States is the largest exporter in the world, and our exports are growing far faster than those of our competitors. The process of international negotiation is working, as our farmers, our high-technology industry, and other competitive American industries gain increased access to foreign markets. It is our policy of opening markets, and not closing them, that has produced 70 percent of our economic growth in recent years.

Mr. Chairman, we have made tremendous gains in international trade lately. American businesses have proven that they can compete, and international negotiations are providing them with markets. Just as we are beginning to win the trade war, proponents of this amendment and this bill want to admit defeat and close our markets. I urge my colleagues to oppose the amendment and the bill.

Mr. AU Coin. Mr. Chairman, I rise in support of this amendment and this bill because they will help break down trade barriers and unfair trade practices.

Some argue that the Gephardt amendment requires quotas on Japanese auto imports and domestic content of autos built in the United States. Nothing could be further from the truth. This amendment holds the Japanese to their own promises to open up their cartels, or keiretsu, to American competition. Just as antitrust laws a century ago targeted domestic cartels, so our trade negotiations must target international trade cartels.

The Gephardt amendment does exactly that. Far from erecting trade barriers, it will help break them down.

This amendment also brings within the scope of section 301 the U.S. Trade Representative's negotiations with Japan on the extension of voluntary auto import limits. This prevents Japanese auto keiretsu from making us pay for their existing trade agreement with the European Community.

Taken together, this bill and the Gephardt amendment are measured steps to ensure that American firms are allowed to compete in the global market.

Some argue these steps are not necessary. They are wrong. Allowing the rules of the game to remain the same will only continue to leave us crumbs when the U.S. Trade Representative goes to the negotiating table. It's time we come to that table on an equal footing.

I urge my colleagues to support this amendment, and the bill.

Mr. MFUME. Mr. Chairman, I rise in support of the amendment offered by the distinguished majority leader and our colleague from Michigan, Mr. LEVIN. In April of this year, representative HELEN BENGTSON AND I introduced the Automobile Labeling Act of 1992, H.R. 4228. Senator BARBARA MIKULSKI introduced the companion bill in the Senate. H.R. 4228 would make it easier for consumers to determine the exact percentage of American-made parts and labor which went into the final product. Our legislation specifies that each manufacturer of a new automobile for sale in the United States shall affix and the auto dealer shall maintain on such automobile a label indicating the percentage of U.S. equipment which originated in the United States.

Additionally, the label shall indicate the percentage—by man-hour—of labor on such automobiles performed by workers in the United States and indicating the name of any country, other than the United States, where at least two-thirds of the automobile equipment by value in such automobile originated.

Mr. Chairman, both in concept and principal the Gephardt-Levin amendment supports the spirit of our automobile labeling legislation. The amendment ensures that the Japanese have at least the same access to our auto market as they have negotiated with the Europeans and it attempts to codify agreements reached between our two nations last January.

The Gephardt-Levin amendment, as with H.R. 4228, is designed to save jobs, expand trade and opportunity, and inform concerned consumers. It is my hope that many of our colleagues will recognize the significance of this legislation and move to include this provision within the Trade Expansion Act of 1992.

The CHAIRMAN. The question is on the amendments on bloc offered by the gentleman from Missouri [Mr. GEPHARDT]. The question was taken; and the Chairman announced that the ayes appeared to have it.
The Clerk announced the following pair:

On this vote: Mr. TRAXLER for, with Mr. Lewis of Florida against.

So the amendments en bloc were agreed to.

Under the rule, the Committee rises.

Accordingly the Amendment was agreed to. and the Speaker pro tempore (Mr. HOYER) having assumed the chair, Mr. VALENTINE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 500) to strengthen the international trade position of the United States, pursuant to House Resolution 510, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the Committee amendment in the nature of a substitute? If not, the question is on the Committee amendment in the nature of a substitute, as amended, agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMEND OFFERED BY MR. ARCHER. Mr. ARCHER, Speaker, I offer a motion to recommit.

The Speaker pro tempore. The gentleman opposed to the bill? Mr. ARCHER, I am, in its present form.

The Speaker pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ARCHER moves to recommit the bill, H.R. 500, to the Committee on Ways and Means.

The Speaker pro tempore. The question is on the motion to recommit. The motion to recommit was rejected.

The Speaker pro tempore. The question is on the passage of the bill. The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.
On this vote:
Mr. Traxler for, with Mr. Lewis of Florida against.
Mr. DICKS and MR. SWIFT changed their vote from "yea" to "nay."
Mr. PETRI changed his vote from "nay" to "yea."
So the bill was passed.
The result of the vote was announced as above recorded.
A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 1150, HIGHER EDUCATION AMENDMENTS OF 1992

Mr. FORD, Mr. Speaker, pursuant to the order of the House of Wednesday, July 1, 1992, I call up the conference report on the Senate bill (S. 1150) to reauthorize the Higher Education Act of 1986, and for other purposes.
The Clerk read the title of the Senate bill.
The SPEAKER pro tempore (Mr. TORES). Pursuant to the order of the House of Wednesday, July 1, 1992, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of June 29, 1992, page 1617.)

The SPEAKER pro tempore. The gentleman from Michigan [Mr. FORD] will be recognized for 30 minutes, and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 30 minutes.

The Clerk recognizes the gentleman from Missouri [Mr. FORD].

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on S. 1150, the Senate bill we are about to debate.
The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I would like to engage in a colloquy with the chairman of the Committee on Education and Labor, the gentleman from Michigan [Mr. FORD].

The Speaker, is it your understanding that students enrolled in credit bearing distance learning courses that are delivered by video cassette or disk are entitled to full financial aid, provided that the same or equivalent courses are offered in any form on campus during the same academic year or academic year?

Mr. FORD of Michigan. Mr. Speaker, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Speaker, that is correct. These individuals which the gentleman from Michigan [Mr. KILDEE] described will qualify for full financial aid under this bill.

Mr. KILDEE. Mr. Speaker, thank the gentleman from Michigan [Mr. FORD].

I rise today to express my strong support for the conference agreement on S. 1150, the Higher Education Amendments of 1992. I want to commend the work of the House Appropriations and Labor Committee, Mr. WILLIAM FORD, for his leadership in bringing this legislation to the House for final approval. During his years in the U.S. House of Representatives, Chairman FORD has been a leading expert in higher education in our country, and this bill is another testament to his commitment to improving education in America.

Mr. Speaker, the legislation before the House today will increase access to higher education for all Americans. Under this bill, all students will be able to borrow the maximum Stafford loan, regardless of family income. The bill also significantly increases the maximum Stafford loan limit for second through fourth year students, and graduate students. Moreover, the most financially needy students will have the interest on these loans paid for by the Federal Government, and the 4 million Pell grant recipients will receive an increase in their financial aid.

The legislation also establishes a direct loan program that will enable institutions of higher education to become more involved in the Federal Student Loan Program. While I would have preferred a much larger direct loan program, I believe this demonstration project will prove that a much broader direct loan program is warranted.

Mr. Speaker, as a member of the House Subcommittee on Post-Secondary Education, I would like to comment on a few specific provisions in this legislation that I personally worked on, and I believe will improve both quality and access to higher education in our country.

I worked very closely with members of the library community to ensure that title II of this bill, the academic libraries and informational services, would provide the necessary resources to meet the challenges facing our nation's higher education libraries. The conference agreement includes language that significantly increases the authorization levels for parts A, B, C, and D of title II. The changes in title II will assist college and university libraries to acquire technology and equipment to improve research capabilities in many different areas, including informational technology. In addition, this bill provides funding for the education and training of personnel in library and information science, and enhanced informational delivery systems.

The conference agreement also helps the Nation's largest research libraries in maintaining and strengthening their research collections, and allowing those resources to be used by libraries across the country. Finally, the bill assists historically black colleges and universities and other minority-serving institutions in developing stronger library programs, and to help train individuals in these fields.

The conference agreement also contains strong provisions in title VIII, the section pertaining to cooperative edu-
cation. I worked with the members of the co-
operational education community, including rep-
resentatives from GMI Engineering & Manage-
ment Institute in my district, to ensure that co-
operative education programs are allowed to
expand in the future. I strongly believe that the
workplace is not the only place where students
are trained and have the opportunity to view
the operation of a first-hand basis.

The conference agreement raises the au-
thorization levels for cooperative education
programs to all-time levels. This money will be
used to help institutions of higher education
to establish and expand cooperative education
programs. S. 1150 also authorizes funding for
demonstration and innovative projects, as well
as for training personnel in the field of cooper-
avative education, providing technical assis-
tance, and resource centers and basic re-
search.

Mr. Speaker, I was very pleased that I was
able to work out a compromise on provisions
relating to the definition of economic hardship
to provide for full-time, low-
paid community service work and high-debt
medical resident students who can not afford
to immediately pay back their loans.

Under this provision, the Secretary of Edu-
cation is directed to implement regulations,
through the negotiated regulation process, that
establish the minimum wage rate and the pov-
erty line as criteria for determining economic hardship. In
addition, the language specifically states that the Secretary shall consider the borrower's in-
come and debt-to-income ratio as primary fac-
tors in drafting these regulations. I would urge the Secretary to work with those interested
parties, including the International Liaison of Lay Volunteers in Mission and the American Medical Association, to draft a provision that
protects those who engage in full-time, low-
paid community service work and high-debt
medical resident students who can not afford to
immediately pay back their loans.

Mr. Speaker, I am also very supportive of
this provision, as it allows for full financial aid for those stud-
ents enrolled in credit bearing distance learn-
ing courses that are delivered by video cas-
ette or disk as long as the same or equiva-
 lent courses are offered in any form on cam-
pus during the same award or academic year.
A few minutes ago, I engaged in a colloquy with the chairman of the House Education and Labor Committee, Mr. FORD, to reaffirm this
issue. I believe this provision will enable many
smaller and rural schools that do not have larg-
er experience gained by students to offer a broader
range of classes for its students.

Mr. Speaker, there is one issue, however, that I am deeply concerned with that was not
resolved during the conference committee.

The 1990 OBRA legislation prevents schools
from receiving title IV, part B loans if their
two most recent cohort default rates re-
sceeded an established trigger. The law ex-
cluded historically black colleges and univer-
sities and tribally controlled schools because of
the large at-risk populations. The law also
allowed institutions to appeal its loss of eligi-
bility, based on the results of exception-
ally mitigating circumstances. Unfortu-
nately, many schools across the country
that served a majority of at-risk students, but were
not granted exemptions, were caught in a
unique situation.

I was deeply concerned when I saw the
Secretary's regulations that, in effect, disquali-
ﬁed all schools from meeting the exception-
ally mitigating circumstances criteria. I would urge
the Secretary to review the exceptionally mit-
gating circumstances regulations, and imple-
ment new guidelines that are more reasonable
for those schools who serve a majority of eco-
nomically vulnerable students.

Finally, I want to express my support for a
 provision in the conference agreement that al-
lowed for the eligibility of short-term programs
in the Student Financial Aid Program. These
short-term programs serve a valuable pur-
pose of providing work experience, and schools should not be summarily
punished because they offer short-term pro-
grams. The House bill initially eliminated
the eligibility for these short programs, and I was pleased to work with my colleague, Mr. GOOD-
LING, to restore the eligibility of these pro-
grams. In my own district, the Ross Medical
School offers several worthy classes that have helped train many unemployed people in the
Flint area.

Mr. Speaker, I believe the Higher Education Amendments of 1992 are an important step in
ensuring all Americans can afford to attend an
institute of higher education. As our country
continues to compete in the international mar-
ketplace, we need to ensure our work force is
ready and able to meet those challenges. This
legislation gives our country's students the
needed resources to prepare for the future.

Mr. COLEMAN of Missouri. Mr.
Speaker: I yield myself 4½ minutes.

Mr. Speaker, I am also very pleased that the
House is considering the conference re-
port on S. 1150, the Higher Education
Amendments of 1992. I urge my col-
leagues to join me in support of this
important legislation.

We started the process of reauthoriz-
ing the Higher Education Act over 18
months ago. The conference report be-
fore us today reflects many hours of
hard work and compromise by Repub-
licans and Democrats in the Congress,
the Department of Education and the
White House. I am pleased that we, in
the Congress, and those in the admin-
istration have been able to work out our differences on this vital piece of legis-
lation. Our agreement demonstrates that legislative gridlock can be over-
come and that Government can be re-
sponsive to the needs of the American people.

I commend my colleagues in both
House of Congress and on both sides of the
aisle, especially Chairman BILL
FORD, and ranking Republican BILL
GOODLING. I also commend Secretary
Alexander and President Bush for their
willingness to work with the Congress to ensure that this legislation, so vi-
tially important to students and their families, is enacted this year.

S. 1150 reauthorizes the Higher Edu-
cation Act for 5 years. It makes a num-
ber of significant and fundamental
changes in the scheme of Federal sup-
port of higher education.

The bill improves student aid oppor-
tunities for hard-pressed middle-in-
come families who increasingly find
paying for a college education beyond their financial means, by:

- Eliminating consideration of home and family farm equity from the cal-
culation of a student's eligibility for student grant or loan assistance;

- Revising the Pell Grant Program, so
that when funded at the $3,700 maxi-
mum award, a family of four with an
income of up to $42,000 will be eligible
to receive a Pell grant award. Under S.
1150, an additional 1 million students
are expected to become eligible to re-
cieve Pell grant awards in the first
year of its authorization;

- Expanding eligibility for guaranteed student loans to an additional 900,000
students, most of whom will come from
middle-income families;

- Adding an additional education savings protection allowance so that fami-
lies who have saved for their children's education will not be punished for
doing so. This allowance is equal to the
amount of the family's expected family
contribution;

- Creating a new, unsubsidized loan program which will ensure that edu-
cational loans are available to families
who may not meet the needs test in the
regular loan program but need help
paying for their children's college edu-
cation. Approximately 800,000 students
are expected to borrow federally guar-
anteed loans under this program in fisc-
al year 1997, and up to 1.3 million are
expected to be participating by fiscal
year 1997;

- Students and their families are
frequently not well-informed about the
range of postsecondary education op-
tions, and the appropriate high school
programs that lead to postsecondary
education. The bill improves outreach
and early intervention by:

- Creating a pre-eligibility form to
provide early notice to students of their
potential for Federal aid;

- Strengthening the existing TRIO pro-
grams;

- Creating a new Federal-State part-
nership to provide tutoring and student
advisement;

- Developing a national computer net-
work of financial aid information.

Many students and their families are
denied access to student aid because they
cannot navigate through the be-
wilering complexity of student-aid forms and delivery systems. The bill
seeks to address these problems by:
Providing for a single, free Federal student application form; 
Allowing students to update their application from the prior award year rather than file a completely new form each year; 
Developing a single system of needs analysis for assessing a student's financial need; 
Providing for a straightforward system of student loan deferments.

Perhaps most important, the bill goes beyond trying to correct the problems with our student aid programs which have already occurred and emphasizes preventing problems in the future. The bill includes nearly 100 provisions to strengthen controls over schools to ensure an end to waste and abuse and minimize loan defaults. Many of these provisions are a direct outgrowth of recommendations made by the Department of Education's Inspector general. For example, it:

Spells out minimum standards for State licensing. Although State licensure has long been a requirement for title IV programs, there have been no clear expectations of what State licensure should entail. These new standards will ensure that the State licensure will really mean something.

Under the bill, the Secretary of Education must review all institutions wishing to participate in the Federal student aid programs against criteria such as: default rates; compliance with Department of Education title IV requirements; and, student complaints. Through his review, the Secretary identifies institutions who meet this criteria and refers them to the State for an in-depth review with the State postsecondary review agency authorized to conduct such a review. Under this State review, institutions are required to meet published State standards which address the quality and content of the schools programs; financial and administrative capability; success with regard to student completion; student withdrawal and student placement rates. Schools that do not meet these State standards will be terminated from eligibility for continued participation in Federal student aid programs.

Strengthens the Department of Education's hand in its review of institutions seeking eligibility for participation in title IV funds. Under this bill, every institution seeking participation in student aid programs must be reviewed by the Department of Education and regularly re-reviewed. The bill also requires that institutional eligibility is contingent upon meeting strong administrative and financial capability tests.

Requires standards by which accreditation agencies are to be judged by the Secretary. Like State licensure, the Department of Education has often overrelied on accreditation in the review of institutions. Setting out a clear articulation of standards for accreditation will enhance their role as a title IV gatekeeper.

Strengthens criminal penalties for program fraud; 
Prohibits the use of commissioned salesmen and recruiters; 
Adds new restrictions on branch campuses; 
Removes schools from eligibility who have default rates above 25 percent; 
Requires institution's to provide fair and equitable complete tuition refunds; 
Tightens the definition of independent study.

These are but a few of the changes that the bill has included to protect the substantial Federal investment in higher education authorized by this bill for the next 5 years.

The bill also revises title V of the act to include some initiatives based upon America 2000, for improving the quality of teaching in our Nation's schools. It:

Adopts a reclassification of the Perkins loan program by which States will develop new routes to teacher certification;

Authorizes national teacher academies to provide in-service training for teachers in English, math, science, history, geography, government, and foreign languages.

S. 1150 contains a provision for a direct-loan demonstration project. I originally opposed this provision when it was proposed in the House and remain skeptical that direct Federal funding of student loans is a step in the right direction. Nonetheless in view of the significant interest in this approach, I agree it ought to be tested.

While the demonstration program authorized in this bill is somewhat larger than I believe is necessary, it will give Congress concrete information on the viability of this concept.

I urge the Department of Education to implement the demonstration project and I look forward to having an opportunity to consider the project's results.

Finally, the conference report contains a few provisions which, if isolated by themselves, I would not support. However, resolving the over 1,500 points of difference in the House/Senate conference required a great deal of negotiation and compromise and in a situation like this, one cannot get everything one wants. I believe that the end product contained in S. 1150 is overwhelmingly favorable enough to warrant my support and that of my colleagues in this House.

In closing, I want to thank all of the conference, their staffs and the staff of the Office of Legislative Counsel and the Office of Inspector general and Public Welfare at the Congressional Research Service for the tremendous effort that was put forth to bring us to the point we are at today.

Mr. Speaker, I would like to enter into a colloquy with the chairman of the committee at this particular time, and again commend the gentleman from Michigan [Mr. Ford] for his extraordinary leadership in this bill, providing the good faith effort to resolve the differences that we have had between parties and between the branches of Government. It is always a pleasure to work with the gentleman from Michigan [Mr. Ford], and I am so glad to be able to ask him these questions in a colloquy.

Mr. Speaker, I would like to ask the distinguished gentleman from Michigan a question regarding provisions amending section 438(b)(2)(B) which establish a minimum special allowance on loans financed with the proceeds of tax-exempt obligations. My question is whether it is the gentleman's understanding that the term "applicable interest rate" as it appears in section 438(b)(2)(B) as amended and under current law means the net interest rate to the borrower after rebate of any excess interest required to be rebated under section 427A.

Mr. FORD of Michigan. Mr. Speaker, if the gentleman will yield, I thank the gentleman from Missouri [Mr. Coleman] for his kind remarks. I will talk about it more later, but once again it has been a great pleasure to work with a truly bipartisan coalition of our committee led by the gentleman from Missouri.

The term "applicable interest rate" in section 438(b)(2)(B) means the rate paid by the borrower after receipt of any excess interest under section 427A. Thus, as an example, the "applicable interest rate" on a Stafford loan with a stated interest rate of 10 percent on which a 2-percent interest rebate was paid to the borrower under section 427A, would be 8 percent.

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman for enriching the quality of the discussion.

Mr. FORD of Michigan. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Washington [Mrs. Unsum].

Mrs. UNSOELD. Mr. Speaker, it is our intent in the conference in section 481(b)(3) of the Higher Education Act Amendments of 1992 was to prohibit an institution from relying wholly on funds provided under this title to support the institution's educational programs and other activities. It was not our intent to impair the ability of institutions to maintain and enhance the quality of the programs they offer, to restrict choice in quality post-secondary education, or to penalize the population being served by this title because they are financially in need. Therefore, I believe that the Secretary should include a waiver process for those institutions that provide quality outcomes in the form of verifiable retention and placement rates.

Mr. Speaker, I rise in support of the conference report to reauthorize the Higher Education Act of 1965. This cru
CONGRESSIONAL RECORD—HOUSE 18257

Mr. FORD of Michigan. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GOODLING], the ranking member on the Committee on Education and Labor. This gentleman helped bring us together again to resolve our differences on this particular bill, and I thank the gentleman for his leadership on the Higher Education Act.

Mr. GOODLING. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, first I want to compliment the chairman and ranking member. If anybody did not get to be heard on this issue, then it is their fault. The chairman had 44 hearings, some in Washington, some all over the country. So if anybody was denied an opportunity to be heard, they sure must have been asleep at the switch.

Both the chairman and the ranking member worked long hours to bring what I think is an outstanding higher education bill.

Mr. Speaker, I would also be remiss if I did not thank the staff members, because they spent probably hundreds of hours here and also dealing with the other body, and our membership on the other body, and our membership on the other body, and our membership on the other body.

Mr. Speaker, I rise in support for many, many reasons. First of all, as was mentioned, the needs analysis has been changed. That means middle income America has a much better opportunity to avail themselves of these opportunities in higher education.

Second, it simplifies the program for students and financial aid administrators. We heard a lot of people asking to please do that.

Third, it includes some parts of bills that I had introduced: changes in title I, articulation agreements between 2-year and 4-year colleges in order to assure that academic credit earned by a student at a 2-year institution will be transferable to a 4-year institution. Also, as was mentioned, the program integrity section has been increased dramatically and should help us with our default problems.

Finally, I am pleased that the bill includes an amendment to retain eligibility for quality short-term programs, those of less than 600 clock hours.

I would like to engage the gentleman from Michigan, the chairman of the Education and Labor Committee, in a colloquy regarding the amendment to restore eligibility for title IV student loans to students attending programs of less than 600 hours. Is it the chairman's understanding that the institutions with less than 600 hour programs, that are currently eligible under the Higher Education Act, will remain eligible until July 1, 1993, and that after July 1, 1993, only those institutions providing courses of less than 600 hours will have met the standards of the Secretary's regulations will be eligible?

Mr. FORD of Michigan. The gentleman is correct. That is my understanding.

Mr. GOODLING. Second, is it the chairman's understanding that the Secretary should expedite the promulgation of regulations to provide institutions with a reasonable opportunity to satisfy the conditions contained in the regulations prior to July 1, 1993?

Mr. FORD of Michigan. The gentleman is correct. That is my understanding.

Mr. GOODLING. Mr. Speaker, I thank the gentleman and the ranking member for all the hard work that has been put into a very, very fine piece of legislation. Without that leadership, of course, we would not be here today. I thank the gentleman very much because it means a lot to an awful lot of Americans.

Mr. FORD of Michigan. Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman for yielding time to me. Mr. Speaker, the legislation we are entitled the Higher Education Amendments of 1992. It could also be appropriately called the Middle Income Student Assistance Act. For that is what it is. This bill opens up the Federal student aid programs to students from middle income, working families. It is an important bill for every Member of Congress who wants to do something that will actually help those families. Earlier in this Congress I introduced a bill that expanded Federal student aid programs to the middle class. That legislation was cosponsored by 71 Members of this body. The legislation before us today incorporates the major provisions of that bill.

There are a number of provisions in this bill that by themselves would make this legislation deserving of support. The bill provides assistance to college and student's college libraries. It makes improvements in teacher training programs. It supports programs that blend school and work. And it enhances foreign language training. But make no
mistake about, the heart and soul of this bill is what it does for middle income, working families, the bedrock of our Federal tax system, who are finding it increasingly difficult to finance their children's college education. This bill makes these families eligible for Federal college aid.

Mr. Speaker, we are all aware of recent reports that have chronicled what actually happened economically to working families during the past decade. We know that the rich got richer, and the poor poorer. And middle income folks have been caught in the middle of that income squeeze. Nowhere is this more apparent than when it comes time to pay for their kids' college education. Middle income, working families have seen college tuition rise four times as fast as their disposable income, and total college costs three times as fast. These families have now gotten to the point where they can no longer provide their children with better opportunities than their parents provided for them. We are close to losing that generational innovation that has inspired this country, where each new generation of Americans have more opportunities and better chances and bigger hopes than previous ones. That was the American dream and for middle income, working folks, that dream is quickly disappearing. Today we act to restore that dream.

I urge my colleagues to support this legislation.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield 2/3 minutes to the gentleman from Wisconsin (Mr. Petri), whose ideas are incorporated in this conference report. The gentleman has given us a lot of good ideas, and he has been a very active member of our subcommittee.

Mr. PETRI. Mr. Speaker, I thank my colleague for yielding time to me.

Mr. Speaker, I rise today in support of the conference report. As a member of the subcommittee with jurisdiction, I went into this reauthorization recognizing that our system of post-secondary education is the best in the world. The job before us was to keep it that way, and to ensure that every American has access to it.

This bill is a big step toward these goals, and I would like to commend our colleagues BILL FORD, BILL GOULDING, and TOM COLEMAN. Without their leadership, our success here wouldn't have been possible.

An educated work force is a crucial key to a dynamic economy. One very efficient way to encourage that, I have long argued, is to make all Americans eligible for student loans on which the repayment is related to the borrowers' postsecondary income and collected as income taxes by the IRS. Therefore, I'm excited by the bill's major strides in that area, especially the authorization for converting defaulted and endangered loans to income-dependent repayment.

Clearly, former students who are having trouble repaying their loans are most in need of income-dependent repayment. Provisions 416(t) and 429, will not only help such borrowers, but should eventually eliminate the whole problem of student loan defaults.

Note that these provisions cannot be put into effect unless the Secretary of Education can establish an effective collection mechanism and unless they will clearly save money.

It is the intent of the backers of these provisions that the terms of collection mirror as closely as possible those found in H.R. 2336, the Income-Dependent Education Assistance Act. The basic model in H.R. 2336 is simply the only one yet proposed that will work, and I stand ready to assist the administration in the development of this program.

It is the further intent of income-dependent repayment supporters that the Secretary should reach agreement with the IRS to have the IRS collect these loans. Realistically, this is the only way income dependence can work well.

Clearly, this must be discussed with the House Ways and Means and Senate Finance Committees, which could prohibit IRS involvement through an amendment to a tax bill. It is neither our intent, nor is it possible, for us to infringe on another committee's jurisdiction.

Finally, the conference report contains a direct lending pilot program, in which 35 percent of the participating schools will offer students the option of income-dependent repayment. If the IRS is to be involved in the collection of converted defaulted and endangered loans, then it is reasonable for it to collect all income-dependent loans. However, it may not be practical for the IRS to collect income-dependent loans under more than one set of terms.

Therefore, I believe that the conference report allows the same set of terms set out in H.R. 2336 to be applied to all of these programs.

I am pleased that this conference report contains these forward looking provisions. It is our hope we can develop them into a successful operating program and an exciting model for the future.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I commend the gentleman for his statement. For 30 years I have had a bill in to permit students to repay NDSL or Perkins loans as a percentage of their income as an alternative to the rigid 10-percent program that we have had. This is the most advanced thing that we have done in the way of student loans. We are getting back $600 per year. If we had expanded that program with the new repayment feature, college financial officers would now have far more adequate resources for needy students and there would not be any defaults. I commend the gentleman for his statement in support of this approach.

Mr. PETRI. Mr. Speaker, I commend the gentleman. We will have to work with the Committee on Appropriations and the Committee on Ways and Means in perfecting this.

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. Martinez).

Mr. MARTINEZ. Mr. Speaker, I rise in strong support of the conference report.

Mr. Speaker, the American success story was built on the foundation of education. From Jefferson's northwest ordinance schools to Lincoln's land grant colleges to Truman's GI bill for education to Johnson's student aid programs, education has transformed the
July 8, 1992

CONGRESSIONAL RECORD—HOUSE

18259

Nation to build a better future. Study after study shows that education is far far more important than virtually any other factor in building economic change. Quite simply, jail costs more than Yale—and Yale pays better for the individual and for the Nation.

For the past 12 years the policies of the current and the past administrations have been building the Great Divide between those that are able to afford the best private schools and those of us who hope for a restoration of the best private schools and those of us who hope for a restoration of the American community and that helped make America a world leader.

Those administrations have pursued policies and politics that put college out of reach not only for the poor, but even for many in the middle class.

The proportion of blacks and Hispanics in college has actually fallen. In fact, this year for the first time in a long time, total spending on higher education—including expenditures by the States—is less than the year before.

When it comes to education, the American people want to know “where in the world is the education President?” Let me give you an example. TRIO has been highly effective in boosting college success of low-income students.

Two years ago the Department of Education recognized East Los Angeles College as one of the 10 best TRIO Upward Bound Programs in the Nation. This was confirmed again last October when the Department of Education provided funds to expand the program. Today, the Department is canceling funding for this program that it has called one of the best in the Nation.

As a result of the current administration’s policies that East Los Angeles College and those able to afford the best private schools, he certainly is not supporting real change to demand educational excellence for all Americans. Educational excellence and accountability require the individual and for the Nation.

When it comes to education, the American people want to know “where in the world is the education President?” Let me give you an example. TRIO has been highly effective in boosting college success of low-income students.

Two years ago the Department of Education recognized East Los Angeles College as one of the 10 best TRIO Upward Bound Programs in the Nation. This was confirmed again last October when the Department of Education provided funds to expand the program. Today, the Department is canceling funding for this program that it has called one of the best in the Nation.

As a result of the current administration’s policies that East Los Angeles College and those able to afford the best private schools, he certainly is not supporting real change to demand educational excellence for all Americans. Educational excellence and accountability require the individual and for the Nation.

When it comes to education, the American people want to know “where in the world is the education President?” Let me give you an example. TRIO has been highly effective in boosting college success of low-income students.

Two years ago the Department of Education recognized East Los Angeles College as one of the 10 best TRIO Upward Bound Programs in the Nation. This was confirmed again last October when the Department of Education provided funds to expand the program. Today, the Department is canceling funding for this program that it has called one of the best in the Nation.

As a result of the current administration’s policies that East Los Angeles College and those able to afford the best private schools, he certainly is not supporting real change to demand educational excellence for all Americans. Educational excellence and accountability require the individual and for the Nation.

When it comes to education, the American people want to know “where in the world is the education President?” Let me give you an example. TRIO has been highly effective in boosting college success of low-income students.

Two years ago the Department of Education recognized East Los Angeles College as one of the 10 best TRIO Upward Bound Programs in the Nation. This was confirmed again last October when the Department of Education provided funds to expand the program. Today, the Department is canceling funding for this program that it has called one of the best in the Nation.

As a result of the current administration’s policies that East Los Angeles College and those able to afford the best private schools, he certainly is not supporting real change to demand educational excellence for all Americans. Educational excellence and accountability require the individual and for the Nation.

When it comes to education, the American people want to know “where in the world is the education President?” Let me give you an example. TRIO has been highly effective in boosting college success of low-income students.

Two years ago the Department of Education recognized East Los Angeles College as one of the 10 best TRIO Upward Bound Programs in the Nation. This was confirmed again last October when the Department of Education provided funds to expand the program. Today, the Department is canceling funding for this program that it has called one of the best in the Nation.

As a result of the current administration’s policies that East Los Angeles College and those able to afford the best private schools, he certainly is not supporting real change to demand educational excellence for all Americans. Educational excellence and accountability require the individual and for the Nation.

When it comes to education, the American people want to know “where in the world is the education President?” Let me give you an example. TRIO has been highly effective in boosting college success of low-income students.

Two years ago the Department of Education recognized East Los Angeles College as one of the 10 best TRIO Upward Bound Programs in the Nation. This was confirmed again last October when the Department of Education provided funds to expand the program. Today, the Department is canceling funding for this program that it has called one of the best in the Nation.

As a result of the current administration’s policies that East Los Angeles College and those able to afford the best private schools, he certainly is not supporting real change to demand educational excellence for all Americans. Educational excellence and accountability require the individual and for the Nation.

When it comes to education, the American people want to know “where in the world is the education President?” Let me give you an example. TRIO has been highly effective in boosting college success of low-income students.

Two years ago the Department of Education recognized East Los Angeles College as one of the 10 best TRIO Upward Bound Programs in the Nation. This was confirmed again last October when the Department of Education provided funds to expand the program. Today, the Department is canceling funding for this program that it has called one of the best in the Nation.

As a result of the current administration’s policies that East Los Angeles College and those able to afford the best private schools, he certainly is not supporting real change to demand educational excellence for all Americans. Educational excellence and accountability require the individual and for the Nation.
agreement—pursuant to my floor amendment—is a 25-percent default rate in any given year.

Another important reform that was sponsored by Congresswoman WATERS and as a conferee, I strongly supported Mr. GORDON's proposal to cutoff eligibility in the Pell grant program to schools that lose their student loan eligibility due to 3 consecutive years more of unacceptably high default rates. Unfortunately, the amendment was deleted in conference, despite the overwhelming wisdom and logic of our position. Why should these schools be given student money when they are disqualified from student loans. This is a weak provision but not enough to warrant a rejection of this legislation.

Another amendment—which received the overwhelming support of the House—is not included in the conference agreement. This proposal to eliminate Pell grant awards to incarcerated individuals—that was sponsored by our colleagues, Mr. GORDON and Mr. COLEMAN—was strongly opposed by a large majority of the conference. Thankfully, at least the Senate bill's restrictions on prisoner eligibility are included in the conference report. At least we can tell our constituents that those on death row will no longer receive the Pell grants their sons and daughters need to pursue their educations.

I am particularly pleased to point out to my colleagues that this conference report—unlike the bill that passed this House on March 26—increases Stafford loan limits for students who have successfully completed their first year of study—effective beginning with the 1993-94 school year. Stafford loan limits have not been increased since 1983/84, over the last decade college costs have increased dramatically. The cost of attendance at 4-year public institutions has increased by 85 percent and the cost of attendance at our Nation's private colleges has increased by more by 107 percent.

In very recent years, we have seen tremendous increases in the tuitions at a number of public institutions whose revenues, due to the student budgetary shortfalls. In fact, tuitions charged by many public institutions now rival those charged by many private institutions.

But, finally, the House Education and Labor Committee markup of the higher education bill, I offered an amendment to increase Stafford loan limits. My amendment was defeated on a party line vote. Last March, I offered a floor amendment to increase Stafford loan limits. My amendment was supported by the Bush administration and a large number of higher education organizations, including the American Council on Education (ACE), the National Association of Independent Colleges and Universities (NIU), the National Education Association (NEA), the Association of American Medical Colleges (AAMC), the American Association of Colleges of Pharmacy (AAPC).

Unfortunately, even though I proposed to offset the cost of the proposed loan limit increases, my amendment was brought down by a point of order. Thus, today I am pleased to tell my colleagues, the higher education community, and students and their families that we have finally prevailed.

I would have liked to provide for even larger increases in Stafford loan limits, particularly for first year students.

This was not financially feasible. However, this conference agreement provides for much needed increases in Stafford loan limits for second-year undergraduates from $2,925 to $3,500; for undergraduates who have successfully completed their second year of study from $4,000 to $5,500; and for graduate study from $7,500 to $8,500.

The conference report also provides for a floating interest rate on Stafford loans, capping interest at a maximum rate of 9 percent for the life of the loan. Any so-called windfall that results when Treasury bill rates are low—as they have been in recent months—will no longer accrue to the lenders.

Under this conference report, students will pay lower rates when T-bill rates are low. Students—rather than lenders—will benefit.

This conference report also addresses the concerns expressed by many medical and dental students who must incur significant debt in order to finance their medical education. Although both the House and Senate bills eliminated a number of the 12 specific medical and dental categories, the conference agreement includes the most advantageous provisions from both bills from the perspective of medical students and physician residents.

First, in response to the legitimate concerns raised by those pursuing their medical degrees, language was added to the House bill directing the Secretary of Education to consider debt-to-income ratio as a primary factor in determining eligibility for three new deferment categories. In fact, this language was developed by the Association of American Medical Colleges.

Further, inclusion in this conference agreement of the Senate bill's grandfather clause—will ensure that this change will not apply to those borrowers who are already in the pipeline—those who take out their first loan prior to fiscal year 1993.

Furthermore, the conference bill establishes a new, so-called unsubsidized loan program that will function just like the Stafford program with two important differences. First, unlike the Stafford program, students who do not demonstrate financial need will be eligible for this new program. Second, the interest on such loans will be capitalized during the in-school period. Student borrowers will have the option of paying the interest while they are in school or having the interest added to their outstanding loan balance. Students who are unable to qualify for a full Stafford loan will be able to borrow an additional amount—up to the applicable Stafford limit—under this new, less subsidized program. These new loans—which were developed by our committee chairman, Mr. FORD, and the ranking member of the House Postsecondary Education Subcommittee, Mr. COLEMAN, to provide a new financial aid option for middle-income students who are deemed ineligible for need-based aid—will become available October 1, 1992.

This conference agreement—like the House-passed bill—expands the borrowing capacity of parents under the PLUS Program. Creditworthy parents will be able to borrow up to the cost of attendance less other financial aid. Also, the current interest cap on PLUS is reduced from 12 to 10 percent.

The conference report also expands the borrowing capacity of independent students under the Supplemental Loans for Students [SLS] Program. Annual SLS limits for undergraduates who have successfully completed their second year of study are increased from $4,000 to $5,000. The limits for graduate students are increased from $5,000 to $10,000. The interest rate cap for SLS loans is reduced (from 12 percent to 11 percent). Effective for the 1993-94 school year, the measure before us also increases the maximum Pell grant to $3,700 and the minimum Pell grant to $600. In contrast to current law, there will no longer be a separate needs analysis used to determine Pell eligibility. The new needs analysis established by the conference report to determine Stafford loan eligibility—that eliminates asset-to-income ratio—will also be used to determine eligibility for Pell awards.

This conference agreement—like the House-passed bill—simplifies greatly the Federal form and will be free—students will no longer have to pay to have their applications for Federal student aid processed. States will be permitted to add eight nonfinancial questions to this Federal form and will be able to access the data from the new form without charge. Further, students would be able to access the data from the new form without charge. Further, students
July 8, 1992

need not file a complete new application form each year—they can simply update the pertinent information on their prior year form. This is certainly welcome news to every student and parent who has ever struggled with lengthy and complicated financial aid application forms.

The conference agreement also includes the House-passed provision to create a new, direct loan pilot program. Under the direct loan program, the most controversial provision in the bill. I maintain substantial skepticism regarding the implementation of this direct loan proposal and administration of a direct loan program is the most controversial provision in the bill. I believe that we must lend with caution.

Although this is a reasonable pilot to test this concept—and the concept of income-contingent repayment of student loan debt—I believe that we must take a very cautious approach to direct lending. By and large, I believe that we must take a very cautious approach to direct lending. By and large, I believe that we must lend with caution.

This conference report makes dramatic strides that will breathe new life into higher education for students from middle-income families, with about 1 million of them eligible for financial aid in the first year alone.

We can be proud of the way we support postsecondary education in this country. The American system of higher education is the envy of most nations in the world. Let us continue our high standard of providing quality education by reinvesting in the programs included in this conference agreement.

As a former teacher, I believe that the American system of higher education is the envy of most nations in the world. Let us continue our high standard of providing quality education by reinvesting in the programs included in this conference agreement.

As a former teacher, I believe that our people must be provided with quality education and training opportunities. In today's increasingly competitive world marketplace, we cannot afford to turn our backs away from our education needs and our competitive goals.

Perhaps that speaks well for the process that has brought us to this point. This bill is the product of give and take. It is a good, balanced bill. Most importantly, this bill puts the interests of students first. It is, without a doubt, the most significant educational initiative produced by this Congress. I wish to commend and congratulate the distinguished chairman, Mr. FORD, and the ranking member of the full Education Labor and Postsecondary Education Subcommittee and Mr. GORDING and Mr. COLEMAN, respectively, for their hard work on this bill. I also wish to thank them and their very able staffs for all the courtesies they have extended to me throughout this process.

Mr. Speaker, I strongly urge my colleagues to lend their unanimous support to this conference agreement. This is a good news bill for American higher education.

G. 1650

Mr. FORD of Michigan. Mr. Speaker, I yield 30 seconds to the gentleman from Arizona [Mr. PASTOR].

Mr. PASTOR. Mr. Speaker, in 1947, President Truman's Commission on Higher Education reported that equal educational opportunity for all persons is a major goal of American democracy. President Lyndon Johnson solidified that goal upon enactment of the Higher Education Act of 1965. Today, Congress has an historic opportunity to reaffirm our commitment by approving the higher education conference report.

For nearly three decades, the Higher Education Act assisted scores of individuals to pursue education or training beyond high school. Low-income and disadvantaged students had access to Pell grants, guaranteed student loans, teacher training, work study programs, and a variety of other educational services and programs.

The Higher Education conference agreement, which we are considering today, enhances financial aid to the working poor. More importantly, it significantly expands access to higher education for students from middle-income families, with about 1 million of them eligible for financial aid in the first year alone.

We can be proud of the way we support postsecondary education in this country. The American system of higher education is the envy of most nations in the world. Let us continue our high standard of providing quality education by reinvesting in the programs included in this conference agreement.

As a former teacher, I believe that our people must be provided with quality education and training opportunities. In today's increasingly competitive world marketplace, we cannot afford to turn our backs away from our education needs and our competitive goals.

Keep the 1947 and 1965 promises alive by joining me in support of the Higher Education conference report. I applaud Chairman FORD and my colleagues on the Education and Labor Committee for a superb job in crafting this comprehensive new support system for the educator of the future.

Where there is now only ignorance, the conference report offers early outreach and intervention.

Where there is now only ignorance, the conference report offers early outreach and intervention.

Where there is now ignorance, the conference report calls for simplicity.

Where there are now programs aimed primarily at traditional students, the conference report recognizes the nontraditional student.

Where there is now insufficient emphasis on teacher recruitment and development, the conference report offers a comprehensive new support system for the educator of the future.

Where there is now a vexing problem with student loan defaults, the conference report demands accountability.
cracks down hard on waste, fraud, and abuse, and saves tax dollars.

And where cost now poses an obstacle to college attendance for the poor and the middle class, the conference report offers a major expansion of student aid for all American students.

It sends this message loud and clear: If you work hard and persevere, you can prepare for a college education at the school of your choice; you can succeed in college and beyond; you can be a part of the American dream.

I would also like to take this occasion to mention several specific proposals which I have advocated and consider to be of crucial importance.

First, I am extremely pleased that the final conference agreement maintains the fundamental provisions contained in my bill, H.R. 2290, which proposed a State-Level Matching Grant Program for expanded early intervention services and comprehensive grant aid.

Under this new program, to be known as the National Early Intervention Scholarship and Partnership Program, States will receive matching grants from the Federal Government for two purposes: Partnership designed to keep students in school and prepare them for postsecondary education, and scholarships designed to remove cost as an obstacle to higher education for disadvantaged students.

This new program is based largely on New York State's Liberty Partnership and Scholarship Program, crafted by Gov. Mario Cuomo. I would like to thank this occasion to once again thank the Governor for his assistance in drafting and pressing for this important new program, which has the potential to achieve a dramatic turnaround in college completion rates among disadvantaged youth.

Second, I am extremely pleased that the final conference report also preserves the essential provisions contained in the bill I proposed jointly with my colleague, H.R. 2716, to significantly expand the State role in oversight and approval of postsecondary education institutions.

We all know by now that more than half of all funds for the Guaranteed Student Loan Program are devoted to paying costs associated with student loan defaults. In fact, the default crisis will cost our Nation more than $3.6 billion this year alone. Testimony before our committee made clear that the default problem was created by substandard schools seeking to profit from Federal student aid programs without providing a quality education. The problem was then exacerbated by a history of weak oversight.

The final provisions contained in the conference report will help us solve this problem once and for all. Institutions showing specific warning signs will be identified by the Secretary of Education and will be carefully scrutinized by the States. These which do not meet minimum standards will be terminated from participation in all Federal student aid programs.

These new program integrity provisions get tough on institutions which have violated the public trust—without imposing an undue burden on high quality institutions which have been acting responsibly during titanic struggles for student aid programs. The result will be increased accountability, reduced default costs, and a growing confidence that title IV aid is serving those goals it was intended to serve: our Nation's students.

It is important to note that State approval is only one leg of the triad of institutional eligibility and oversight, and that is why the conference report will be focused on the Higher Education Act. The other two legs, Department of Education certification and accreditation, are also considerably strengthened by this bill, and the bill incorporates key suggestions which I made with respect to increased minimum standards for accrediting agencies.

Third, I am pleased that my bill to expand opportunities for women and minorities in science and mathematics, H.R. 2142, has been incorporated into the final agreement. Women and minorities will make up more than 50 percent of new entrants into the workforce during the next decade, yet they are drastically underrepresented in science courses and careers. These provisions will help women and minorities succeed in these crucial fields, and help our Nation become more competitive.

Finally, I am pleased that the final agreement incorporates my bill, H.R. 2065, the Higher Education Disclosure Act, to reinstate a provision of law which required institutions to disclose large gifts from foreign entities, as well as any conditions which are attached to them. This important sunshine provision was sunset by the President and deserves to be restored to the act.

We all know that our Nation is facing an economic crisis as we head into the 21st century.

At the individual level, American families are hard pressed to make ends meet, yet alone afford the high and rising costs of postsecondary education.

And at the national level, we face a shortage of skilled workers who are urgently needed if we hope to remain competitive in the global marketplace.

This conference report responds directly to these pressing concerns.

To our Nation's young people and their families, it offers hope that their dreams of a college education and a brighter future will become a reality.

And to our Nation, it offers the prospect of a revitalized economy, spurred forward by a surge in the number of highly trained college graduates entering the work force.

This legislation will expand individual opportunity and national prosperity, and it will create a better future for all Americans.

These are not only worthy goals, they are among the most important goals we can set for our Nation. It is my sincere hope that the entire Congress will embrace them as wholeheartedly as I do.

Mr. FORD of Michigan. Mr. Speaker, I yield 1 1/2 minutes to the gentleman from Rhode Island [Mr. REED].

Mr. REED. Mr. Speaker, I rise in enthusiastic support for the conference report. I want to commend the gentleman from Michigan [Mr. FORD], the chairman, and the gentleman from Missouri [Mr. COLEMAN] for their efforts, and all my colleagues on this committee.

This conference report represents a recommitment to providing opportunities for all Americans, particularly middle-income Americans. I am particularly proud that my proposal to eliminate home equity was included in this vital proposal. Because this money does not mean much for thousands and thousands of Americans, middle-income Americans, opportunities to send their children to school and to send themselves to school is an extraordinary opportunity for this country and for many, many Americans.

Education is the engine which pulls this country forward. Today we provided a stronger, more dynamic engine to pull us ahead to face the challenges of competition, to provide a workforce that is trained, and provide a citizenry which understands their rights, understands their responsibilities, and will lead us forward into the next decade and into the next century.

I am very proud to be associated with this committee, this conference report, and again I commend all of my colleagues for their extraordinary efforts.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield 2 1/2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON], who has really given us his input on the issue of costs to reduce the challenges of competition, to provide a workforce that is trained, and provide a citizenry which understands their rights, understands their responsibilities, and will lead us forward into the next decade and into the next century.

Much of what he has proposed in the past is contained in this conference report.

Mr. GUNDERSON. Mr. Speaker, allow me to join with those who have spoken before me from the Committee on Education and Labor in commending the chairman, the gentleman from Michigan [Mr. FORD], the gentleman from Pennsylvania [Mr. GOODLING], the gentleman from Missouri [Mr. COLEMAN], my colleagues, and the education committee staff, especially Tom Wolanin, Maureen Long, Diane Stark, Gloria Gray-Watson, Jo-Marie St. Martin, Rose DiNapoli, and Linda Castleman for spending the last year and a half in drafting a higher education bill that addresses the needs of our present and future work force.

This bill may very well be the most important we can set as a nation. Let us hope that Congress will pass this session.
The committee has not set age limitations with respect to recipients, nor is a preference accorded to any specific academic discipline or year of study.

This bill represents a commitment to the education and to our future work force, an investment in America's future. I am proud to have been able to participate in the drafting of this bill and ask all of you to support final passage.

Mr. CLAY. Mr. Speaker, I rise in support of S. 1150, the Higher Education Amendments of 1992, which reauthorizes and improves the Higher Education Act of 1965.

The conference report contains the major Federal programs supporting postsecondary education in this country. This conference report continues our Federal commitment to access in postsecondary education and to educational opportunity. That is why we have an obligation to our young people in providing the opportunity for all who want to go on to institutions of higher learning.

These programs in this legislation will greatly help our young people, including an improvement of our financial aid system. The financial aid program in this conference report provides an opportunity in terms of making certain that financial impediments will not deter qualified students who wish to pursue higher education. This vital and historic legislation serves as a conduit in expanding and sustaining the American dream that the ancient barriers of poverty and class will not inhibit, restrict, circumscribe, or deny opportunities for higher education for deserving young people throughout our Nation.

Additionally, the conference report contains an improved and strengthened teacher training effort focusing on, among others, State and local programs for teacher excellence, national teacher academies, teacher scholarships and fellowships, as well as minority teacher recruitment.

There are also provisions which will strengthen our historically black colleges and universities. Among these provisions is the Historically Black Colleges and Universities Capital Financing Act. This act will help historically black colleges and universities secure private capital for much-needed institutional improvement and capital projects. More specifically, it will help in building and renovating classroom facilities, libraries, dormitories, and other facilities. The colleges and universities assisted by this legislation are generally small in size and typically serve students from socially and economically disadvantaged backgrounds. These schools generally experience difficulty securing private capital. This act serves the objective of facilitating
access to the private credit sector to fi-
upon their educational mission and
black students to continue and expand
projects, which enable colleges and
18264
century.
make a significant contribution
pressive. These colleges and univer-
sation through support for
ward with the support of the Congress.
It is clear that without these colleges
black colleges and universities have
as nonproductive in our society and
of higher education. The historically
have nurtured, sustained, and devel-
through their specialized knowledge
ough investigation of recruitment,
women, into the industry.
also include representatives of histori-
and
mechanics and other personnel for
the Organization of Black Airline
Social Sciences
Mr. Speaker, it is a pleasure to yield 1 minute to the
gentleman from Ohio [Mr. SAWYER], a very valuable member of our commit-
(Mr. SAWYER asked and was given
permission to revise and extend his re-
marks.)
Mr. SAWYER. Mr. Speaker, our Fed-
eral Government created America’s
land grant colleges in the last century. America was changing, and higher
education helped to elevate the Nation and
its people, and to lead the world through this century.
We are again seeing human, eco-
omic, and technological change un-
paralleled in a century. This bill re-
plies to that sweeping change. It in-
creases the availability of grants and
loans for students who today are often
trying to support families of their own.
It offers real guidance to make sure
that students apply the appropriate tests and
with this help they can afford a college edu-
cation and real job training.
It recognizes that, for the first time,
more than three-fourths of us live in
cities, and provides funds to urban uni-
versities to work partnerships for
real change and renewal in our cities.
In short, this is a bill that offers genu-
ine promise in addressing some of
America’s most pressing challenges for
the next century. You can vote for it
without the feeling that you are sup-
porting the wrong legislation.
Mr. COLEMAN of Missouri. Mr.
Speaker, many people had a role to
play in this conference report, and
there were great contributions, not the
least of which were made by the gen-
tleman from Michigan [Mr. HENRY].
I yield 2 1/2 minutes to the gentleman
from Michigan [Mr. HENRY].
Mr. HENRY asked and was given
permission to revise and extend his
remarks.)
Mr. HENRY. Mr. Speaker, I rise in
strong support of the higher education
reauthorization, and I commend the
chairman of the Education and Labor
Committee [Mr. Fost] for the skillful
leadership he has demonstrated in
shaping the conference report so ably.
Mr. Speaker, the media tend to focus
on the negative. We hear altogether
too much about gridlock between the
two political parties, or the stalemate
between the legislative and executive
branches of Government. The media would report what we are doing
here today. Today, we celebrate reach-
ing consensus not only between the
two political parties, or the stalemate
between the legislative and executive
branches of Government, but also the
consensus that both majority and minority,
both executive and legislative, take
pride in shared contribution and own-
ership.
There are many worthy reforms and
initiatives in the conference report
now before us. Perhaps most impor-
tantly, Federal support for students
from middle America, middle-income
families is being restored. Over the
years, middle-income students gradu-
ally saw their ability to participate in
these student financial support pro-
grams eroded by inflation, savings dis-
qualifications which penalized families
which had saved for higher education
expenses, and disqualifications based
on home equity and business and farm
equity tests. All the while, the costs of
higher education were rising while eligibility
for financial assistance had been shrinking.
Second, this legislation addresses
many of the problems associated with
the negative provisions that are associ-
ated with a small, but financially
significant, number of institutions who
exploited student grant programs for
their own gain at the expense of both
students and the public Treasury. The
so-called integrity reforms included in
this legislation will save significant
sums which, in turn, can be utilized to
provide additional support for worthy
students attending worthy institutions
without significant costs being passed on
to the taxpayer. While I had hoped
we could also further reform the abil-
ity-to-benefit provision in the student
grant and student loan programs, I
nonetheless wish to acknowledge the
many of the abuses about which I have
expressed concern over the years are
indeed being addressed.
Third, I want to note that the conference report included the provision requiring uniform reporting of athletic program revenues and expenditures by those institutions engaged in NCAA division I and division II programs. For the first time, the public, State legislatures, and institutional boards of control will have truly comparable data upon which to make judgments as to whether student athletic programs are being properly administered and in keeping with the primary educational purposes of our colleges and universities. I also want to acknowledge the support of the NCAA in helping us draft the final language which is included in the conference report; their participation in this process gives testimony to the NCAA's commitment to good faith effort at implementing the Knight Commission report.

Finally, I want to commend all parties—Chairman Ford, Secretary Alexander for Education, and Representatives Coleman, Petri, as well as others in both House and Senate—for coming to constructive closure on the direct loan innovations in this bill. Whether it be the giant University of Michigan, or smaller liberal arts colleges such as Calvin College, in my district, there are many institutions which I am sure will want to avail themselves of this pilot project which holds some hope of reducing paperwork and costs associated with the student loan programs.

Certainly, this legislation is not without its flaws. Some would question the costs associated with new program initiatives while we still bemoan the fact that existing core programs in the student grant and loan programs are not sufficiently funded to serve existing demonstrated need. Others might question the wisdom of initiating a new unsubsidized Stafford loan program for students when the private sector is already beginning to enter into this financing arena on its own. And those who believe that in a few years, we'll have to examine the Federal exposure associated with this new program. But by the large, we have shown that Government can work, and that both the Congress and the administration can be responsive to the challenges facing this country.

Mr. Speaker, I urge Members to join with me in support of this legislation.  

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. Murphy].

Mr. FORD. Mr. Speaker, I thank my chairman and commending him and the ranking member and all of the members of the conference committee both in the House and the Senate for the masterful job they did in crafting this higher education extension, offering hundreds of thousands of young Americans in the very near future a real opportunity to further their educational opportunities. And I urge the President to sign this. I understand that he has reviewed the legislation, and I certainly urge the President to join us in Congress in taking a great stride forward to show us that the Education and Labor Committee in the House and the Education and Labor Committee in the Senate and the President can work together for the welfare of millions of young Americans in the future.

Mr. Speaker, I rise today to call upon this body to support and quickly pass the conference report to reauthorize the Higher Education Act. As Members of Congress, we owe a great debt of gratitude to the conferences who carefully crafted such an inclusive and balanced report. Today we are acting on behalf of our most important constituents, children, by taking a stand on the important issue of education. This debate is not about who wins or loses this November, it's about which President can really step forward to show us that the Education and Labor Committee in the House and the President can walk together for the welfare of millions of young Americans in the future.

Mr. Speaker, I rise today to call upon this body to support and quickly pass the conference report to reauthorize the Higher Education Act. As Members of Congress, we owe a great debt of gratitude to the conferences who carefully crafted such an inclusive and balanced report. Today we are acting on behalf of our most important constituents, children, by taking a stand on the important issue of education. This debate is not about who wins or loses this November, it's about which President can really step forward to show us that the Education and Labor Committee in the House and the President can walk together for the welfare of millions of young Americans in the future.

Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. Murphy].
nomic success to the rest of the world if we fail to properly support and nurture our youth? We all know that the answer is no. We must agree that this type of shortsighted policy is the quickest route to ruin. I, for one, will not let opportunities like we have here today be sacrificed to partisan politics.

Many of those who will be most affected by the outcome of this debate are too young to vote, and too naive to understand the motives behind our motions. Although they do not know it, for many of them their future is being decided today. I do not want to take part in a partisan pile that will send the wrong message to them and do irreparable damage to our future. For this reason, I call upon all of my colleagues here today to resist the urge to take the low road of politics as usual, and work together to see that this excellent legislation becomes law.

Mr. COLEMAN of Missouri. Mr. Speaker, I want to assure my colleague that there is no question the President does support this conference report and intends to sign it.

Mr. Speaker, I yield 2 minutes to the gentlewoman from New York [Ms. MOLINARI], a new and valued member of our Committee on Education and Labor.

Ms. MOLINARI. Mr. Speaker, I rise today in strong support of the conference report on the Higher Education Act Amendments of 1992, S. 1150. As a member of the House Education and Labor Committee, I am proud to have played a role in the important mission and vision embodied in this legislation.

The challenge, to recapture and maintain America's economic momentum, amid global competition, requires increasing national economic growth and access to education as the means of individual economic achievement. For the past 5 years, the costs of a college education have escalated 135 percent, while family income has risen by only half of that. Our committee recognized the importance of keeping the doors of opportunity open for middle-income families who simply do not have the financial means to pay for a college education. That is why I am proud to vote in favor of this important legislation before us today.

Passage of this conference report will go a long way toward restoring the promise of opportunity that is the foundation of our economic strength. It will provide real assistance to families who need it—so that working and middle-income families will not have to see the dream of college education slip out of their reach.

The conference report we are considering includes many important provisions designed to help the tax-paying working and middle-income families.

Regardless of family income all students can borrow up to the maximum Stafford loan, with eligibility for the in-school interest subsidy based on financial need.

The maximum Stafford loan for the 1993-94 school year will be $2,625 for first-year students, $3,500 for second-year students, compared to $2,825 currently; $5,500 for third- and fourth-year students, compared to $4,400 currently; and $8,500 for graduate students, compared to $7,500 currently. All parents with no adverse credit history will be able to borrow up to the total college cost minus other financial aid through the Parent Loans to Undergraduate Students (PLUS) Program.

In the past, many hardworking Staten Island and Brooklyn families have not qualified for student financial aid because of the inclusion of the value of a family home in the calculation of need. In this conference report we eliminate the equity in a family's home or farm in determining eligibility for financial assistance. We increase the maximum Pell grant award from $2,400 to $3,700, and a family of four with an income of $42,000 will be eligible for a full grant.

Because the current application process for financial aid is extremely complex and discourages many students from applying for aid, the conference report simplifies the current students aid form for applying for Federal student aid and a single needs analysis for all Federal student financial aid programs.

One of the most serious issues the conference report addresses is to end waste and abuse in the student loan program. Over the past 5 years, we have seen an unacceptable increase in loan defaults. To stop this hemorrhaging of the taxpayer's money, the bill includes nearly 100 provisions to strengthen controls on colleges and universities to end waste, fraud, and abuse.

By the year 2000, two out of three new entrants into the work force will be women or minorities, and 86 percent of jobs available will require post-secondary education or training. For these reasons, the conference report includes outreach programs to increase the number of women and minorities enrolled in science and engineering programs. In addition, the bill revises the programs that serve nontraditional students, many of whom are single women with families, more effectively by increasing support for child care expenses and extending eligibility for Pell grants to less-than-half-time students.

I want to thank the chairman and the ranking minority member for including the tax-exempt bond program for minority students, a number of provisions that I introduced during consideration of this legislation. The first provision establishes a prefreshman summer program to support students applying for admission to colleges and universities. The tax-exempt provisions to help disadvantaged students. Years of experience in New York State's opportunity programs demonstrate that for economically disadvantaged students, college summer programs are closely correlated with academic success.

The second provision requires colleges and universities to formulate and distribute a campus sexual assault policy. College and university campuses are seeing an alarming rise in the instances of date and acquaintance rape. The statistics are horrific. From 60 to 90 percent of rapes are date or acquaintance rapes. Although campus rape is reported every 21 hours, studies reveal that the actual incidence of rape is much higher. It is time to assign the role of responsibility for campus safety to colleges and universities. I am particularly pleased that this provision will be there to protect our daughters and sisters as they head off to college.

The third provision allocates the amount of money for the Student Literacy Corps (SLC), a program to increase literacy and other educational skills by having college students tutor and counsel community organizations which serve educationally or economically disadvantaged individuals. As well as additional funding levels, each institution will now be allowed to receive one grant for each branch campus affiliated with it. This will allow schools that have multiple campuses in various cities to have a SLC program at each location.

I believe that this conference report goes a long way in giving the families of our country the hope that their children will be provided new and greater educational and economic opportunities. A nation is as strong as the people that inhabit it. I urge all my colleagues to support passage of this conference report.

With regard to the reauthorization of the Higher Education Act, I would like to ask my distinguished colleague a few questions about a specific amendment agreed to by the House and Senate conferes relating to the eligibility of foreign medical schools to participate in the Stafford student loan program. It is my understanding that section 481(a)(2)(A)(i) was amended by adding the words "or (ii) the institution's clinical training program was approved by a State as of January 1, 1992." Mr. ANDREWS of New Jersey. If the gentlewoman will yield, that is correct. Ms. MOLINARI. It is my understanding that when the amendment was drafted we understood that it would include at least four institutions, two of which are American University of the Caribbean Medical School in Montserrat, West Indies, and St. John's University Medical School in Grenada.
It is also my understanding that in section 481(a)(2)(A) that foreign medical schools have to comply with either category (i) (1) and (2) or category (ii). Is that the Congressman's understanding well?

Mr. ANDREWS of New Jersey. Yes, it is. Under section 481(a)(2)(A) all foreign medical schools will have to fully comply with either category (i) which requires the foreign institution to maintain 60 percent of their enrollment as non-U.S. citizens and the foreign institution must have a 60-percent passage rate of their foreign medical graduates during the course of 1 year, or be able to meet the criteria set forth in category (ii) of having had an approved clinical training program in any State in the United States as of January 1, 1992.

Ms. MOLINARI. I thank the gentleman for clarifying the intention of this amendment. If this amendment were misinterpreted it could have a devastating effect upon the American University of the Caribbean Medical School and St. Georges University Medical School, which have educated hundreds of medical doctors who have come back to urban areas in our States. These doctors make a significant difference in the availability of health care for hundreds of people in my home State as well as throughout the country. Thus, I have taken additional time today to make clear the intention of the conference report language, so that there is no misunderstanding as to what the word "approved" means in section 481(a)(2)(A)(II).

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Speaker, I rise to express my strong support for S. 1150, the conference agreement for the higher education reauthorization.

Last year at the beginning of the reauthorization process, before the 44 hearings that were conducted, many people were saying that the reauthorization of the Higher Education Act is one of the most important pieces of social legislation of the 102d Congress. I wholeheartedly believe that this measure is of vital importance to our entire society.

As we approach the year 2000, everyone must be prepared for a society that is becoming increasingly dependent on advanced technology. This means that access to a quality education for every citizen of this country is imperative. Therefore we had to address the needs of as many different types of students as possible. This measure ambitiously seeks to expand Federal financial aid programs without arbitrarily eliminating institutions that may have higher default rate because of economic trends and the populations they serve, as we know default rates are not necessarily a key indicator of educational quality.

It also contains provisions to minimize waste and abuse and loan defaults and to serve nontraditional students more effectively, simplifies student aid programs, and improves early intervention and outreach programs. I am very pleased that the bill also contains some of my provisions intended to improve library programs that serve historically black colleges and universities and other minority-serving institutions, to improve teacher training, recruitment and retention, and assist low-income and minority students to pursue a legal education. Additionally, I look forward to the inclusion of Hispanic serving institutions in title III of the act.

Thousands of students from all over the world come to the United States to take advantage of our excellent system of secondary education. Through the efforts of this bill to increase access to postsecondary education, we can now encourage and help our own students take advantage of some of these opportunities, especially as the competition in the global marketplace increases.

Also, I would like to commend Chairman BILL FORD for his leadership and all of his hard work during this reauthorization process, and I commend also the minority leader, the gentleman from Pennsylvania [Mr. GOODLING].

Mr. Speaker, I certainly support this conference agreement and it deserves to pass the House without any major changes.

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER. Mr. Speaker, today I rise in strong support of the conference agreement on the Higher Education Act amendments which will enable more high school graduates from middle- and low-income families to afford a college education. The reauthorization legislation before us today represents the result of bipartisan efforts to ensure students and their families are not excluded from educational opportunities.

Too often these days I hear that high school graduates are putting their college education on hold. Indeed, this summer the question for too many of these bright students is not, "Which college to attend?" but, "Can I afford to go?" Many families are faced with impossible choices—like depleting their hard-earned retirement savings so they can send their child to college.

This new bill will help these families. It underscores the Nation's commitment to assist middle-income families in attaining their educational goals. More than 1.5 million new students will be eligible for financial aid through the restructuring of loan eligibility procedures, including:

The development of an unsubsidized Stafford Loan Program that would make eligible all students, regardless of family income;

The amendment of the need analysis to allow families with an annual income of up to $70,000 to be eligible for subsidized student loans;

The elimination of income limitations for PLUS loans—guaranteed loans for parents of students—to allow more than 3 million families to borrow increased amounts under this program; and

The establishment of a single need analysis for all Federal financial aid programs which excludes from assets the equity on a home or family farm.

In addition, more than 4 million families and students will be able to borrow increased amounts annually.

Stafford loan limits will increase to $3,500 for full-time second year students, from $4,000 to $5,500 for undergraduate juniors and seniors, and from $7,500 to $8,500 for full-time graduate students.

Supplemental loans for students [SLS] limits for part-time graduate students, will rise from $4,000 to $10,000 per year.

It is time to make these proposals a reality for the millions of Americans who will benefit from them. We must allow students returning to school the liberty of concentrating on their studies, not their finances.

This legislation also represents a commitment to the future of our Nation. Ensuring that our people are educated and our workforce is trained to allow for greater productivity and a rising standard of living in this increasingly competitive and changing world.

I urge my colleagues to join me in strong support today of this vital legislation.

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. OLVER], a valuable new member of the committee and a contributor to this report.

Mr. OLVER. Mr. Speaker, today I rise in support of the Higher Education Amendments Act of 1992 conference bill, S. 1150. This legislation will maintain and expand access to higher education for many of the students in western Massachusetts as well as provide for much needed Federal investment in our Nation's economic growth.

I would like at this time, to congratulate Chairman FORD for his leadership on this important legislation. His perseverance and determination brought this legislation to the floor today.

This education bill contains several key provisions to expand access to stu-
dent financial assistance not only to the neediest students, but also to middle-income families. Since the burden of the soaring costs of college reach not only our neediest students but our middle-class families as well.

Two portions of this bill directly help middle-class families, particularly in New England—expanded access to loans for middle-class families and the exclusion of a family’s home or farm equity when determining financial aid eligibility.

This bill will make the financing of a college education available to many middle-income families raising the Pell grant level and increasing the amount of student loans.

First, the maximum Pell grant is increased from $2,400 to $3,700. Next year students in western Massachusetts could receive grants totaling nearly $30 million if Pell grants are fully funded—almost twice the amount awarded last year.

Second, a 50-per cent increase in the student loan program will allow students to borrow up to 599 clock hours. This measure is of great concern to many of my constituents who are entering the fields of welding, trucking, computers, automotive repair, health care, and paralegal services. However, I am disappointed that the conference report also severely restricts access to Federal student aid for those who attend these programs. The bill reduces Stafford loan limits for less than 12-month programs, from $2,625 to $875, for programs between 300 to 599 clock hours, and $1,750 for programs between 600-899 clock hours. In addition, the legislation eliminates supplemental loan program for programs between 300 and 449 clock hours. Students in these programs are dependent on financial aid. These actions will eliminate education and threaten the future of many academic institutions.

I am concerned about the definition of an eligible program under this legislation. The bill mandates the minimum length for a program to maintain eligibility. The bill defines one-third of an academic year as 10 weeks, two-thirds of an academic year equals 15 weeks, and then jumps to define a full academic year as 30 weeks. The result is that it will unnecessarily extend the length of a full-time student’s course of study. To put undue burden on students and especially retraining adults contradicts the goal of the overall bill to best serve and assist those seeking a higher education. Defining an academic year as 24 weeks would better reflect the number of weeks necessary to ensure that students in short-term programs are ready to enter the job market with the proper skills and training. I would like the committee to review this issue when it considers technical corrections.

I commend the work of the committee, especially Chairman Ford and the ranking Republican, my colleague from Pennsylvania, Bill Goodling. They have brought before us a conference report which will greatly assist American families in meeting the rising cost of a college education.

PARLIAMENTARY INQUIRY

Mr. FORD of Michigan. Mr. Speaker, I have a parliamentary inquiry, so that it does not come out of the gentleman’s time or mine.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. FORD of Michigan. Mr. Speaker, my understanding comes that the unanimous-consent agreement that I relieved at the beginning before the debate protects all Members who happen to come over here to the floor and who want to insert their remarks in the RECORD?
chairman of the committee and the ranking minority member for the good job they have done in getting this legislation before us.

Mr. Speaker, I rise today to express my full support for the conference agreement. As a member of the Subcommittee on Postsecondary Education, including over $18 billion in student aid to help financially needy students attain a college education. As you may know, this measure reauthorizes the major Federal programs supporting postsecondary education, including grants for minority students.

As a member of the committee, our initial goal in this reauthorization was to ease the burden low- and middle-income families must carry in order to educate our youth. Successfully earning a higher education is becoming more and more financially difficult for most, and almost totally impossible for many minority youth. We must reinvest in the people of this Nation so that we are adequately prepared to compete with our minds instead of with military weaponry.

That is what we have done today in this conference report. We have been successful in increasing student aid funds for Pell grants, as well as for student loans. While I regret that we were not successful in retaining language creating the Pell grant as an entitlement, which is truly what we sought to do for this Nation's students, I am pleased that we have made strides in improving access and opportunity to a higher education for millions of Americans.

Included in this measure are two provisions which I authored. The first provision establishes an Institute for International Public Policy, which will hopefully encourage greater representation of African-Americans and other minorities in international service, including the Foreign Service. Additionally, this measure includes a new demonstration program which encourages minority elementary and secondary students to pursue higher education in science and engineering. This provision was modeled after effective and innovative outreach programs for female and minority students at the Illinois Institute of Technology on the South Side of Chicago.

I encourage the support of my colleagues today because it is my belief that this is the first true economic relief package that has been considered in this body. With the riots in Los Angeles, and other disturbances nationwide, indelibly etched in our memories, we must continue in our efforts to improve educational opportunities for all Americans.

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. ROEMER), another new and valuable member of this committee.

Mr. ROEMER. Mr. Speaker, I would like to begin my remarks by saluting and commending our distinguished chairman for his hard work over the last year and a half. I commend also the ranking minority member and the gentleman from Pennsylvania (Mr. GOODLING), who has worked so hard, as well as the staffs on both sides of the aisle on this bill.

As a member of the Subcommittee on Postsecondary Education who is deeply concerned about education, I was pleased to participate in this reauthorization process. One of the committee's primary goals in this process was to increase financial aid, both in terms of grants and loans, for low- and middle-income working families. The legislation before us today will enable millions of Americans to realize their lifelong dream of attending college by providing the assistance necessary to help finance their education.

One of the most important aspects of this legislation is the Pell grant award, which is the true foundation of higher education. Although we raised the Pell grant maximum from the current level of $2,500 to $3,700 for the 1993-94 school year, I am disappointed that we were not able to increase the award to $4,500 until 1997. Over the past decade the cost of attending a public or private institution has risen twice as fast as the median family income. While many families struggle over how they are going to be able to finance their children's education, too often they watch those dreams fade out of their reach because of cost. Many of the changes in this legislation, including the elimination of home equity and family farm loans, the expansion of outreach, and the increases in education grants under the Federal Pell Grant Program provides unsubsidized loans to middle-income students.

But the great, hard-working, too often—ignored middle-income families are lost amidst our other concerns. The society that neglects the higher education of its most effective workers—the vital center of our national life—lacks a brain as well.

I am glad to see middle-income families at last get some attention from us. The rich can afford elite schools. The very poor benefit from Pell grants.

But we must continue in our efforts to improve educational opportunities for all Americans. The legislation also simplifies the student aid application process; significantly expands the early intervention programs, such as TRIO; improves program integrity: more effectively serves nontraditional students; and strengthens the antifraud, abuse provisions in the bill which have led to increased loan defaults in recent years.

As we look toward the 21st century, the workplace will require highly skilled and educated workers. This measure is an integral part of our efforts to improve our competitiveness in a global economy.

Mr. Speaker, I believe that this legislation reaffirms our strong commitment to enhance higher education opportunities for all Americans, and I urge my colleagues to support this important bill.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. MICHEL), the distinguished Republican leader.

Mr. MICHEL. Mr. Speaker, I would like to commend the members of the Education and Labor Committee for their excellent work on this important legislation to reauthorize the Federal higher education programs.

The reauthorization we are considering today will provide over $100 billion in financial assistance to students pursuing a higher education.

An important new component of the Stafford Loan Program established by this legislation provides unsubsidized loans to middle-income students. Although students must begin repaying these loans while still in school, it does provide access to federally guaranteed funds which would not otherwise be available to such students.

I am glad to see middle-income families at last get some attention from us. The rich can afford elite schools. The very poor benefit from Pell grants.

But the great, hard-working, too often—ignored middle-income families are lost amidst our other concerns.

The society that neglects the higher education of its most effective workers—the vital center of our national life—lacks a brain as well.

This bill remembers the forgotten strength of America in higher education—and it is about time.

There are other aspects to the bill that deserve our attention: The supplemental loans for students program provides unsubsidized loans to independent undergraduate, graduate and professional students; And the PLUS Program provides unsubsidized loans to parents of dependent undergraduate students.

The bill also increases the maximum grants under the Federal Pell Grant Program for the truly needy pursuing a higher education.

There is an important reform in terms of the needs analysis of students. I refer to the elimination of the family home or family farm when calculating such need.

It is monstrous to ask hard-working people to be penalized because they have the gumption and the work ethic to own a farm or a home.

The legislation also deals with the important issues of program integrity and State oversight.

We have seen alarmingly high default rates in recent years. Part of the problem comes from the usual deadbeats who exploit any good program. But part of the default problem can be traced to schools that fail the students.

Under the proposed reforms, States must designate postsecondary review
agencies which will review institutions based on certain criteria.

If a State agency disapproves an Institution, Federal student aid will be withdrawn.

Diploma mills and fly-by-night education racketeers should not be allowed to rip off decent American kids. We have a responsibility to help these students. I ask my colleagues to join me in voting on this important legislation to continue to improve federal financial assistance for post secondary education.

It seems at times that we can say of education what someone once said about the weather: Everybody talks about it but nobody does anything about it.

Well, in this bill we are doing something about it. Excellence and performance and discipline and ambition will have to come from the schools and the students and the parents. But we can at least help a bit.

The President has stated that he will sign this bill when it is presented to him.

Mr. FORD of Michigan. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. ANDREWS], one of our superstars on the committee. The gentleman is a new Member from New Jersey who set about to become and has become the expert in this body or the other body on the new concept, the one new concept that we are bringing to you of a Direct Student Loan Program, saving the Federal Government, we hope, in the future, as this project works out, billions of dollars a year.

Mr. ANDREWS of New Jersey. Mr. Speaker, I begin by thanking my colleagues on both the majority and the minority side, particularly the ranking minority person, the gentleman from Missouri [Mr. COLEMAN], for their excellent staff on both sides for their untiring work in making this a reality, and especially to chairman FORD for his guidance and leadership and personal commitment in making this bill a reality.

I am real proud to be part of this, because I think this is an example where government listened and understood for a change.

We understood that people from different political parties have to put aside their differences and do something to move the country forward, and we did in this bill, and both parties should feel very good about that.

We understood that middle class people should do more than just pay for college financial aid. They ought to participate in it as well, and we did something about that, with the unsubsidized program, with the expansion of the Stafford Program, and we believe ultimately with our direct lending demonstration program.

We understand that everybody does not live like Ozzie and Harriet, that there are a lot of people who are single parents who want to go to higher education. There are a lot of people who have to go back to higher education in the middle of our lives or in the middle of their careers, and we did something about that. We began to change the formula so that flexible part-time students can get back into higher education.

We understood that as we expand education, we do not look to the taxpayers, and we do not look to cut other worthy programs to pay for it.

If you are a defaulter on your loan, if you are a school that would exploit this process, you should pay to expand Federal financial aid, not the taxpayers.

If you do not pay a higher education loan, the government listens and understands.

Chairman FORD, I rise again I want an 85-15 rule. This rule mandates that if a school has received more than 85 percent of its revenue from Federal financial assistance, then the institution would be ineligible for future Federal funds.

I support efforts to address waste and abuse of Federal dollars in postsecondary institutions. But this provision is extremely discriminatory to proprietary schools that serve financially underprivileged areas—such as the proprietary schools in my district in West Virginia.

I strongly believe the 85-15 rule must be broadened. It must take into consideration such criteria as the population being served, the demographics of the region; outcomes or placement assessment; and the evaluation of program content;

With such modifications, the 85-15 rule would accomplish its goal without punishing proprietary schools that provide a great service to financially
needy citizens. I hope that this modification can be accommodated in future legislation.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. Schroeder].

Mrs. SCHROEDER. Mr. Speaker, I thank the committee chairman for yielding this time to me.

I must say as one who went to the University of Denver, as the distinguished chairman did, I am very, very proud and honored that he came forward with this bill. It is a real tribute to the gentleman, because as I hear many people talking about what a great bill it is on both sides of the aisle, it was Chairman Ford who really made this all happen, and I thank we cannot forget that.

I would like to engage the gentleman from Michigan, the chairman of the Committee on Education and Labor, in a brief colloquy regarding the issue of loan limits. I would like to state that I am correct in stating that for the purposes of determining a student's Stafford and SLS loan limits under both the current law and the conference report, students who are enrolled in a program for which 2 years of postsecondary education are a prerequisite are considered to be third-year undergraduate students?

Mr. FORD of Michigan. Mr. Speaker, if the gentlewoman will yield, the gentlewoman from Colorado is correct.

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman for making that clarification, and I certainly hope the bureaucrats get the message on that clarification, because we have had a great problem with some excellent schools dealing with that, so I really thank the gentleman.

Again, I want to sincerely say, I know how long the gentleman has been working on this and here we are with an hour and it all goes by, but the gentleman really has been a terrific friend of young people trying to ascertain the American dream, and that is what this bill is about. It is making that brass ring, making that hope, making those job skills, making all those things that someone needs available to everyone, and not just people who belong to the lucky sperm club and have a wealthy father.

So I thank the gentleman very much for remembering all Americans as we plan this and open the door to higher education for all Americans. I think it is very important, and I thank the gentleman very sincerely.

Mr. FORD of Michigan. Mr. Speaker, the gentlewoman from Colorado is overly kind and makes me blush.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. Solomon].

Mr. Speaker, I thank the gentleman for yielding this time to me.

I rise just to point out that those Members who voted to drop the Solomon amendment from this conference report, which would have required the suspension of education assistance for individuals convicted of drug sales or possession, unless they enrolled in a rehabilitation course.

Mr. Speaker, I rise today to express my disgust with my colleagues on the other side of the aisle who voted to strip my amendment from the higher education conference report.

My amendment suspended education assistance for individuals convicted of drug sales or possession. When these individuals obtain rehabilitation, they once again become eligible for educational assistance. This approach encourages individuals with drug problems to seek assistance.

This strategy for fighting drugs has the support of the President, the Secretary of Education, the drug czar, and the overwhelming majority of Americans.

Additionally, all the House Republicans on the conference supported this provision.

The House Democrats on the conference, on the other hand—voting straight party line—moved behind closed doors to strip this commonsense, antidrug provision from the conference report. The Democrats include Mr. FORD, Mr. WILLIAMS, Mr. HAYES, Mr. MILLER, Mr. SAWYER, Mr. PAYNE, Mr. WASHINGTON, Mr. SERRANO, Mrs. MINK, Mr. JEFFERSON, Mr. REED, Mr. ROSS, and Mr. KILDEE.

In addition to those members of the majority party on the conference, there are several other Democrats who—with this latest action—have spoken out of two sides of their mouth when it comes to issue of drugs.

I am talking about those Democrats on the Education and Labor Committee who only 2 years ago supported an identical Solomon drug amendment to the Higher Education Act which they opposed and voted to strip from this bill during conference.

To refresh your memory, 2 years ago, I offered the same exact drug amendment to the higher education conference report.

In the course of my work on this bill, I learned of hundreds of tragic cases of campus rape victims who were unable to obtain justice for the crimes against them. Too often, Mr. Speaker, their greatest obstacle was the indifference of the college officials they had sought out for assistance after the attack.

Mr. Speaker, rape is rape. Whether it occurs in a dark alley or an ivy tower, the crime of rape must be dealt with seriously.

Tragically, the incidence of rape on campus has reached epidemic levels. A campus rape is reported every 21 hours. However, because rape is probably the most underreported of all crimes, one study estimates that 6,000 rapes occur each year on campuses across the Nation.

An even darker picture, however, is painted by the most respected study to date, a 1987 National Institute of Mental Health Study conducted by Dr. Mary P. Koss, professor of psychiatry at the University of Arizona Medical School. The NIMH study found that one in four college women is the victim...
of rape or attempted rape during her college career. Further, the study found that fewer than 5 percent of rape victims report their assaults to police. These statistics—and the violence, trauma, and psychological impact they represent—are truly shocking. Adding to the problem, a growing number of campus sexual assault victims and their parents have expressed anger and frustration with the way college administrations handled incidents of sexual assault. Too often, victims are unaware of their legal rights and options and frustrated in exercising their legal rights. Too often, these crimes go completely unreported.

Underreporting occurs for a number of reasons. Some victims feel ashamed and afraid, some are unaware of their legal rights, and some doubt the accused will ever be punished. The result is that while so many women continue to be victimized, only 1 of every 100 campus rapists is ever prosecuted.

While it is tragic enough that these women are physically violated and forced to bear severe emotional scars, many of these women also report they are traumatized a second time when their allegations are mishandled by campus authorities. In fact, less than 40 percent of campus rape allegations result in any institutional penalty.

Mr. Speaker, passage of this legislation will ensure that campus sexual assault survivors are not traumatized a second time. Campus officials can no longer remain indifferent to these traumas—or worse, sweep them under the rug.

I want to extend my deepest thanks to Representative Susan Molinari, who coauthored this provision as an amendment to H.R. 3553 last March. Her counsel, dedication, and inspiration helped make this provision a reality. Mr. Speaker, the provision I have been talking about amends the Crime Awareness and Campus Security Act, which requires colleges and universities to report crimes on their campuses and develop a campus security policy. This provision adds the requirement of a campus sexual assault policy.

Each institution of higher education would be required to develop and distribute a statement of policy regarding that institution’s sexual assault programs aimed at prevention and education, as well as the procedures to be followed once a sexual assault has occurred.

The provision further requires such policies to set forth general procedures to guide student victims once a sex offense has occurred; namely, who should be contacted; the importance of preserving evidence as may be needed for proof of criminal sexual assault; and to whom the alleged offense should be reported.

Underlying this provision is the belief that victims of campus sexual assault should be permitted to pursue remedies for their attack either through the criminal justice system or on-campus disciplinary proceedings. The option to choose one or both of these alternatives should rest with the victim. Students should be informed of these options and receive assistance in notifying campus or local police.

Under this provision, campus sexual assault policies would be required to address the procedures to be followed if the victim chooses to pursue an on-campus disciplinary proceeding. Such policies shall include a clear statement that both parties, the accuser and the accused, are entitled to the same opportunities to have others present during a campus proceeding, and both shall be informed of the outcome of such a proceeding.

The provision also requires higher education institutions to have a procedure regarding notification to students of existing counseling, mental health or student services for victims of sexual assault, both on campus and in the community.

Further, sexual assault policies would be required to address notification to students of options and available assistance in changing classes and living situations subsequent to an alleged sexual assault, provided such options are reasonably available.

Finally, this provision clarifies that no private right of action is to be conferred upon any person to enforce the provisions of this law.

Never again should a young rape victim be left in the dark about her rights and made to feel like a victim for a second time. With the passage of this bill, it is hoped this will never happen again.

Mr. Speaker, I want to thank also the members of the conference committee, the gentleman from Missouri [Mr. COLEMAN], the gentleman from Pennsylvania [Mr. GODDING], the gentleman from Michigan [Mr. FORD], the chairman, and other members for their bipartisan support of this legislation, and for their continued commitment to the future of education.

Further, sexual assault policies would be required to address notification to students of options and available assistance in changing classes and living situations subsequent to an alleged sexual assault, provided such options are reasonably available.

Finally, this provision clarifies that no private right of action is to be conferred upon any person to enforce the provisions of this law.

Never again should a young rape victim be left in the dark about her rights and made to feel like a victim for a second time. With the passage of this bill, it is hoped this will never happen again.

Mr. Speaker, I want to thank also the members of the conference committee, the gentleman from Missouri [Mr. COLEMAN], the gentleman from Pennsylvania [Mr. GODDING], the gentleman from Michigan [Mr. FORD], the chairman, and other members for their bipartisan support of this legislation, and for their continued commitment to the future of education.

Further, sexual assault policies would be required to address notification to students of options and available assistance in changing classes and living situations subsequent to an alleged sexual assault, provided such options are reasonably available.

Finally, this provision clarifies that no private right of action is to be conferred upon any person to enforce the provisions of this law.

Never again should a young rape victim be left in the dark about her rights and made to feel like a victim for a second time. With the passage of this bill, it is hoped this will never happen again.

Mr. Speaker, I want to thank also the members of the conference committee, the gentleman from Missouri [Mr. COLEMAN], the gentleman from Pennsylvania [Mr. GODDING], the gentleman from Michigan [Mr. FORD], the chairman, and other members for their bipartisan support of this legislation, and for their continued commitment to the future of education.
July 8, 1992

We settled with each other very quickly and since then, even the Secretary has said that it is a good bill. He says it rather grudgingly in the press release that he sent to you in the last day or two, but it is the first step in all this process where I have not been confronted with a stamping of the foot, "I will hold my breath and tell the President to veto your bill if you don't," sort of advice from the Department of Education.

I hope we will be able to work better in the future. We can, if they will listen to their own Republicans on our committee. They overlook the fact that the committee is four and five deep with experienced people who understand these programs and are going to hold out for what they believe to be right.

None of this has been easy to reach. As a matter of fact, the final compromise, as it was dubbed by some people in part as a face-saving mechanism, was a compromise that TOM COLEMAN and I reached before we ever came to the floor with this legislation. And they asked us, as a compromise, to return to what I and I brought you. We had worked that out after the bill came from the committee and when the committee was still very well split.

The members of both parties on this committee certainly should have demonstrated to all but the most cynical people in this country that there is not in fact gridlock in Washington. If there is a will to get it done, if there is an objective to be obtained and you can come to an agreement on where you want to end up, we can in fact roll up our sleeves, slug it out and come up with an answer that is in the best interests of the American people. Every single member of the committee on both sides of the aisle at every stage of the way has been a contributing person and a positive force.

In my extension of remarks, I would like to take the time that I will not take here on the floor, to give credit where credit is due. Both Democrats and Republicans for constituent parts of this legislation that they brought to us and insisted upon.

And when you look at the contributions of all these members right down the line to the newest members of the committee, from the very highest in seniority on the committee, you will see that every member of this committee was a contributing player in the final mosaic that came together and now has the approval not only of both Houses of the Congress, I am sure, but the President of the United States as well.

We can work with the President when we put our minds to it—and when we get to him and get past the people who would stand in his way. I would want to close with one more thing. A phone call came to my office yesterday from the State of Pennsylvania.
Third, the conference report requires that accreditors which accredit institutions of higher education for purposes of Title IV eligibility be separate and independent both administratively and financially from the institutions they accredit or affiliated professional association or membership organization. It was not intended that this requirement apply to accrediting agencies which accredit programs for the purpose of establishing the eligibility of these programs to participate in other Title IV programs administered by the Department of Education or other Federal agencies. Unfortunately, through a drafting error this requirement was applied to both types of accrediting bodies. I will seek to correct this error at our earliest opportunity. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend.

Third, the conference report requires that accreditors which accredit institutions of higher education for purposes of Title IV eligibility be separate and independent both administratively and financially from the institutions they accredit or affiliated professional association or membership organization. It was not intended that this requirement apply to accrediting agencies which accredit programs for the purpose of establishing the eligibility of these programs to participate in other Title IV programs administered by the Department of Education or other Federal agencies. Unfortunately, through a drafting error this requirement was applied to both types of accrediting bodies. I will seek to correct this error at our earliest opportunity. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend.

Third, the conference report requires that accreditors which accredit institutions of higher education for purposes of Title IV eligibility be separate and independent both administratively and financially from the institutions they accredit or affiliated professional association or membership organization. It was not intended that this requirement apply to accrediting agencies which accredit programs for the purpose of establishing the eligibility of these programs to participate in other Title IV programs administered by the Department of Education or other Federal agencies. Unfortunately, through a drafting error this requirement was applied to both types of accrediting bodies. I will seek to correct this error at our earliest opportunity. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend. Finally, let me make it clear that this bill does not change current law with respect to the dental residents' eligibility for in-school loan deferment. Among those in postgraduate dental residencies, there are: Persons who pay tuition and receive a stipend; persons who pay no tuition but receive only a nominal stipend; and persons who neither pay tuition nor receive a stipend.
to complete doctoral studies included as Part E of Title IX.

Panetta, Leon—H.R. 1154, "Global Edu-
cation Act of 1992, to facilitate the participation of students in programs of study abroad included in Title IV.

Payne, Donald—H.R. 3274 and H.R. 3275 alternative approaches for excluding from need analysis assets in accounts which have been frozen included in Title IV.

H.R. 2599 amends the TRIO programs to en-
courage more efficient and effective adminis-
tration and to strengthen educational opportuni-
ties for Native American students. (See Title X.)

H.R. 3078 removes home equity from the determination of expected family contribution included in Title IV.

Richardson, Bill—H.R. 3396 revises several provisions to expand postsecondary opportunities for low-income and minority students substantially included in S. 1150.

H.R. 3396 amends the Fund for the Impro-
vement of Postsecondary Education included in Title X.

Roe, Robert—H.R. 190 to remove home equity from the calculation of expected family contribution included in Title IV.

Roe, Robert—H.R. 336 and H.R. 190 to remove home equity from consideration of Pell Grant funding and the allowance for child care in need analysis included in Title IV.

H.R. 336 amends the Fund for the Im-
provement of Postsecondary Education included in Title X.

Roukema, Marge—H.R. 1117, "Student Fi-
ancial Aid Improvement Act of 1991," revises independent student definition, pre-
vents double counting of student income, ex-
cludes home, family farm and small business assets from need analysis, provides for overaward tolerance in College Work Study, restricts eligibility for Title IV assistance of parents of a dependent student and reduces amount of dependent student's contribution from income substantially incorporated in Title IV.

H.R. 1116, "Student Loan Default Preven-
tion Act of 1991," includes provisions for ex-
change of information between guaranty agencies, the Department of Education, Sallie Mae, the Department of the Treasury and the Federal Deposit Insurance Corporation. It also authorizes the Secretary of Education to develop a widely recognized national strategy to prevent loan defaults.

H.R. 1524, "Student Counseling and As-
sistance Network Act of 1991," incorporated in Subpart 2 of Part A of Title IV.

Sawyer, Tom—H.R. 1124, "Financial Edu-
cation Act," to provide financial education and counseling for students and families to make informed decisions about college costs.

H.R. 1997 authorizes support for the Na-
tional Board for Professional Teaching Standards included in Title V.

H.R. 2977 increases Pell Grant funding, and excludes home and family farm equity from consideration in need analysis included in Title IV.

Mr. Speaker, I want to join my colleagues in commending you and your staff for the outstanding work you have done on the reauthorization of the Higher Edu-
cation Act. I am in strong support of the con-
ference report, S. 1150.

One of the major barriers to participation in postsecondary education has been the rising cost. Over the last 10 years, the cost of a col-
lege education has doubled, outpacing the rate of inflation. At the same time, most fami-
ly's incomes have remained stagnant, and their purchasing power has eroded. One im-
portant change in the legislation to address this trend is that the formula for determining eligibility for Federal Pell Grants will be restructured. Much of the expected to contribute toward higher education has been made more realistic, in particular, by excluding home and farm equity from consideration. The result is that middle-income students are brought back into eligibility for Federal student aid programs.

I am also pleased to note that the higher education conference report contains several provisions which I authored that will strengthen graduate education at historically black col-
leges and universities.

Mr. Speaker, since its establishment in 1965, the Higher Education Act has been the primary vehicle for expanding access to post-
secondary education for all Americans, and I believe that the amendments made to the legis-
lation under your leadership further the goal of keeping the doors of the Nation's colleges and universities open to low- and middle-in-
come people.

Mr. Duberri, Mr. Speaker, I rise today to commend the Education and Labor Committee for their fine work on the Higher Education Act, S. 1150. I believe this measure is an im-
portant step toward improving middle-class access to postsecondary education.

I would particularly like to express my sup-
port for the inclusion of the work-college provi-
sion in this bill. Work-colleges such as Blackburn College in my own district, offer stu-
dents a unique program of education and community service. Blackburn's program helps students gain valuable work experience and take an active role in their community while furthering their education. The work-college provision of this bill is intended to recognize, encourage, and promote the use of such com-
prehensive work-learning programs.

There are now five schools operating under the work-college model but language con-
tained in S. 1150 allows for the addition of other institutions that want to adopt the work-
college approach.

Again, I support the higher education bill and the inclusion of the work-college provi-
sion. Mr. Speaker, I rise in support of the conference report. Over the past dec-
ade, middle-class students have been squeezed out of most Federal higher edu-
cation aid programs. At the same time, the cost of attending college has risen dramat-
ically, and sending children to college has be-
come prohibitively expensive for too many families. For many people, the decision on what college to attend is not based entirely on academic preference. Cost has become as signifi-
cant a factor in their decision as any-
thing else. It is intolerable that qualified stu-
dents are being denied the best possible edu-
cation simply because they cannot afford it.

I have heard from many concerned families from my district on Long Island. They have written to me over the past several months pleading that Congress do something to help them send their children to college. This bill responds to their need.

I strongly support the provision in the bill which excludes the equity a family has in its home from determining how much they are expected to contribute toward higher edu-
cation. This will enable a significant number of families in my district to be eligible for Federal loans. It will also allow more families to be eli-
Eligible Pell Grant, Federal and simple, re-
moving home and farm equity from the need analysis system substantially included in Title IV.

Mr. Speaker, this legislation reaches out to people who need help. The future of our Na-
tion rests on our ability to have the brightest, most able work force in the world. Providing access to higher education is critical if we are going to meet that goal.

Mr. Serrano. Mr. Speaker, I rise in sup-
port of the Higher Education Act amendments of 1992, H.R. 3553. I am proud to have been involved in the crafting of this important legis-
lation that will determine how we prepare our youth for the future.

The Los Angeles, and New York riots sent us an unmistakable message that our system is failing millions of young Americans. All across the Nation citizens are concerned. They recognize the need and importance of a quality education.

This bill responds to the urgent needs and demands of our diverse student population. In-
cluded in this measure is a provision to create a new authorizing $45 million program in part A of title III for Hispanic-serving institutions.

I am especially gratified that an innovative program which I authored—the new teaching careers, which will aid paraprofessionals achieve their teaching certificates or li-
censes—has been authorized at $30 million in fiscal year 1993.

Mr. Speaker, I am disappointed that we were not successful in our attempts to make the Pell grant an entitlement program this Congress. However, increases were made in the amounts of Federal student financial aid available to all students and families. Con-
ferees also agreed to raise the Pell grant award to $3,700—and allow a summer Pell award to cover summer courses required for matriculation.

Additionally, I am still concerned about language in the bill that would eliminate eligibility for title IV funds for any institution in which more than 85 percent of the institution's revenues are derived from Federal funds. Many of my constituents would be unnecessarily penalized due to their inability to fund their own education. I am worried that we may restrict an individual's ability to choose what may be their best option for a postsecondary education.

I am pleased that this conference report incorporates several recommendations from the Hispanic Caucus, including the expansion of early intervention programs, and the national survey of factors associated with participation. Such a survey will provide a biennial report on academic preparation of disadvantaged, minority, and language-minority students. As many educators are aware, the lack of data on Latinos and other minority students is a significant barrier to developing appropriate educational programs.

The higher education amendments of 1992 reauthorize this Nation's spending. The development of our human resources will be an essential component in our quest to achieve our economic goals. For many, if not most, young Americans today, higher education will be an essential component to realizing the American dream—or just to lead a happy and successful life. For decades now, higher education has been important in helping people enter the middle class from the lower class and has been increasingly important in opening up new career options for women and minorities.

This conference report is good for middle-income students and their families. It removes home or farm equity from calculations of family need thus saving the one permanent resource many middle-class families have. It also increases maximum income to $42,000 for a family of four to eliminate the pitfall an increasing number of middle-class families found themselves in. Too many middle-class families trying to raise the funds to put their children through college found that they earned too much to qualify for financial aid, but did not have the resources to be able to pay for college without such help. Too many of these students had to delay or deny their dreams of a quality postsecondary education. For lower-income families the bill simplifies the paperwork needed to be completed in order for students to qualify for financial aid, extends eligibility for Pell grants to less-than-half-time students, and increases the maximum Pell grant to $3,700. Unfortunately, this bill does not include a provision I strongly supported when the bill was originally drafted—a provision to make the Pell Grant Program an entitlement.

I felt that making the Pell Grant Program an entitlement was one of the single most important changes we could have—and should have—made in this bill. Changes in Pell must be major. Over the last few decades the loan-grant imbalance has grown drastically. Students now get far less out of their grant dollars than they did 20 years ago. Even the poorest students must take out thousands of dollars in loans in order to afford a quality education. When the financial aid programs were originally created the intent was to provide grants to the poorer students and give middle-income students access to federally guaranteed loans to help them obtain the extra money they needed to pay for their education. Now, however, even the poorest students leave college owing $10,000 or more for their education—and to many students entering college the prospect of this level of debt is prohibitive. Many of us wanted to return the program to its original goals; however, we were defeated in this attempt by those in this Congress who are not interested in fairness, access, and success for low-income students.

I was also very disappointed that we were not able to include in this bill a new direct loan program to replace the current system of financing student loans that enables the banking industry to run away with Government funds. A direct loan program has the potential to save the Government billions of dollars—however, the banking industry has a chokehold on this Congress on several issues, and the Guaranteed Student Loan Program is one of those issues. I was, however, glad to see that this conference report changes the way interest payments are made to the banks that participate in the program to make the subsidy more flexible along with the flexibility of interest rates.

Despite these disappointments, this conference report will help the thousands of students who are from working class or middle-class families who have been wondering in recent years whether they would be able to afford to go to college like they had dreamed. All students will now be able to borrow money for college regardless of family income; however, eligibility for in-school subsidization will still be based on financial need. Loan limits will be raised so that more undergraduate and especially graduate students will be able to pay for their education.

The conference report helps older, nontraditional students by increasing loan limits, extending the drop-out prevention program for less-than-half-time students and increasing support for child care expenses. With this increased assistance, more older, independent people will be able to attend school while still supporting their families, thus enabling them to get better paying jobs after completing their education.

The conference report also improves early outreach and intervention programs to encourage students to succeed in elementary and secondary school so that they can make the most of postsecondary education. It strengthens TRIO programs and creates a new Federal-State partnership to encourage collaboration between school districts, institutions of higher education, businesses, and community organizations to provide early intervention services to low-income and at-risk students. It authorizes $200 million to provide such services as tutoring, advising, mentoring, and parent involvement activities. It will also establish a new need-based financial assistance program for students who participate in these programs. These programs will help establish a stronger pipeline through students' early years to have greater access to higher education.

The conference report also authorizes $65 million in fiscal year 1993 for college and university library programs and includes increased fellowship funds to increase access to graduate programs for women and minority students.

Mr. Speaker, I strongly support this conference report and urge my colleagues to support it as well. I also hope that in future years, we will be able to accomplish the goals we were not able to accomplish this year. Our low-income students and students of color rely on their Pell grant funds will be available to them—and the only way to do that is to make the program an entitlement. And the taxpayers need this body to do its best to reduce costs in the student loan program and help accomplish that goal is to cut the banks out of the program and make it truly a people's—and students'—program. Again, I urge my colleagues to vote for this conference report. The students we help to obtain a higher education through this bill will be the government, business, and community leaders of tomorrow that will help this country remain strong. Support our students. Support the conference report.

Mr. POSHARD. Mr. Speaker, I am pleased to rise in strong support of the Higher Education Act reauthorization conference report. Education is the key to our economic future and our future as a civilized society. This bill makes an important investment toward those ends. Every American who wishes to pursue their goals in life will now be better able to take advantage of the educational opportunities that result from this conference report. This conference report is worthy of our support for a number of reasons. It makes all students, regardless of their income, able to borrow the maximum Pell grant and a guaranty for the in-school interest subsidy based on financial need. All parents, regardless of income with no adverse credit history, will be able to borrow up to the total college cost minus other financial aid through the PLUS program. Approximately 3 million families of students will be able to borrow increased amounts. A family's home and farm equity will not be considered in determining a student's eligibility for assistance and increase the maximum Pell grant award to $3,700 making a student from a family of four with an income of $42,000 eligible for the minimum Pell grant.

The report also makes several improvements in the effectiveness of student aid, simplifying the student aid application process and delivery system and addresses the needs of nontraditional students.

Speaking as a Member from a rural area and a State where we depend upon the producers and workers who live on the nation's farms and ranches, I urge my colleagues to support this conference report. The students we help to obtain a higher education through this bill will be the government, business, and community leaders of tomorrow that will help this country remain strong. Support our students. Support the conference report.
ence of institutions of higher education to pro-
vide economic development and educational
opportunities, I am well aware of the impor-
tance of this legislation. Our ability to compete in a chang-
ing international marketplace will depend upon our commitment to provide the next generation with a quality education.
I commend the authors of this legislation for their wise course of action and lend my strong support to this bill.

Mr. ORTIZ. Mr. Speaker, I rise in support of the conference agreement on S. 1150, reau-
thorization of the Higher Education Act. I com-
mand Congressman WILLIAM D. FORD, chair-
man of the Education and Labor Committee, for his leadership in crafting this important leg-
islation.

As chairman of the congressional Hispanic caucus, I am particularly pleased that S. 1150 contains a number of provisions to increase the number of Hispanic, minority, and other low-income students in higher education. Several of these provisions were developed by the congressional Hispanic caucus as part of H.R. 3068, the Hispanic Access to Higher Edu-

Among the important programs established in S. 1150 for Hispanic students are an early intervention program to reach out to students before they are at risk of dropping out, several teacher training programs designed to in-
crease the number of qualified, minority teach-
ers, and a new study to increase our under-
standing of why Hispanics, minorities, and other low-income individuals participate or succeed in higher education.

In addition to these programs, S. 1150 also contains a new $45 million institutional develop-
ment program for Hispanic serving institu-
tions [HSIs]. This program will help to ensure that our system of higher education meets the unique needs of the Nation's large and grow-
ning Hispanic community.

In sum, Mr. Speaker, S. 1150 will help to ensure that Hispanics and all Americans have an equal opportunity to benefit from the Na-
ton's system of higher education.

Mr. Speaker, in support of S. 1150, the conference report for the Higher Education Amendments of 1992. If this bill is en-
acted, students from working families—for whom the right to a college education has been more elusive but surely drifting out of reach—will have better access to this part of the American dream.

The Higher Education Act is the backbone of Federal aid to higher education. It is the bill that enables America's students to pursue their education past high school. Half of all of the students at the University of California re-
ceive some form of financial support. And half of this support comes from Federal funding, to the tune of $214 million in the 1989–90 acade-
mic year alone. At the California State Uni-
versity [CSU], nearly 200,000 students applied for financial aid in 1990–91, a 17-percent in-
crease over the previous year, and Federal fi-
nancial aid accounted for 76 percent of the assi-
stance that these CSU students received.

Unfortunately, there has been a decline in Federal student aid over the last decade. This decline has been compounded by the fact that college tuitions have risen four times faster than the average family's disposable income during the same period. The administration's current student aid policies allow only the chil-
dren of the very wealthy to go to any college they want, and limit Federal financial aid to only the poorest of the poor. The right to a college education has become more of a dream, and less of a reality for the children of hard-working American families.

But, the children of hard-working middle-in-
come families should have the same chance to fulfill their dreams as children from wealthy families. S. 1150 will extend that opportunity to their children, and less of a reality for the children of hard-working American families.

Forty-five percent of the students at the Uni-
versity of California depend on the Govern-
ment's guaranteed loan program to help fi-
nance their education costs. Twenty thousand out of 1.5 million students at California com-

ONGREGATIONAL RECORD—HOUSE

S. 1150 will enable all stud-
ents, regardless of income, to borrow up to the maximum limit allowed in this program. It will also permit more middle-income students to receive more money each year. If it be-
comes law, 1.1 million current borrowers will be able to borrow more money for their edu-
cation. And 1.4 million new students will be eli-
gible to borrow—with 1.2 million of these stu-
dents from families with incomes over $35,000.

Depending upon their financial need, some students will be eligible for the in-school inter-
est subsidy—the Government will pay the in-
terest on their loans for as long as they are in school. For example, a student from a family of four, attending an average priced college, with a family income up to $70,000, will be eli-
gible to have the Federal Government pay the interest on at least part of his or her Govern-
ment loan.

The limits on guaranteed loans have also been raised—from $2,625 to $3,400 for full-
time second year students, from $4,000 to $5,500 for full-time third year students, and from $6,500 to $8,500 for full-time graduate students.

There are also no limits at all on PLUS loans—loans to parents for the education of their dependent children. This means that par-
ents with good credit histories can now borrow what they need for their children's education, minus other financial aid, regardless of their income. As a result, about 3 million families with an average income of $44,000 will be able to borrow increased amounts.

Borrowing limits are also increased for the Perkins loan program—loans for low income students. Students who participate in this pro-
gram are eligible to have their loans forgiven after they enter certain careers—for example, teaching in schools in which 30 percent of the students' families are at or below the poverty level; teaching disabled infants, toddlers or chil-
dren; or working for family service agen-
cies that serve low-income families.

Approximately 70 percent of all Pell grants—the primary source of Federal student aid for low-income students—go to families with annual incomes below $15,000. But, if S. 1150 becomes law, it is estimated that stu-
dents from families of four with incomes up to $42,000 would be eligible for the minimum Pell grant. Additionally, the authorized maxi-
mum grant would jump from $2,400 to $3,700 during the first year, and this would increase to $4,500 over the next 5 years. Another 1 million students would be eligible for Pell grants, and the 4 million students currently re-
cieving Pell grants would be eligible for in-
creased awards. California has historically re-
cived 7.5 percent of total Pell grant funds. Ninety-seven thousand California community college students received Pell grants in 1990–91.

S. 1150 also introduces a new way of deter-
mining need—a different means of calculating how much each family should contribute to-
ward educational expenses—opening the door for even wider for middle-income parents. Equi-
ity in the family home or farm is no longer in-
cluded in the needs assessment, and there is an educational savings protection allowance that will aid families who have been able to plan ahead and save for their children's edu-
cation.

The bill streamlines the whole application process for students so that they only have to fill out one form for all their Federal applica-
tions annually, instead of filling out an entire new form each year.

S. 1150 also reaches out to nontraditional students—who are usually older, working, and returning to school for a degree—by making less-than-half-time students eligible for grants, by including a child care allowance when de-
termining grant eligibility, and by not limiting a student's length of study, but instead allowing students to remain eligible for grants so long as they are making satisfactory progress.

S. 1150 also establishes a demonstration program for direct loans to students, eliminat-
ing banks and other lending institutions and permitting the schools themselves to originate loans. It is anticipated that this pilot program of direct lending will save the Government $47 million over the next 5 years.

S. 1150 contains provisions that will end fraud, waste, and abuse in the system. For ex-
ample, S. 1150 now requires that State agen-
cies review schools that wish to participate in the Federal program. And, in an effort to re-
duce loan defaults, it introduces graduated re-
payment schedules for borrowers.

What adds to the importance of the bill is the fact that, although loans and grants for students and families are the heart of S. 1150, this bill is much more far reaching. S. 1150 supports college work study programs involv-
ing part-time work for graduate and under-
graduate students. It also supports teacher training and recruitment through programs that recruit and train badly needed teachers for el-
ementary and secondary schools. Examples are the national teacher academies in English, math, science, history, and foreign language, and the career and educational op-
portunities for support workers in elementary and secondary schools who want to become certified as teachers.

S. 1150 also supports sexual orientation edu-
cation and prevention grants on campus. It main-
tains partnerships—between school dis-
tricts, institutes of higher education, busi-
nesses, and community organizations—to pro-
vide tutoring, mentoring, and parental involve-
ment activities that will encourage students to go to college. S. 1150's programs also sustain and strengthen historically black colleges and universities, as well as college and university libraries.

An American child should be allowed to pursue a higher education. If this is indeed prominent on our list of priorities, we cannot permit our Nation's educational programs to be jeopardized by inadequate funding. S. 1150 is the tool that will help us to meet our responsibilities. Children with basic access to the variety of postsecondary education options that this country has to offer.

Mr. Speaker, I once again commend Chairman FORO and the members and staff of the House Education and Labor Committee, as well as the Subcommittee on Postsecondary Education and their colleagues in the Senate, for their ongoing work in developing and formulating the Higher Education Amendments of 1992. Moreover, I urge my colleagues on both sides of the aisle to support this important piece of legislation.

Mr. GEJNDENSON. Mr. Speaker, our higher education system is the most extensive in the world, preparing students for a wide variety of career paths. However, it is not without its faults. The current student loan system has some serious problems that need to be addressed, one being that over $1 billion is wasted annually on interest subsidies to banks offering student loans. Additionally, those students lucky enough to get loans find themselves strapped with huge loan payments after graduation. The debt burdens and difficult repayment schedules these borrowers face are often unbearable and the major reason our default rate continues to skyrocket.

The direct lending pilot program, included in the reauthorization package of the Higher Education Act, is a sensible solution to the problems plaguing current financial aid programs. The direct lending provisions of the legislation authorize the Secretary of Education to pick a combination of schools which collectively lent $500 million in student loans last year, to start direct-lending programs. Some 35 percent of the schools in the pilot program would be able to offer students the opportunity to pay back their loans on an income-contingent basis.

Removing banks from the student loan system will drastically curb waste in our financial aid programs. Federal student loans are financed by using private capital, for which the Government is charged market interest rates. With this pilot program, however, students will receive loans directly from the Government and costly interest subsidies will be eliminated. Since 35 percent of the schools involved in the pilot program will offer students an income-contingent repayment schedule, borrowers will find that their loan payments are more reasonable. This progressive system guarantees that borrowers at all income levels will not pay more per month than they can afford. It also means that college graduates taking lower paying jobs in teaching or social services can make smaller loan payments at lower interest rates for a longer time than someone who takes a high-paying job.

Another major advantage of the income-contingent repayment schedule is that loan defaults, which last year cost the taxpayers over $3.6 billion, will be reduced significantly. Since borrowers will only pay a manageable percentage of their income, there will be no need to default.

As you may know, I have been a long-time supporter of income-contingent repayment schedules. These innovative programs save hard-earned taxpayer dollars and make the current financial aid system more efficient. Additionally, they give students trying to finance their educations a better deal.

Not only will the direct-lending portion of the pilot program give every student, regardless of family income, the chance to finance their college education, but the income-contingent repayment provisions will reduce the number of defaults.

While I would like to see a more comprehensive income-contingent loan program implemented, I believe that this proposal is a step in the right direction. I urge my colleagues to support the reauthorization package and give this important loan program the chance it deserves.

Mr. PICKETT. Mr. Speaker, I rise in support of the conference report, S. 1150, the Higher Education Act Amendments of 1992.

At a time when over 7 percent of our people are out of work, and our basic industries are struggling to compete effectively with those in Japan, the European Economic Community, and much of the Third World, the Higher Education Act represents a wise investment in our economic future. It has helped millions of Americans develop their full potential by giving them a chance to attend college or vocational school. Without a doubt, the Higher Education Act is one of the best programs ever devised by Congress to help build a highly qualified work force and promote economic growth.

The Higher Education Act Amendments of 1992 will greatly improve upon current law by expanding the availability of Federal student financial aid to students from middle-class families. During the 1980's, the cost of a college education increased far more rapidly than either average wages or the general rate of inflation, making it difficult—and in some cases impossible—for middle-income families to keep their children in school. Without a doubt, the Higher Education Act is one of the best programs ever devised by Congress to help build a highly qualified work force and promote economic growth.

I am particularly pleased that this conference report contains language to establish early intervention programs and scholarships to enable disadvantaged, at-risk students to successfully complete precollegiate early childhood education. The legislation would establish a Federal-State partnership using the State Student Incentive Grant Program (SSIG) as a model, to fund scholarships for students who successfully complete precollegiate early childhood education.

In implementing this program, the legislation calls upon the Secretary of Education to "encourage the State to ensure that the tuition assistance provided pursuant to this section is available to an eligible student for use at any "eligible institution." I strongly urge the Secretary to take this instruction very seriously and ensure that States enable students to participate in any and all tuition assistance programs funded by this legislation, should they choose to attend either independent or public 4-year colleges and universities.

Public and private 4-year colleges have shown that they are equally capable of educating poor and disadvantaged students. Those participating in the new early intervention scholarship programs will have overcome great odds and should be permitted to study at the institution of higher education which best serves them.

I commend my House and Senate colleagues for their efforts to further combat fraud and abuse in the Federal student loan programs. Fraud and abuse cannot and will not be tolerated. In our efforts to eliminate fraud and abuse, however, we should be careful not to hinder the efforts of those career colleges which are striving to provide quality education programs to students who choose not to attend a traditional 2- or 4-year college or university.

I have had the opportunity to visit several career colleges in my district and to talk with the students who attend these institutions. Many are the nontraditional students which this conference report strives to aid. Many come from disadvantaged backgrounds and are trying to avoid welfare dependency. Others are young people who want specialized training that will help them achieve success into the work force. In my district, many of these students are, and will be, individuals affected by the military drawdown who will need retraining before they can enter the civilian work force. I am familiar with many career colleges which have been quite successful in preparing students for immediate work, and I believe that this is the kind of career preparation that we should encourage rather than discourage.

I am concerned that the language contained in this legislation which eliminates eligibility for title IV funds for any institution which derives more than 95 percent of its revenues from Federal funds, may result in restricting a student's ability to attend the postsecondary institution of his or her choice. I would urge my colleagues to be careful in enacting legislation which restricts the ability of career colleges to participate in the Federal student aid programs which can make the difference for a large number of students who need financial aid most.

I commend Chairman FORO and the members of the conference committee for their efforts and I urge my colleagues to support the conference report.

Mr. GREEN of New York. Mr. Speaker, I rise in support of the conference report on S.1150, the Higher Education Reauthorization, which is the main source of Federal assistance for our Nation's higher education programs. However, while I support the bill, I should like to take this opportunity to object to one of the revisions to current law made by this legislation. Like the House adopted bill, the conference report discriminates against renter households. Under this new legislation the homeowner family will not have to include the value of its home in the financial aid application but the renter household that has $100,000 in savings will have to include that amount. The 1986 tax bill already provided a break to homeowners by allowing them to deduct second mortgages for other purposes, including education, so why are we enacting a provision that further discriminates against
This grant and loan imbalance has created serious debt burdens for many students and their families, especially those students from middle income backgrounds who have been forced to rely almost exclusively on loans in recent years. How well Federal education dollars for higher education are used is another critical issue. It is no secret that the integrity of the assistance programs has come under serious scrutiny in recent years.

The conference report on this bill embraced a wide variety of provisions that will strengthen existing laws and regulations and add several new ones that are aimed at eliminating fraud and abuse in the student assistance programs. These provisions are also geared toward increasing the quality of services provided by all of the players involved with these programs—including schools, lenders, secondary markets, and guaranty agencies.

I think we are all familiar with the tabloid news articles and the investigative television programs that focused on a few lousy schools in a college loan scandal. The bad apples caused the baleful process of our higher educational system. These cases seemed to indicate and in some cases bluntly stated that the student assistance programs were riddled with fraud and abuse and that virtually every school was guilty of some form of wrongdoing.

After the media blitz died down, many people were able to sit down and separate true facts from sensationalized people.

They discovered what I have been saying for many years now. Sure there is some fraud and abuse in the programs—but not to the extent that people had been led to believe and not just on the part of career training schools—and that an unhealthy share of the fraud and abuse was brought about by a severe lack of oversight on the part of States and the Department of Education.

They also learned that no all career training schools are lousy, in fact, not only are the vast majority of schools doing an outstanding job of educating and placing their students, but many of these schools are far superior to their neighbors, completely tax-supported, community colleges.

We have come a long way in a few short years because fewer people are calling for the complete elimination of career training schools, and more people are realizing that even if some schools were guilty of non-compliance, educational options—including choosing a quality career school over a mediocre community college.

While we have come a long way, we still have an even farther way to go because there are still individuals who refuse to look at the facts and wrongly insist that virtually every career school is in business solely to rip off students and taxpayers simultaneously.

Unfortunately, the reputations of many fine career schools have been tainted because they have been painted with the same indiscriminating brush as that which was properly used to paint a handful of their colleagues.

Even though many of the integrity provisions are targeted toward career training schools, several of my colleagues tried to ensure that students attending all types of schools would be treated fairly and equitably. And, for the most part, the integrity provisions are rational and defendable.

I am confident that most of the schools which are performing exceptional services to their students and communities will have little difficulty in meeting the new standards. Unfortunately, no matter how fine they may be, some good schools will not be able to meet them. Hopefully, the number of good schools which will be forced to close will be very low because we really cannot afford to lose even one good school.

I urge my colleagues to join me in supporting the conference report because the provisions in it will ensure that students have the necessary finances to attend postsecondary programs of their choice, and will ensure that their money is well spent by eliminating both real and perceived fraud and abuse practiced by all of the entities having an interest in the assistance programs—including schools, lenders, secondary markets, and guaranty agencies.

Mr. PANETTA. Mr. Speaker, I rise to express my strong support for this measure for which the chairman of the House Education and Labor Committee, Mr. WILLIAM FORD, has worked so faithfully. He knows that this bill will result in expanded access of middle-class families to student financial aid. Although the real heart and soul of this bill centers on financial aid, I want to highlight some specific provisions of the legislation.

Of particular significance is title V regarding teacher training. This title provides for the inclusion of teaching academies in the foreign language subject area. Foreign languages and international education are areas that I have long been involved and supported. My most recent effort in this area was legislation I introduced last year called the Global Education Opportunities Act, H.R. 1154.

Provisions from both titles of my bill were ultimately incorporated into the reauthorization measures in both the House and Senate. As a result, this country will have more teachers trained at the elementary and secondary level, and the resources to accomplish this goal. Also included are provisions to make it easier for students to use their financial aid moneys to study abroad, which is an activity already allowed under current financial aid rules.

We are confident that this would be possible without the support of Chairman Ford, the 100 cosponsors of this legislation, and the support of my colleague, Senator CHRISTY, who introduced the companion Senate bill. Mr. D粤港澳 and I also cochair the House/Senate International Education Study Group which is an informal group of members who work to increase congressional and national awareness of the importance of foreign languages and international education to the quality of life, national security, and economic prosperity of the United States.

The need for these foreign language and international education provisions is more than evident. Only 17 percent of public elementary and secondary students have taken any language courses. Even more ominous efforts schools offer any form of language instruction and more than 35 States are experiencing or projecting shortages of foreign language teachers. Too few Americans study abroad, in fact, fewer than 17 percent of American undergraduate students study abroad. Furthermore, far too few American students in the sciences, engineering, business, and other disciplines crucial to our economic well-being study a foreign language or study abroad.
I believe that the inclusion of these provisions of my original legislation will address these needs and truly help in setting this country on a course toward profiency in other languages and cultures to cope on an everyday basis, beginning with elementary and secondary language acquisition, and qualified teachers.

At no time in history have events in one country or on one continent had more pervasive and lasting impact on the rest of the world. Changing world conditions are focusing the attention of America on the inescapable reality of cultural and linguistic diversity. Our vision for the world must include a global perspective and global knowledge if we hope to improve our Nation's competitive edge in the global marketplace.

Mr. DORGAN of North Dakota. Mr. Speaker, today we are given the unique opportunity to help average Americans realize the dream of sending their children to college. The conference report on the Reauthorization of the Higher Education Act represents the culmination of efforts of all those who made it a priority to expand access to higher education to include all Americans, including middle-income and farm families.

For many average families in this country, the dream of higher education was becoming more and more distant. These middle-income families often were ineligible to receive student financial aid, even though no one reasonably suggested that their incomes were adequate to cover the rising costs of college tuition. The very taxpayers who bear the brunt of paying Federal financial aid programs were foreclosed from participating in it.

Many families found themselves ineligible because of equity that they had built in their homes or farms. The financial aid program expected parents to sell their homes and farms in order to send their children to college. This unfair policy had the effect of excluding many middle-income families from realizing their dreams of higher education.

The legislation that we are considering today finally treats farm families and other middle-income Americans fairly in the distribution of financial aid. This bill increases income eligibility for most Federal student loans and Pell grants, increases Pell grant award amounts, and revises the eligibility determination formula to exclude home and farm equity. At last, average Americans will be able to afford to send their children to college without giving up their homes or farms.

As a cosponsor of the Middle-Income Student Assistance Act, much of which is incorporated into this bill, I support the conference report's efforts to finally make a college education affordable to all Americans. This bill restores the dream of higher education for thousands of middle-income and farm families, and deserves the support of every Member of this House.

Mr. BUSTAMANTE. Mr. Speaker, today this House will consider the conference report on S. 1150, the Higher Education Amendments of 1992. As a former educator, I strongly support this legislation, which will provide financial assistance for middle-income Americans.

Included in this conference report is a title III provision establishing a postsecondary network of Hispanic institutions of higher education.

This provision is based on legislation I introduced 4 years ago and is the culmination of my efforts to enhance the educational opportunities of Hispanic-Americans.

In this regard, I would like to thank the chairman of the Education and Labor Committee for his support in including this provision in the conference report which I urge all Members to support.

Mr. Speaker, I rise in strong support of the conference report on S. 1150, the Higher Education Amendments of 1992. As a former educator, I strongly support this legislation which will expand educational opportunities of middle-income and low-income Americans.

I would like to express my thanks to Chairman FORD and the entire Education and Labor Committee for fighting so vigorously in conference to have included in the final conference report the title III provision establishing a postsecondary network of Hispanic institutions of higher education (HSIs).

This provision is based on legislation I introduced on March 22, 1989, H.R. 1561. I have worked for the adoption of the basic concept behind this bill for the past 4 years and am extremely pleased that many years of work have finally come to fruition.

I have pressed for the inclusion of this legislation in the Higher Education Reauthorization bill in order to enhance the educational opportunities of Hispanic-Americans.

It is the view of Congress that the establishment of this HSI network represents a monumental step in Hispanic higher education—one which will provide Federal and State government, as well as private sector, with a federally supported and recognized Hispanic student network that will make it easier for such public and private entities to target education resources and programs for the purpose of improving Hispanic educational achievement.

In the years to come, Hispanic-Americans will constitute a substantial portion of our work force, and it is the intention of this Congress that this legislation will act as a vehicle for ensuring that this important segment of the population will be educationally prepared to meet the challenge of working in an increasingly technology-driven society.

In this regard, I would like to thank the chairman of the Education and Labor Committee for his support in including this Hispanic postsecondary provision in the conference report. The Hispanic community greatly appreciates and will long remember the educational assistance it has received from Chairman FORD. I urge all Members to support this crucial education legislation and submit the following documentation as legislative history on this measure.

COMMITTEE ON EDUCATION AND LABOR
Washington, DC, April 18, 1989.

Hon. Albert G. Bustamante,
Longworth House Office Building, Washington, DC.

Dr. Al: Thanks for writing me concerning H.R. 1561, the "Hispanic-Serving Institutions of Higher Education Act of 1989."

I think this is an important bill. It addresses a very real need facing this country, namely the necessity of improving educational opportunities and achievements for Hispanic-Americans. I am pleased by the interest shown in this issue, and want to do what I can to be helpful. This Congress, we have several authorizations expiring, and thus we have a very busy hearing schedule already planned. However, the most appropriate context for the consideration of your bill might be the hearings leading to the reauthorization of the Higher Education Act. At that time, I would like to hold a hearing on your bill and the issue of Hispanic Americans and higher education, and I think the best location for such a hearing would be on a college campus in Texas.

I hope we can work together at putting these hearings together and at making sure that Congress gives this legislation and the issue it addresses the attention and support it deserves.

Best regards,

Sincerely,

Pat Williams.

H.R. 1561
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be called the "Hispanic-Serving Institutions of Higher Education Act of 1989."

SECTION 1. SHORT TITLE.
This Act may be called the "Hispanic-Serving Institutions of Higher Education Act of 1989.

SEC. 2. FINDINGS.
The Congress finds and declares that—
(1) Hispanic-American students often were excluded from higher education, but unlike black and Indian groups, have received no support for developing their own Hispanic colleges and universities;
(2) Hispanic-American students are a postsecondary network of Hispanic institutions of higher education (HSIs);
(3) the HSI's will provide Federal and private sector institutions with a network of Hispanic student network that will make it easier for such public and private entities to target education resources and programs for the purpose of improving Hispanic educational achievement;
(4) since the Civil rights movement, Hispanics (like black Americans) were often excluded from higher education, but unlike black and Indian groups, have received no support for developing their own Hispanic colleges and universities;
(5) address discrimination against Hispanics in education, a federally supported network of institutions of higher education, which have a student body that has traditionally had a significant proportion of Hispanic students, should be established;
(6) the number of Hispanics enrolled in higher education has increased steadily over the past decade;
(7) the rate of Hispanic college enrollment of Hispanic-American students has declined substantially over the past decade, despite a slight recovery between 1985 and 1986;
(8) the rate at which Hispanic children drop out of elementary and secondary schools is substantially higher than the national average for all students;
(9) higher education institutions play a constructive and critical role in helping the entire educational pipeline better serve persons of Hispanic origin; and
(10) in order to undertake and carry out activities designed to improve Hispanic educational attainment, Hispanic-serving institutions will need additional financial assistance.

SEC. 3. PURPOSE.
It is therefore the policy of the Congress and the purpose of this Act to provide Hispanic-serving institutions of higher education with financial assistance to improve the educational attainment of Hispanic Americans.

SEC. 4. DEFINITIONS.
As used in this Act—
(1) the term "Hispanic-serving institution of higher education" means an institution of higher education which—
(A) has a student enrollment that is at least 25 percent Hispanic; 
(B) is duly accredited by an agency recognized by the Secretary; 
(C) provides a four-year program leading to a baccalaureate degree or a two-year program that leads to an associate's degree; and 
(D) is a public or nonprofit private institution of higher education; and 

2. The Secretary” means the Secretary of Education.

SEC. 5. AUTHORIZED ASSISTANCE.

(a) TYPES OF PROGRAMS AUTHORIZED.—The Secretary shall provide such financial and related assistance to Hispanic-serving institutions of higher education as he finds necessary or appropriate to help them plan, develop, undertake, and carry out programs in any of the following areas:

(A) has a student enrollment that is at least 25 percent Hispanic students; and

(B) the institution agrees to reserve at least 25 percent of its funding under this Act to Hispanic-serving Institutions to improve and expand their capacity to serve Hispanic and other low-income students.

Finally, let me also respond to the letter of May 15 concerning loan access for students attending private career schools on which you joined as a member of the Texas Congressional Delegation. The conference agreement adopted the strongest language that was available to enhance the lender of last resort program in each state to ensure that all eligible students have access to such assistance if, pursuant to any new or to any existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the provision of such assistance if, pursuant to any new or existing law, such assistance is being provided, and shall terminate the
needs of a large and growing Hispanic community. Increasing the threshold to 40 percent, for example, would eliminate more than half of the mainland institutions eligible under the 85-15 rule.

Third, tying the HSI provision to fulfill funding for Part A is not acceptable because such a "pull-up" clause would prevent the funding of the HSI provisions. We would like to state that the HSI provision is a new and separate funding authority, and is not designed to improve Part A.

The Congressional Hispanic Caucus is very supportive of the HSI language as it currently stands. We respectfully urge your support of this provision, which is of the utmost importance to our nation's Hispanic youth.

Thank you in advance for your cooperation.

Sincerely,

DEAR MR. CHAIRMAN: We wish to respectfully request a hearing on H.R. 1561, the "Hispanic-Serving Institutions of Education Act of 1989," which was introduced on March 22 of this year by Rep. Albert G. Bustamante.

This legislation is supported by the Congressional Hispanic Caucus, and would greatly assist us in improving the educational attainment of Hispanic Americans. As a rapidly increasing segment of our general population, Hispanic students have traditionally not done as well as other students at the postsecondary level. H.R. 1561 would address this problem by authorizing $70 million for colleges and universities with at least 25 percent Hispanic enrollment. We believe the federally supported network of Hispanic institutions established under this bill would help provide Hispanic students with much needed supplementary financial assistance and academic support services. These services would in turn help to retain and recruit Hispanic college students.

Enclosed is a copy of the bill which has been endorsed by the National Council of La Raza, the National Association of Latino Professionals for Appointed Officials, and the Hispanic Association of Colleges and Universities. We would support combining a hearing on H.R. 1561 with any other relevant measures pertaining to Hispanic education. We would also welcome and appreciate any field hearings you could hold on the bill in Texas, where the need for this legislation is most apparent.

We look forward to working with you on this vital educational initiative.

Sincerely,
ALBERT G. BUSTAMANTE, 
Member of Congress.
JAIME B. FUSTER, 
Chairman, Congressional Hispanic Caucus.

Mr. CAMPBELL of Colorado. Mr. Speaker, I'm happy to be here today to discuss reauthorization of the Higher Education Act. Passage of this legislation is an important step in helping low- and middle-income students achieve the dream of a college degree.

Providing Americans with the opportunity to earn an education is essential if this Nation is to prosper. We will not maintain our competitiveness on the world scene if we fail to prepare for the competition.

This bill is important because it recognizes the current imbalance between grants and loans for higher education that can create confusion, and attempts to correct that problem. By supporting this legislation, we have the opportunity to give students a real chance at putting themselves through school—with forcing them to graduate strapped with an unmanageable burden.

The cost of higher education has increased dramatically in the past 10 years, but we have not provided more financial aid to help cover these costs.

Today we can reverse that trend by supporting this bill. It raises the maximum Pell grant in the academic year 1993-94 to $3,700, eventually reaching $4,500 by 1997-98. The number of students receiving grant assistance will reflect the savings that are counted twice as savings and parental contribution. This change reduces the reality that savings are a one-time infusion of cash and will not be a yearly contribution.

Availability of guaranteed student loans are expanded for those with middle income, by allowing all students, regardless of family income, to borrow the maximum Stafford loan.

Most importantly, by passing this legislation, we can change the tax rational for truly improving financial need to help middle-income Americans. It is unreasonable to expect a family to sell their home, farm, or small business to pay for their kids' education. Under current law, these assets are considered when determining eligibility for financial aid. Changing this calculation alone will give many kids access to financial aid that they have not had for 10 years, and help eliminate some of the squeeze felt by middle-income Americans.

I'd like to thank the members of the conference committee for their work on this bill, and urge my colleagues to support it. Giving all Americans a chance for an education is key if we expect to retain our strength and opportunity as a nation.

Mr. SANTORUM. Mr. Speaker, I am happy to rise today in support of this landmark legislation. Both the chairman and my good friend, the ranking member of the Education and Labor Committee, have a lot to be proud of in this bill. Unfortunately, there is one provision in the bill which I believe was maintained as an oversight. There were over 1,600 points of difference between the House and Senate versions of the bill. That one bad provision should slip through in conference is understandable, but no less regrettable.

The provision to which I refer is the so-called 85-15 rule. This provision requires title IV funding be cut off from any institution where 85 percent of the students receive financial aid. Although I understand the intentions of the provision, I believe the measure is fundamentally misguided. It will unnecessarily punish vocational and proprietary schools and students who need it the most.

That more students at proprietary schools benefit from title IV funding relative to other postsecondary institutions should not be misunderstood. It merely proves that proprietary schools serve a necessary population of students. The 85-15 rule will hurt these students in a number of ways. First, it will restrict their ability to choose a quality postsecondary institution by removing one of the choices. Second, it will penalize these students for their inability to pay for their own funding. The sad fact of the matter is that a school in danger of approaching the 85-percent mark will simply refuse entrance to a prospective student rather than risk the severe penalty of crossing the artificial 85-15 line of death. By doing so, they will force perspective students to forgo the job-related training they may have otherwise received.

Moreover, if the intent of the rule is to have proprietary schools conform with similar Federal regulations to monitor the spending of Federal dollars, a complete cutoff of title IV funds should only come after default rates, and other indicators have been evaluated as well. As it is, the 85-percent mark is not a trigger but a threshold. If a school crosses that threshold, they automatically lose all future funding. For this reason, the 85-15 rule is not a realistic public policy. When the President signs this bill and regulations are drafted, I expect this fact will become all the more evident.

I would raise one more point. When I last spoke on this matter, I stated that destroying the orchard was a poor way to get rid of a few bad apples. I would ask my colleagues to consider the following story which was told a few months ago. It emphasized the difficulties these schools confront and the potentially misleading inferences we draw from their problems.

A president of one of the vocational schools in the Washington, D.C., area had a unique illustration to make. He sent a delegation to visit a school in Newark, NJ. He expected the worse. The school had extremely high default rates, low placement rates and was in all ways what one would expect of a bad apple school. As we all know, however, statistics seldom tell the whole story. When he arrived, he and the other visitors found that in the midst of some of the worst urban blight in the United States, this school was doing its best to provide job-related opportunities to the young men and women in the community. The school was well-run and clean. Remedial training in both reading and mathematics was included in its curriculum. The teachers were dedicated and the students motivated. With all its problems, this school was doing what no one else would. It was serving a community and a population of students that would not otherwise be served. By focusing on dry statistics, we miss the point that title IV funding was meant for schools and communities like this one. After all, if even 10 percent of the students graduate and are placed in a job, there are that many more productive citizens added to our economy.
Although this school was reaccredited, it will go out of business as soon as the 85-15 rule is enacted. The community will lose one of its only functioning institutions and many prospective students and families will lose the opportunity to better themselves. It is my hope that in the next Congress, after these amendments have become law, that my colleagues will join me in passing a technical amendment to remove this unfortunate provision.

Mr. STOKER. Mr. Speaker, I rise in support of the conference report on S. 1150, the Higher Education Act Amendments of 1992. I would like to commend the gentleman from Michigan [Mr. Foxx] for the skill and leadership he has exhibited in bringing this vital measure to the floor for consideration.

S. 1150 reauthorizes the Pell grant, Guaranteed Student Loan Program, Federal student financial aid, institutional aid, and other Higher Education Act programs which are scheduled to expire at the end of fiscal year 1992. This measure expands Federal student financial aid to students from middle-class families and attempts to correct the imbalance between student reliance on loans versus grants.

Most of the provisions of S. 1150 are consistent with provisions included in the previously passed House bill which I supported. For instance, they are similar in that both include provisions to expand access to Federal loans from middle-income families to Federal financial aid programs. A special focus is placed on improving the integrity of these programs and to minimize waste and abuse. Moreover, both measures address the needs of nontraditional students and attempt to simplify the application process.

Conversely, the conference report differs from the House-passed version of this bill in that the report increases the authorized maximum Pell grant at amounts less than that provided in the House bill. Furthermore, the conference agreement allows students to borrow more under the Guaranteed Student Loan Program than does the House bill. Relevant features of the agreement provide a maximum of $3,700 for the 1993-94 academic year, representing a $1,300 increase over the current maximum level. The maximum level will increase by $200 each year, reaching a $4,500 ceiling in the 1997-98 academic year.

Additionally, the agreement expands middle-class access to guaranteed student loans by creating an unsubsidized loan program that would allow students, regardless of family income, to borrow up to a maximum limit. The measure also simplifies the needs analysis process and establishes a direct loan demonstration program that would include institutions of higher education that represent a cross-section of all institutions.

Finally, the bill also contains provisions intended to improve programs that serve historically black colleges and universities [HBCUs], HBCU's enroll approximately 300,000 students, the majority of whom are from low-income families and require the assistance of Federal financial aid in order to pursue a higher education. The expansion of the student aid programs in S. 1150 should provide much needed assistance to these students.

Mr. Speaker, throughout the 1980's, college costs have increased much faster than both median family income and federal student financial assistance. Between 1980 and 1990, college costs increased by 27 percent for public universities, and 54 percent for private universities. Predictably, this trend has led to great hardship for students and their families. During this period, the value of Federal financial aid has increased by only 23 percent, and the median family income has increased by only 15 percent.

The value of grant awards also has declined. In fiscal year 1979, the maximum Pell grant award covered almost half of the average cost of attendance. Currently, it covers about one-fourth of these costs. As a result of these trends, many students, particularly low-income students, increasingly have relied on loans to finance their education. Currently, 64 percent of the $18.4 billion in aid available to students will be in the form of loans, while 36 percent will be in the form of grants and work opportunities. This is the opposite of what was defined as a "need" a little over a decade ago.

Mr. Speaker, the conference report will have before us today addresses these trends and will put programs in place which will allow all students an equal opportunity to receive a higher education. In that regard, I ask my colleagues to support the conference agreement on S. 1150. I ask my colleagues to join me in support of its final passage.

Mr. PENNY. Mr. Speaker, I rise in support of the Higher Education Amendments of 1992, S. 1150, and urge my colleagues to support this conference report.

This measure is a 5-year renewal of Federal student financial assistance grant and loan programs and continuing education, library services, and other important postsecondary programs.

Of particular interest to me is a requirement of the Higher Education Amendments of 1992 that a portion of their college work study [CWS] dollars be used to fund community service jobs. During consideration of the reauthorization in the House earlier this year, I offered an amendment expanding the Federal work study program to fund more community service and encouraging schools to fund more community service jobs provided under the CWS Program. Under S. 1150, schools participating in the CWS Program will now be required to use 5 percent of CWS funding to provide community service jobs, although they are allowed to apply for a waiver of this provision if a hardship could result.

Long overdue, this change will provide many challenging new opportunities for students to address the educational, social, and environmental needs of their communities.

I am also pleased that S. 1150 increases the loan limits in the Stafford Loan Program and establishes a new unsubsidized loan program. This new loan program will provide many students and their families who currently do not qualify for a Stafford loan with the aid necessary to pay school expenses. In another important and long overdue change, the reauthorization allows most nontraditional students to apply for Pell grants—a change in policy I have fought for over 5 years. In addition to these changes, the reauthorization removes the value of a family's home or farm from the determination of student aid eligibility, simplifies, and streamlines the student aid application and needs analysis, and establishes new student loan default provisions to ensure the integrity of the student loan programs.

Despite the Bush administration's initial opposition, the conference report establishes a direct loan pilot program that will enable a cross section of postsecondary institutions to determine the financial need of students and originate loans to those students. This program allows Commonwealths and states to determine great steps in the student aid process that in the final analysis make loan programs complicated for students and their parents and costly to the taxpayer paying the attendant subsidies and indirect costs. The GAO has estimated that the program could save millions of dollars, and in any case, the conference report requires GAO to report by May 1998 to the Congress with an evaluation of this demonstration program.

Mr. Speaker, there are few programs available today more important than the student aid programs of the Higher Education Act.

These programs are a very wise investment in our children's future, and provide the only avenue for many needy students to gain a post-secondary education. The conference report before us makes a number of long overdue changes in the law that will result in many more students becoming eligible for student assistance and for that reason I urge an "aye" vote on this measure.

Mr. HAYES of Illinois. Mr. Speaker, I rise today to express my full support for the conference agreement on higher education. As you know, this measure reauthorizes the major Federal programs supporting post-secondary education, including over $18 billion in student aid to help financially needy students attain a higher education.

As a member of the committee, our initial goal in this reauthorization was to ease the burden low- and middle-income families must carry in order to educate our youth. Successfully earning a higher education is becoming more and more financially difficult for most, and almost totally impossible for many minority youth. We must reinvest in the people of this Nation so that they are adequately prepared to compete with their minds instead of wages.

That is what we have done today in this conference report. We have been successful in increasing student aid funds for Pell grants, as well as for student loans. While I regret that we were not successful in retaining funding for community service and encouraging schools to fund more community service jobs provided under the CWS Program, we were not successful in retaining funding for community service jobs.

I am also pleased that S. 1150 increases loan limits in the Stafford Loan Program and establishes a new unsubsidized loan program. This new loan program will provide many students and their families who currently do not qualify for a Stafford loan with the aid necessary to pay school expenses. In another important and long overdue change, the reauthorization allows most nontraditional students to apply for Pell grants—a change in policy I have fought for over 5 years. In addition to these changes, the reauthorization removes the value of a family's home or farm from the determination of student aid eligibility, simplifies, and streamlines the student aid application and needs analysis, and establishes new student loan default provisions to ensure the integrity of the student loan programs.

Despite the Bush administration's initial opposition, the conference report establishes a direct loan pilot program that will enable a cross section of postsecondary institutions to determine the financial need of students and originate loans to those students. This program allows Commonwealths and states to determine great steps in the student aid process that in the final analysis make loan programs complicated for students and their parents and costly to the taxpayer paying the attendant subsidies and indirect costs. The GAO has estimated that the program could save millions of dollars, and in any case, the conference report requires GAO to report by May 1998 to the Congress with an evaluation of this demonstration program.

Mr. Speaker, there are few programs available today more important than the student aid programs of the Higher Education Act.

These programs are a very wise investment in our children's future, and provide the only avenue for many needy students to gain a post-secondary education. The conference report before us makes a number of long overdue changes in the law that will result in many more students becoming eligible for student assistance and for that reason I urge an "aye" vote on this measure.
Additionally, Mr. Chairman, I am pleased that the conference agreed to retain title IV eligibility for those with less than nine hours. I would like to align myself with the comments of my good colleague, Mr. GOODLING, during his earlier colloquy with Chairman FORD specifying the intent of the conferences as it concerns the eligibility for the short-term programs. I believe that it is critical, as well as simply logical, that we permit quality short-term programs to operate.

Finally, I am concerned about the likely outcome of the cohort default rate provisions in the conference agreement. As was repeated time and again throughout the hearing process, cohort default rates do not always reflect the quality of the educational institution. Given the fact that cohort default rate data is not always accurate, I am unclear as to whether or not it is fair that we establish these cohort cutoffs. Moreover, we end up penalizing current students for the defaults of prior students. I encourage the Department of Education to closely consider program reviews, audits, guarantee agency reviews, and the historic mission of institutions when assessing institutional quality. I additionally suggest that the Department again reconsider its regulations as it concerns an institution's use of the mitigating circumstances appeal process, so as to require a broader view of the institution in determining participation in student aid programs.

In conclusion, Mr. Speaker, included in this measure are three provisions which I authored. The first provision establishes an institute for international public policy, which will hopefully encourage greater representation of African-Americans and other minorities in international service, including the U.S. Foreign Service. I was pleased that this provision originated from the field hearing held in my district as part of the reauthorization process. The president of Chicago State University, Dr. Dolores Cross, eloquently spoke in support of this provision. It is my opinion that institutions such as Chicago State University will be likely candidates to participate in this new program. I also want to briefly commend my colleague from the District of Columbia, Ms. Norton, for her leadership in originating the concept of H.R. 3362 last September. It is clear that people of color are grossly underrepresented in the field of international affairs, and this inequity must be addressed. This provision is an effort to complement current activities in the international field to increase minority participation.

Additionally, this conference document includes a new demonstration program which encourages female and minority elementary and secondary students to pursue higher education in science and engineering. This provision was modeled after effective and innovative outreach programs for female and minority students at the Illinois Institute of Technology [IIT], located in my district on the south side of Chicago. IIT has a well-established record of success in designing and administering science and engineering outreach programs for elementary and secondary students on the south side of Chicago. It is my hope and desire that institutions of higher education across the Nation will look at IIT's model programs as they develop their own outreach efforts in this area.

Finally, this legislation establishes a demonstration program through partnerships with institutions of higher education to provide training and technical assistance for school-based decisionmakers for school systems which are in the process of systemic reform. As nationwide reform efforts continue to develop, with the encouragement of this Congress, I urge my colleagues to support this critical legislation. We must continue in our efforts to encourage minority participation in preparing parents, teachers, and other concerned citizens that are making critical staffing, management, and budgetary decisions under decentralized reform programs. Various localities, including the Chicago public school system, are certain to benefit from this provision.

I encourage the support of my colleagues today because it is my belief that this is the first true economic relief package that has been considered in this body. With the riots in Los Angeles, and other disturbances nation-wide, indelibly etched in our memories, we must continue in our efforts to improve educational opportunities for this Nation.

Ms. NORTON. Mr. Speaker, I am very pleased to rise in support of the conference agreement on S. 1150, the Higher Education Amendments of 1992, and to commend Chairman WILLIAM FORD, ranking Republican member WILLIAM GOODLING, and the other members of the Committee on Education and Labor for their diligence, wisdom, and skill in crafting this legislation. This bill is the result of many long and arduous hours of effort by many individuals to fashion legislation that would be a fitting and thorough update to the Higher Education Act of 1965. The Higher Education Amendments of 1992 are worthy of our support both now and in the future when we are faced with bills to appropriate funds for the programs established in this legislation.

This bill has been fashioned with the 21st century in mind and with the realization that today this Nation is too educationally under-prepared to become occupationally prepared. The opportunity for education and training more than any others that Government can provide is the fundamental prerequisite for meeting the challenge of competitiveness where we have fallen short. This bill takes up the challenge and points us in the direction of the future.

I am especially gratified that the Institute of International Public Policy, which my colleague from Illinois, Mr. WEXNER, and I proposed as an amendment to H.R. 3550, has been included in the conference agreement. We hear constant regret from public officials and from people of color that there are not more people of color available to represent the United States in a world that is predominantly nonwhite. As a former Chair of the Equal Employment Opportunity Commission, I understand the importance of mandating equal opportunity. But my experience also has taught me that we must facilitate the pursuit of equal opportunity. The primary purpose of the Institute will be to diversify our Nation's Foreign Service Corps by actively aiding the development of minority foreign service professionals. Key features of my amendment include a junior-year abroad program for students in the master's, fellowship at the master's degree level, and a cooperative program to prepare graduates for the foreign service examination. Because Washington, DC, is the seat of government and the home of a large black and Hispanic population, I particularly hope that these institutions of higher learning in the District of Columbia and their students will benefit from this program.

In a bill with many sections that address vital present and future needs, it is difficult to select some for special mention. However, I think this bill especially warrants praise because it includes Pell grant eligibility for less-than-half-time students, reauthorization of special child care services for disadvantaged college students, grants for sexual offenses education, grants to institutions to encourage women and minority participation in graduate education, programs to encourage minority students to become teachers, and provision to create a women and minorities science and engineering outreach demonstration program.

While I support this legislation, I must express a note of caution to my colleagues as we attempt to revamp the student loan and financial aid system to provide increased and improved access to financial aid for our Nation's college students. Let us not lose sight of our long-standing commitment to provide educational opportunities to those who otherwise would have none. As we increase the access of middle-income students to financial aid funds, let us be mindful of the students who continue to be in greatest need of financial assistance and who are often least equipped to tap into available resources. The pool of funds has not been expanded in proportion to the number of hands that will be reaching in. If young Americans in search of opportunity are required effectively to mortgage their future to finance their education, many will be discouraged. We must make sure that our efforts do not result in zero sum gain.

Education is fast becoming as great a necessity as food and shelter simply to maintain our present place in the global economy, much less move forward. Congress and the Nation are finally giving education higher priority with the understanding that education is an absolute necessity if the United States is to be a world leader in the next century and beyond.

Everyone, especially our youth, deserves the chance to learn, to dream, and to experience the zero to one thousand years and beyond, it is our job to make sure that every American who wants to learn has access to educational opportunities. This bill will open doors for many. I urge my colleagues to adopt the conference agreement and to vote to reauthorize the act.

Mr. FORD of Michigan. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered. The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the SPEAKER pro tempore declared that the ayes had it.

Mr. FORD of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.
The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 419, nays 7, not voting 8, as follows:

[Roll No. 274]

YEAS—419

Mr. ARMYE changed his vote from "yea" to "nay." Mr. ROSE changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENDING THE NATIONAL COMMISSION ON TIME AND LEARNING

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be discharged from further consideration of the bill (H.R. 5560) to extend for 1 year the National Commission on Time and Learning and any other purposes, ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. TORDA). Is there objection to the request of the gentleman from Michigan?

Mr. GOODLING. Mr. Speaker, reserving the right to object, I will not object. I want to give the chairman an opportunity to describe the bill and also give him an opportunity to repeat what we said in committee, that if this becomes a Christmas tree with lots of ornaments on it, we will not support it after the conference.

Mr. Speaker, I rise in support of this legislation. It is very noncontroversial and would correct several current problems in Federal education legislation. I hope that the Senate will act on it expeditiously.

The provisions of the act are:

First, schoolwide projects in chapter 1 are those in which at least 75 percent of the students in the school are chapter 1 eligible. The law stated that a school district not reduce funding below the previous year. Since then, however, some districts have had budget cuts which will affect all schools—a situation we did not foresee. A number of schoolwide projects will drop out this year if we do not fix this problem.

The amendment would simply say that if all schools' funding is reduced, then schoolwide projects can be reduced at this rate. The Department of Education [ED] supports this amendment.

Second, with a recent reorganization at ED, some Assistant Secretaries [AS] are getting paid less than others. This provision would give them all the same pay level.

Again, this is a provision that the Department supports.

The MDZ was created a Commission on Time and Learning last year to study extending the school day and year. By the time it was organized, its authorization was almost used up. This amendment would extend the Commission 1 more year.

ED supports this amendment as well.

Fourth, in current law there is an authorization for a grant to support education programs on civics and government. Currently it only mentions elementary education. The group that has the grant would like to expand their work to secondary schools. The amendment would insert the words "and secondary" as well as make a few other technical amendments.

This seems pretty straightforward. The group would simply extend the legislation. I do not object to this amendment.

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

Mr. GOODLING. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Speaker, I concur with the statement of the ranking minority member, the gentleman from Pennsylvania [Mr. GOODLING] on this bill. I urge the passage of this legislation, which extends the Commission on Time and Learning for 1 year and proposes several minor and straightforward changes to existing laws.

With that in mind and with the words of the gentleman from Pennsylvania [Mr. GOODLING] in mind, I would move the previous question.
The first change simply amends the Educational Assistance Act of 1991 to authorize the Secretary of Education to modify the requirements of chapter 1 schoolwide projects. This provision ensures that school districts will not have to reduce funding to other schools in order to maintain the funding levels for schoolwide projects. I urge the adoption of the bill.

Mr. GOODLING. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

H.R. 5560

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF COMMISSION.

Section 10002 of Public Law 102-62 is amended by striking "and 1995" and inserting "1993, and 1994".

SEC. 2. TECHNICAL AND CONFORMING AMENDMENTS.

(a) CIVIC EDUCATION PROGRAM.—Section 4609 of Public Law 89-10, as amended (20 U.S.C. 3165(b)), is amended—

(1) in paragraph (3) of subsection (a)—

(A) by striking the heading and inserting the following new heading: "CONTRACT OR GRANT"; and

(B) by inserting "or grant" after "contract";

(2) by amending paragraph (3) of subsection (b) to read as follows—

"(3) an annual national competition of simulated congressional hearings for secondary students who wish to participate in such program.".; and

(3) in subsection (c) by inserting "and secondary" after "elementary".

(b) ADMINISTRATIVE PROVISIONS.—

(1) Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Education" and inserting "Assistant Secretaries of Education (10)");

(2) Section 5316 of title 5, United States Code, is amended by striking "Additional Officers, Department of Education (4)".

(3) The amendments made by paragraphs (1) and (2) shall take effect on the first day of the first pay period that begins on or after the date of the enactment of this Act.

(c) SCHOOLWIDE PROJECCT.—(1) Section 101(f)(3)(B) of Public Law 89-10, as amended (20 U.S.C. 2722(f)(3)(B)), is amended to read as follows—

"(f) The average per pupil expenditure in schools described in subsection (a) (excluding amounts expended on a State compensatory education program) for the fiscal year in which the plan is to be carried out will not be less than such expenditure in the previous fiscal year in such schools, except that—

(i) the cost of services for programs described in section 101(f)(2)(A) shall be included for each fiscal year as appropriate only in proportion to the number of children in the building served in such programs in the year for which this determination is made; and

(ii) if the average per pupil expenditure of the local educational agency is less than such expenditure in the previous fiscal year, the average per pupil expenditure of schools described in subsection (a) may be reduced by the local educational agency in the exact proportion to the average reduction of expenditures for all schools in such agency.

(2) APPLICATION.—The amendment made by paragraph (1) shall be effective on or after July 1, 1992.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KILBEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 509

Resolved, That all points of order against consideration of the bill (H.R. 5107) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the District of Columbia for the fiscal year ending September 30, 1993, and for other purposes, for failure to comply with the provisions of clause 7 of rule XXI are waived. During consideration of the bill, all points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived. Points of order under clause 2 of rule XXI against the amount printed in the report of the Committee on Rules accompanying this resolution are waived. Such amendment and any amendments therefore shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. MCEWEN], pending which I yield myself such time as I may consume. During consideration of this resolution all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 509 provides for the consideration of H.R. 5560, the bill for appropriations for the District of Columbia for fiscal year 1993.

The resolution waives points of order under clause 7 of rule XXI against the consideration of the bill, Clause 7 requires relevant printed hearings and committee reports to be available for 3 days prior to the bill's consideration on the floor. The resolution also waives points of order under clause 2 of rule XXI against the bill and against the amendment to be offered by Mr. MCEWEN printed in the report accompanying this resolution.

The amendment is debatable for 20 minutes, with the time equally divided between proponents and opponents of the amendment. Clause 2 of rule XXI prohibits unauthorized appropriations or legislative provisions in general appropriations bills.

Mr. Speaker, House Resolution 509 is a straightforward rule allowing for free and open debate on appropriations for the District of Columbia.

In line with the formula enacted in Public Law 102-102 last year, H.R. 5517 appropriates a Federal payment equal to 50 percent of the local revenue collected 2 years previously. The measure also approves appropriations from local D.C. revenues.

Mr. Speaker, I reserve the balance of my time.

Mr. MCEWEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to join the distinguished member of the Rules Committee from Missouri, Mr. WHEAT, in support of House Resolution 509, the rule for the consideration of H.R. 5517, the District of Columbia Appropriations Act for Fiscal Year 1993.

The gentleman from Missouri is correct; this rule permits motions to strike funding. It has historically been the right of Members to offer amendments striking funding from appropriations bills on the House floor and that right to offer those amendments is a fundamental aspect of the appropriations process. Any deviation from this open process relating to motions to strike, such as the rules brought to the floor for the Legislative and Foreign Operations Appropriation Acts, is very troublesome.

Again, I applaud this rule for permitting an open process for floor consideration of amendments striking funds from the bill.

As my friend from Missouri has described, House Resolution 509 waives
July 8, 1992

all points of order against consideration of the bill for failure to comply with clause 7 of rule XXI, and all points of order against provisions of the bill for failure to comply with clause 2 of rule XXI.

the rule also waives clause 2 of rule XXI against the McEven amendment printed in the report.

Mr. Speaker, I would like to recognize the chairman of the Appropriations Subcommittee on the District of Columbia, the distinguished gentleman from California [Mr. DIXON], for his fine work in bringing this bill to the floor. The chairman, and the ranking member, Mr. GALLO of New Jersey, have worked with diligence and a commitment to improving life in our Nation's capital.

I commend the chairman and ranking member for coming to Rules Committee and asking for what is essentially an open rule.

This appropriations bill is within the subcommittee's budget allocation. It appropriates $713.7 million for the District Government in fiscal year 1995, a 2-percent increase over fiscal year 1994 funding, and $763,000 above the President's request.

Mr. Speaker, the Appropriations Subcommittee on the District of Columbia has labored for years to improve conditions in this city. Our Nation's Capital, the capital of the free world, is a troubled city—this subcommittee works hard to return this city to its past glory as a city every American can be proud of.

Mr. Speaker, this rule makes in order an amendment that I will offer to prohibit any funds in this bill from being used to enforce the current prohibition on the possession or use of mace within the District.

Now, Mr. Speaker, it is no secret that our Nation's Capital suffers from a very serious crime problem. The threat of something that District residents, and those who work in this city, must live with on a daily basis. An increasing number of our congressional staff members, often dedicated young people who come from across the country to work in D.C. for Members of Congress from their home States, have suffered from violent attacks.

Finally put, mace is a nonlethal defensive weapon that many law-abiding individuals, especially women, would like to have the right to carry.

Unfortunately, D.C. law does not give them that right. Mace is currently considered a dangerous weapon in the District of Columbia. It is illegal for the very women who walk in fear in D.C. to carry mace to protect themselves. This prohibition is patently absurd.

Mr. Speaker, I am pleased to present to the House today the District of Columbia appropriations bill that does not include this language.

On the basis of OMB's initial scoring, the cost-of-living adjustment that the Committee bill is within the House and Senate 609(b) allocations for the Federal payment to the District. In aggregate, the House and Senate 609(b) allocations are consistent with the statutory spending limits enacted in the Budget Enforcement Act.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I thank the gentleman from Ohio for his support of this resolution. I also urge adoption of the resolution.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered. A motion to reconsider was laid on the table.
The other 12 appropriations bills the House considers are all funded from the Federal Treasury. It is important that Members keep this difference in mind as we debate the bill this afternoon.

The legislation would author and draw all of its funds from the Federal treasury as the other 12 appropriations bills do. We also recommend a net increase of $37 million in supplemental appropriations and rescissions for fiscal year 1992 consisting of $154 million in rescissions and $190 million in increases. These are all District funds—there are no Federal funds involved in the District’s fiscal year 1992 supplemental.

For fiscal year 1993, the $714 million in Federal funds is $14 million above last year’s appropriation and $763,000 above the request. The $714 million in Federal funds falls into five major categories—$624.9 million for the Federal payment to the general fund based on the formula Federal payment authorization approved last session in Public Law 102-102; $92.1 million as a Federal contribution to the police, fire, teachers, and judges retirement funds; $30.8 million for major crime and youth initiatives; $763,000 for special police, education, and health programs; and $5.5 million for the January 1993 Presidential inauguration. I will take a moment to explain each of the five categories briefly:

First, the Federal payment of $624.9 million is the amount authorized by Public Law 102-102 that established a formula for determining the Federal payments for fiscal years 1989, 1994, and 1999.

The formula is 24 percent of general fund local revenues collected by the District government 2 years prior to the budget year. The recommended amount of $624.9 million is $30.8 million below the request and $5.6 million below last year’s appropriation.

Second, we recommend $52.1 million for the Federal contribution to the police, fire, teachers, and judges retirement system. This is the 14th of 25 annual payments authorized by Public Law 96-122. Third, for crime and youth initiatives, the bill includes $30.8 million which cannot be obligated or spent until the committee approves a joint request from the Mayor and council detailing the policy objectives, programs, and funding requirements for these initiatives.

Our committee is greatly concerned about the serious problems of crime and violence in the District. Authorizing legislation (H.R. 5520) for these funds is pending in the Committee on the District of Columbia with action expected very soon.

We are urging the Mayor and council to try new and innovative approaches and submit a joint report to the committee before they obligate or spend any of these funds.

Fourth, included in this bill is $763,000 for special police, health, and education programs; $250,000 is for police training; $150,000 will provide jobs under the direction of the police department for at least 75 young people between the ages of 16 and 21; and $40,000 is for a program to teach self-discipline, motivation, and respect to 300 children between the ages of 6 and 11 at seven elementary schools here in the District.

The program uses a form of martial arts and is taught by black-belt instructors who conduct classes twice a week during the school day. The amount of $40,000 will allow volunteers to provide one-to-one confidential instruction to working-age adults who cannot read or write well enough to fill out a simple job application.

The amount of $140,000 is for Children’s Hospital for a cost-shared National Child Protection, Trauma and Research Center estimated to cost $250,000 with most of those funds being raised from the private sector.

Fifth, the bill includes $5.5 million to reimburse the District government for expenses it will incur in connection with the upcoming Presidential inauguration in January 1993.

We recommend $946 million for public safety and justice programs which include fire and police protection, ambulance service, and support for the city’s criminal justice system.

The police department presently has 4,503 sworn officers. We recommend $228 million.

And no funds were included in the District’s budget for employee pay raises—including a 14-percent increase for police officers over 2 years based on an arbitration award which was estimated to cost $34 million.

Even with these cost-cutting measures, the District government has had to propose selected increases in taxes and fees of $22.9 million to partially offset lower property and income tax collections. As far as the budget resolution is concerned, this bill is within the 602(b) allocations of $714 million in budget authority and $724 million in outlays. In closing, I want to thank all of the members on our subcommittee for their assistance in bringing this bill to the floor today.

Mr. NATCHER of Kentucky, who served for 17 years as chairman of this subcommittee and is marking his 37th year of service on our subcommittee, Mr. STOKES of Ohio, Mr. SABO of Minnesota, Mr. AUCOIN of Oregon, Mr. DWYER of New Jersey, Mr. GALLO of New Jersey, the ranking member of our Subcommittee, Mr. RESOUL of Ohio, and Mr. DELAY of Texas.

Mr. Chairman, this is a good bill, and I recommend it favorably to the Members.
Mr. Chairman, I reserve the balance of my time.

Mr. GALLO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the bill, H.R. 5517, the fiscal year 1993 appropriations for the District of Columbia, as described by the chairman of the subcommittee, Mr. JULIAN DIXON.

I wish to thank and recognize Chairman DIXON for his diligent work on this subcommittee. Quite frankly, it is a thankless job and he does his work with patience, attention to detail, and in a true bipartisan spirit of cooperation.

I also want to thank members of the subcommittee, Mr. RALPH REGULA, who keeps a watchful eye on the school system, and Mr. TOM DELAY, for his interest in economic development issues.

I want to thank the Appropriations Committee, including the chairman, Mr. RON DELLUMS, ranking member Mr. TOM BLILEY, and District Delegates Ms. ELIZABETH HOPE and Sharon NORTON, who have worked closely with us in development of this bill.

And, we could not do our work without the help of our staff. I would like to recognize Migo Miconi, Mary Porter, and Donna Mullins for all their hard work and assistance.

As members of this subcommittee, it is our responsibility to oversee and approve the budget of the District, provide the Federal payment to the District in accordance with the formula bill, and address critical issues facing our Nation's Capital.

I believe we have done these things.

We have preserved the Federal formula bill. Although some District officials continue to argue what the amount should be, the appropriating committee and the Appropriations Committee are in full agreement with the amount provided in this bill.

The formula bill provided for a Federal payment equal to 24 percent of local revenue, a standard that we have provided that amount in this bill.

We have also provided $30 million dollars for anticrime efforts in this city—each year the District sets a new record for the number of murders and violent crimes. District residents, our constituents, our staffs, and our colleagues have all been affected by this crime wave.

These moneys are provided to support the Mayor's crime youth initiative as well as increased foot patrols, advanced training, and other anticrime programs of the Metropolitan Police Department.

The bill requires that our committee approve the District's plan for using this money before the funds are released.

And, now let me make a few comments about the District's budget.

While we have approved the District's budget with a few changes, I do have some serious concerns.

Despite the Mayor's efforts, there is still a perception that the bureaucracy serves themselves—not the people of the District.

For instance, the District still doesn't know how many employees are on the payroll. And, they have 5,500 positions that are fully funded but vacant.

This is no way to balance a budget.

The Mayor, I believe, underestimated what it would take to get the city's budget under control. Mayor Kelly needs to get that shovel out and use it, and she needs the council's support to make it work.

Some progress has been made—the schools have new playgrounds, over half of the fire code violations in the schools have been fixed, the Mayor has successfully revived the Summer Youth Employment Program, and some vacant positions have been eliminated. It's a start, but that's all it is.

This is my candid assessment of this bill. I believe we have fulfilled our responsibilities.

I have no doubt that there will be other controversial issues on the floor today.

With regard to abortion, as the chairman has stated, the bill restricts the use of Federal funds for abortion except in the case of the life of the mother.

The bill does not restrict the District's funds, which I believe is fully consistent with the Supreme Court's decision in Webster and the recent Casey decision.

The Office of Management and Budget has, however, indicated that the President will veto the bill unless this prohibition extends to District funds as well.

There may also be amendments to cut funding in this bill. Let me make it clear that CMB does not have any objections to the funding levels in this bill—and the funding is within our 602(b) allocation.

Again, I want to thank my colleagues on the subcommittee for their work on this bill. I ask may colleagues to join us in supporting it today.

Mr. Chairman, I reserve the balance of my time.

Mr. DIXON. Mr. Chairman, I yield 3 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, I want to begin with a special round of gratitude to the chairman, Mr. DIXON, and to the ranking member, Mr. GALLO, for their extraordinary work on the D.C. budget this year. The Chair of the authorizing committee, Mr. DELLUMS and the ranking member, Mr. BLILEY of the District Committee, are due great thanks as well. These gentlemen had to figure out how to keep faith with the landmark Federal formula legislation passed last year in a budget year when all bets are off. They did indeed figure it out. Chairman DIXON, ranking member GALLO and the subcommittee have produced an appropriations bill that leaves the D.C. budget as passed by the city council largely intact.

This was an extremely difficult year for the District which, like virtually everyone, had to face a precarious budget that was precariously balanced, and with a subcommittee shortfall of its own. Most important, it was the first year in which the Federal payment to the District has been determined by a formula. The subcommittee, as a matter of first impression, had to decide what the legitimate components of the formula were. Despite these challenges, the subcommittee managed to meet the District's most urgent needs, including earmarking significant additional funds. $31 million for Mayor Sharon Pratt Kelly's new anticrime and youth initiatives. Since the Mayor's skillfully balanced anticrime program implicates many agencies of the District government, I would like to emphasize that the earmarking can be made to track her program initiatives.

Mr. Chairman, I appreciate that the committee has not attempted to tell the District how to solve the crime crisis. Last year, Mayor Kelly took her entire administration through a detailed planning process which produced an excellent package of proposals that seek both short- and long-term solutions to crime. While the subcommittee has required the mayor and city council to submit a joint report detailing the objectives and funding requirements of the Mayor's anticrime program, that information is available, effectively has the council's endorsement through the budget process, and needs only the council's imprimatur before submission to the Congress.

This District of Columbia strives to be free to enact its own budget and laws, and believes its citizens have as much right to the full prerogatives of citizenship as the citizens of the 50 States and that only statehood can assure our rights. Until the day when we enjoy American democracy as other Americans do, there could be no fairer and more diligent oversight of the District's fiscal affairs than that provided by the Committee. Ranking minority member DEAN GALLO, ranking minority member DEAN GALLO, and the members of the subcommittee. Out of respect for the work of the bipartisan team that comprises the subcommittee, and on behalf of the residents of the District, I ask that you let the work of the Appropriations Subcommittee on the District of Columbia stand and support this bill.
tlemem from Virginia [Mr. BLILEY], who is the ranking member of the au-

Mr. BLILEY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 5517, the District of Columbia Appropriations Act for fiscal year 1993. I commend chairman Dixon and the ranking republican, Mr. GALLO, for their hard work on this bill and their efforts to be fair to the District and to be faithful to the congressional process we established in law just last year.

The predictability of a formula payment had been sought for a number of years. Mr. DELLUMS and I developed the idea into legislation over a long period of time. The Blue Ribbon Rivlin Commission embraced the concept. Finally, this body adopted a Federal formula payment last year on a voice vote and it was signed into law by the President as Public Law 102-102.

While the formula bill was being developed last year, the District government had acknowledged that a formula based on revenues could be a two-edged sword as a decline in reve-

Mr. Chairman, I support H.R. 5517 and I ask all of my colleagues to join me in supporting passage of this vital funding bill for the District of Columbia.

Mr. DIXON. Mr. Chairman, I yield 4 minutes to the gentleman from Mary-

Mr. Chairman, I want to take this oppor-

Mr. Chairman, I want to express my deep gratitude to the subcommittee and particularly to the chairman, the gentleman from California [Mr. DIXON], and the ranking member, the gentleman from New Jersey [Mr. GALLO], for their support on issues that are very important to me and to the metropolitan area including the District of Columbia.

I have worked with the chairman and the subcommittee on several issues in- cluding police pay, the police and fire-fighters' clinic, and the fire depart-

On two issues in particular I believe that the Congress has both statutory and an appropriate practical authority to act. However, the result will be in the long-term interests of the District of Columbia.

This bill, as the chairman has expressed, prevents the District of Co-

I am pleased that we have fol-
lowed the formula for the Federal payment, and I think this is a good bill for the District and for the Congress. Mr. Speaker, I want to express my appreciation that the Chairman of the subcommittee, JULIAN DIXON, and the ranking Republican member, DEAN GALLO, for their labors with respect to the bill now before this body.

Although I am no longer a member of the subcommittee, I have seen first hand the long hours, the frustrations, and the complexity of leading the effort to craft this bill, and then defend it before the House. It is difficult. It is often also believed to be thankless, but not entirely so.

I want to express my personal appreciation to the subcommittee, and to Chairman DIXON, in particular, for the attention given to issues that are of concern to me, a few of which affect both the city and local jurisdictions, some of which I represent.

A provision in this bill prevents the District of Columbia from using any funds to house an escaped Cedar Knoll Juvenile Detention Center, located in Anne Arundel County, MD, as of June 1, 1993.

In 1988, the District entered into a consent decree under the jurisdiction of the D.C. Superior Court—a decree mandating that the facility be closed on or before December 1, 1987. It has, however, remained open and unfortunately has averaged 121 escapes a month of sometimes dangerous offenders.

The District government has admitted that the facility is inadequate. It is obsolete and poses a safety threat for families who live in surrounding communities like Jessup and Laurel.

Another provision in this bill which relates directly to the residents of Maryland and Virginia, is the stipulation that the city government is not allowed to implement a new payment-in- lieu-of-taxes it sought to impose on suburban users of the Blue Plains wastewater treatment facility.

The city, breaching a 1985 agreement with the suburban users of Blue Plains that ended years of protracted litigation, and threatening to reopen a campaign in the sewer wards of the past, sought to levy a tax on suburban residents to help fund the District’s general operating expenses.

The chairman and our colleagues on the committee reviewed my oral testimony before the subcommittee, and following their discussions with city administrators made the judgment that the pilot was not an appropriate solution to the city’s financial difficulties.

The Mayor of the District of Columbia has a tough job, and I want to express my strong support for her efforts and those of the council in trying to improve not only the budgetary problems relating to this community’s fact, but also their genuine efforts to enhance the quality of life in the Nation’s capital.

There is a strong disinclination to micromanage the District’s internal affairs on this committee, a sentiment that I share. On these two issues, however, we disagree. I believe that the Congress has both the statutory and appropriate practical authority to intervene, and the result, will be in the long-term interests of the city and the region.

There are three other issues which also concern me that relate to the police and fire departments. And I would again like to express my gratitude to the chairman for his interest and responsiveness regarding my concerns:

First, the police and fire fighters clinic, which administered 20,000 medical and surgical treatments in fiscal year 1991 to members of the police and fire departments, was eliminated in the budget approved by the District Council. The council budget included no provision for providing these services to firefighters and police officers, and I appreciate the subcommittee’s restoration of funds for the clinic.

Secondly, the Department of Education budget received on the Hill, contrary to the recommendations of its Judiciary Committee, also included a provision eliminating 12 battalion fire chief and assistant chief positions along with one of the 8 battalions protecting the city. I worked with the subcommittee on this issue, and although we did not achieve an ideal solution to this problem from my personal point of view, I am very grateful to the chairman and Mr. GALLO for the subcommittee’s strong effort to protect the interests of the residents of the city and the front line firefighting capacity of the department.

The third issue which concerns me is the matter of the arbitration award providing a salary increase to the city’s police force. The police, like many other District employees have received no salary increase since 1989. I believe this stringent belt tightening is providing an unfair and long-term consequence on the police force and on public safety.

The salaries of District police officers, for example, are lower than those in most area jurisdictions; experienced police officers are thus encouraged to retire or seek employment in higher salaried jobs in other jurisdictions. This particular problem is compounded when you consider that the District is left with less experienced officers.

The subcommittee was able to exercise little flexibility because Federal funds in its allocation were limited, and although I’ve recommended that the subcommittee take action on this matter, I understand that there is no recent precedent for such direct congressional involvement in salary issues.

Given the circumstances, I urge the Mayor and city council to revisit this issue in as timely a manner as possible.

In closing, I want to again express my deep appreciation to Chairman DIXON and to Representative DEAN GALLO for their willingness to listen, to balance and to make fair judgments on the concerns of those in the communities I represent.

I urge every Member to support this bill, and I look forward to working with Chairman DIXON, Representative GALLO and the other members of the committee as we complete action on the D.C. appropriations bill for fiscal year 1993 in the weeks ahead.

Mr. GALLO. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. REGULA], who has been in the forefront of education as far as the District of Columbia is concerned.

Mr. REGULA. Mr. Chairman, I thank the ranking member for yielding me this time.

First of all, Mr. Chairman, I want to congratulate the Chairman. He has worked hard and provided leadership in trying to make a difference, and he has made a difference based on our observation of some of the buildings. He has recognized the problems. He has made a straightforward
are still many problems. I think it is incumbent upon the school administration to consolidate the facilities and make those remaining, attractive for students. This has to be done by getting the school board, the city administration and the people in the communities to cooperate. I think Mr. McAfee is working on it and the administration is trying.

Second, I think we need to commend the Parents United, because they are picking up the challenge that I have just addressed. Particularly Mary Levy and Delabian Rice-Thurston as leaders of this group working with principals like Ms. Belle who are out there every day trying to make change. They deserve our commendation, because that is the only way we will have improvements in the system.

Also, Superintendent Smith has recognized the need to reduce the number of people who are not teaching and put more in the classrooms. One of the problems as I view the Washington, DC, system is that too many people are not in a teaching role and there is too much expenditure for nonteaching services. There needs to be a change in the ratio of teaching to nonteaching personnel in favor of more teachers.

Another challenge that confronts the administration is that they have in this city two separate administrations for Federal programs, the equivalent of a State system and the equivalent of a city system, so it is redundant and it is duplicative. I think perhaps about 100 positions could be eliminated by merging the systems. I know it takes time to do this. However, the additional resources made available could improve the quality of the experience of the child in the classroom. That is what education is all about.

I know that Superintendent Smith is very much aware of this and is working in that direction. I want to particularly applaud the superintendent for his efforts to make the curriculum and the length of the school day more relevant.

We hear a lot about the need to give our young people a greater opportunity in the educational experience, and certainly we should recognize that that effort is being made here in the District of Columbia. Hopefully, over the next year or two this will bear fruit in improving the educational experience, and as these young people get greater opportunities, as their course become more relevant, they in turn will be able to give back in the leadership in this community in the years ahead, participate in the economic opportunities, improve their quality of life and perhaps with a lot of effort on the part of the Congress, on the part of groups like the Parents United, the part of people responsible for the governance of this city, we can at some future time see a city that we can all take pride in, as our Nation’s Capital.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. PANETTA], the distinguished chairman of the Committee on the Budget.

Mr. PANETTA. Mr. Chairman, I rise in support of H.R. 5517, the District of Columbia appropriations bill for fiscal year 1983. This is the 8th of the 13 annual appropriations bills to be considered by the House.

The bill provides $714 million in discretionary budget authority and $724 million in estimated discretionary outlays, which is identical to both the level of domestic discretionary budget authority and outlays as set by the 622(b) spending subdivision for this subcommittee.

I commend the chairman and ranking member of this subcommittee for bringing this bill to the House in a timely fashion.

As chairman of the Budget Committee, I will inform the House of the status of all appropriations bills compared to their 622(b) subdivision as they are considered on the House floor.

I look forward to working with the Appropriations Committee as it completes action on the remaining appropriation bills.

Mr. Chairman, I include the following factsheet:

<table>
<thead>
<tr>
<th>Budget Authority</th>
<th>New Outlays</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal payment to the District of Columbia</td>
<td>625</td>
</tr>
<tr>
<td>Federal contribution to retirement funds</td>
<td>52</td>
</tr>
<tr>
<td>Crime and youth initiative</td>
<td>31</td>
</tr>
<tr>
<td>Presidential inauguration expenses</td>
<td>6</td>
</tr>
</tbody>
</table>

The House Appropriations Committee filed the Committee’s subdivision of budget authority and outlays on June 11, 1992. These subdivisions are consistent with the allocation of spending responsibility to House committees contained in H. Con. Res. 387, Concurrent Resolution on the Budget for Fiscal Year 1993, as adopted by the Congress on May 21, 1992.

Mr. GALLO. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas, Mr. Chairman, I thank my friend and colleague, the gentleman from New Jersey, for yielding this time.

Mr. Chairman, 88 percent of the money to be appropriated in the District of Columbia appropriation bill are by formula.

The Federal Government is legally obligated to contribute 24 percent of the total revenues the District of Columbia government collected 2 years ago. This year, that Federal payment is $624 million.

The other 12 percent of appropriated money is directed to the police officers’ and fire fighters’ retirement fund, and the crime and youth initiatives, the Metropolitan Police Department, and the board of education.

In total, these contributions amount to $93 million.

The retirement fund contribution is more than 60 percent or $52 million of that total.

The budget justifications of the District of Columbia leave Congress without a substantial foothold to weigh the costs incurred in operating the District of Columbia government.

Using a different and apparently less precise budget object classification system than the Federal Government, the District of Columbia’s accounting for its direct and indirect costs is simply unacceptable.

Its lack of specificity prevents Congress from meeting its obligations to scrutinize taxpayer dollars.

For example, the committee’s report does not address the subject of the District’s direct and indirect or overhead costs.

Under operating expenses, the report follows a set format for each agency.
It sets forth the committee's recommendation for staff positions in the first paragraph.

And in the second, it summarizes the agency's mission.

No cost control recommendations.

To not have the benefit of the committee's recommendations on how Congress may control costs should be of concern to every Member.

Like many of our own Federal agencies, the District of Columbia government has its share of bureaucratic waste.

That the bill before the House does not offer the Members an opportunity to lend their support to some practical, common sense cost controls is a serious omission.

I say this not in criticism of the Appropriations Committee, but rather to lend additional support to their efforts.

Their task is a difficult one.

To support reform we need a bill that encourages and gives common sense direction to the task of cost cutting.

To achieve that objective, we need better information.

It is my hope that these comments will contribute in a small way to the committee's work with the District of Columbia government on the 1994 fiscal year budget.

Mr. Dixon. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland.

Mr. McMillen of Maryland. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise today in support of H.R. 5517. I am particularly pleased that this bill includes language that will finally close the oft-troubled Cedar Knoll detention facility which is located in my district, Anne Arundel County.

This detention facility has a long history of public safety problems. According to the human services department, 319 youths were lost from January 1988 to January 1989, and on any given day 30 percent of detention facility inmates are missing. Those missing range from juveniles convicted of homicide to lesser charges. These problems hit an all-time high last spring when 11 juveniles escaped the Cedar Knoll facility on a night.

This language evolved from legislation which Mr. Hooyer, my Maryland colleague, and I introduced earlier this year. This legislation was a response to the D.C. government's failure to bring the facility under control and ensure proper public safety.

Today's language follows years of abuse of the facility. The District is the opportunity to rectify this problem. This youth detention facility has been subject to multiple investigations by the General Accounting Office, the Federal Bureau of Investigation, and the courts. In fact, in 1986, a court consent decree ordered the District of Columbia to close Cedar Knoll by December 1, 1987.

Mr. Chairman, the Cedar Knoll detention facility detains youth which offer moral reform to some practical, common sense cost controls is a serious omission.

I commend my colleague, the gentleman from Maryland, for all his work on this legislation and I urge my colleagues to join us in supporting its passage.

Mr. Gallo. Mr. Chairman, I yield 3 minutes to the gentleman from Florida.

Mr. Stearns. Mr. Chairman, I yield 4 minutes to the gentleman from Florida.

The Chairman. The gentleman from Florida recognizes Mr. Stearns for 7 minutes.

Mr. Stearns. Mr. Chairman, I yield for the purpose of entering into a colloquy with the distinguished chairman of the subcommittee, the gentleman from California.

Mr. Chairman, it is my understanding that the District of Columbia is embarking on a pilot program that includes the distribution of contraceptive to high school students and provides clean needles for intravenous drug users. Is that true?

Mr. Dixon. Mr. Chairman, will the gentleman yield?

Mr. Stearns. I yield to the gentleman from California.

Mr. Dixon. I thank the gentleman for yielding.

Mr. Chairman, that is true.

Mr. Stearns. Mr. Chairman, I am having difficulty, my staff and I, in identifying the funding level for this program and what guidelines and regulations are being formulated for the implementation of the program.

Mr. Chairman, I would like clarification from the committee or the District authorities as to where this appropriation bill contains this program that is being funded.

I would like to know how this program is going to be administered and by whom? Is it the Commission of Public Health? The Alcohol and Drug Abuse Administration? The Preventive Health Care Services Administration?

More importantly, how much is going to be spent on this effort?

Mr. Chairman, could you or the ranking member give this Member assurance that this information is possible to be provided before consideration of the conference report?

Mr. Dixon. If the gentleman will yield further, I would respond to the gentleman by saying this: I will be very glad to provide him with all of the details of both the condom program and the needle exchange program prior to House action on the conference agreement on this bill.

Further, let me just give some background on the programs and the general information about their administration.

Dr. Akhter, the commissioner of public health in Washington, DC, indicated to us that 1 in 57 men in the District were diagnosed with AIDS, 6 times the national average; that 1 in 67 District mothers tests HIV-positive, 10 times the national average. A survey by the Children's National Medical Center on District adolescents seeking care found that 1 in 100 teenage girls, 1 in 75 teenage boys, and 1 in 40 between the ages of 18 and 19 were found to be infected with HIV.

What this has meant to the District and what it certainly means to me is that there is an epidemic here as it relates to being HIV-positive or having AIDS.

Therefore, by executive order the Mayor was able to promulgate rules and regulations that would allow for the dispensing of condoms in the public schools. I think it is clear for the record that no one is encouraging sexual intercourse among teenagers.

But the fact of the matter is that many teenagers are contracting either AIDS or becoming HIV-positive through sexual intercourse.

So those students in junior and senior high schools, grades 7 through 12, will be dispensed condoms. Also, it is no secret that many of those who are illegally injecting drugs of one form or another have a strong likelihood of becoming HIV-positive and ultimately contracting AIDS.

The number of deaths in the District from AIDS has increased from 1,676 in 1990 to 2,227 in 1991, an increase of 33 percent in the number of deaths from AIDS.

Because of this bleak situation, the District has the strong desire to issue sterile needles, not because they are condoning the use of drugs, but because they want to save lives.

Mr. Chairman, this program is in effect under emergency legislation. Permanent legislation has passed out of the city council and is on the Mayor's desk for her signature. It will have the required layover time here in the Congress.

I will certainly provide the gentleman from Florida with specific information as to the exact method that these condoms and needles are to be dispensed, the costs and who will be in charge of the programs. And I will provide this information prior to the conference as he has requested.

Mr. Stearns. I want to thank the chairman, the gentleman from Califor-
nary [Mr. Dixon]. I think his outlining of the details will help all Members understand why the program is being implemented, and I want to thank him for getting that information prior to the conference.

Mr. GALLO. Mr. Chairman, will the gentleman yield?

Mr. STEARNS. I yield to the gentleman from New Jersey [Mr. Gallo].

Mr. GALLO. I thank the gentleman for yielding.

Let me simply say I understand the concerns of the gentleman regarding this program. It is very difficult to figure out the District's budget in its total aspect, particularly where the money for these kinds of programs is located and in what amounts.

I join with the chairman of our subcommittee in assuring the gentleman that we will get that information beforehand, and I thank him for his interest in this serious issue.

Mr. STEARNS. I thank my colleagues for allowing me the time.

Mr. DIXON. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. GALLO. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New Jersey [Mr. Smith].

Mr. SMITH of New Jersey. I thank the gentleman for yielding this time to me.

Mr. Chairman, there is no question whatsoever that H.R. 5517 authorizes taxpayer-funded abortion on demand for the District of Columbia. There is no question whatsoever that the language in the bill reverses current law that we have debated this issue—has been an appeal to home rule. I would suggest that respect for home rule is not absolute and certainly does not take precedence over respect for human life.

I 1900

Mr. Chairman, abortion on demand is the very antithesis of respect for life. It is death. It is child abuse that masquerades as a progressive policy. Every abortion stops a beating heart. Every abortion robs a baby girl or baby boy of a chance to be loved and to love, to learn or read a book, or to sing, or dance, or even to kick a soccer ball. Every abortion robs a child of the most precious gift of all life.

Members should be advised that abortion methods that would be paid for with tax dollars, if this legislation is enacted, would cut, dismember and rip the innocent child apart. Suction machines 30 times more powerful than the typical vacuum cleaner would be subsidized in order to destroy the child. And there are other equally gruesome methods such as poisoning the baby with high concentrated salt solution or other chemicals. Is that what we want to be asked to subsidize in this legislation?

I remain confident, Mr. Chairman, and full of hope that in the end a prudent and good friend, the gentleman from New Jersey [Mr. Gallo], will bring back to the floor legislation all of us can support and the President can sign.

Mr. DIXON. Mr. Chairman, I yield 2 minutes to the distinguished delegate from the District of Columbia [Ms. Norton].

Ms. NORTON. Let me say first, Mr. Chairman, that the residents of the District of Columbia do not request abortion on demand. Abortion on demand is recognized nowhere in this country. We wish only what other Americans have the privilege of enjoying.

The gentleman carries his campaign against abortion far from his own district, and yet we have been reminded only in recent times when the United States Supreme Court of the United States, dominated by members of his own party, that there should be, at the very least, local options on the troublesome question of abortion, and so what we have in the United States is local option for everyone, one of every 50 States and all of the territories except for the District of Columbia.

Mr. Chairman, it would appear that nothing settles this dispute, not even the decision of the Supreme Court of the United States, which has the final word unless this body approves the Freedom of Choice Act, which I pray it will.

This is a pluralistic country. We will almost surely never be a country where a woman cannot get an abortion anywhere. For this is not the America of the 1960's or the 1980's. This is a new day.

But it is not a new day yet for the poor women of the District of Columbia. Only they, it would appear, have the distinction of being treated more invidiously than any women anywhere else in the United States. It is a shame to have to ask that of the women of the District of Columbia, especially the poor women who will feel a Presidential veto greatest. They should be recognized to have the same right of privacy as all other women in the United States can now claim.

Mr. GALLO. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. Dornan].

Mr. DORNAN of California. Mr. Chairman and my colleagues, just a word about the quality of leadership on this committee. Because of the nature of the whole structure of the District of Columbia home rule, the fact that many of the Members of the Chamber and the other body live inside the confines of the District, because of the crime that has attacked all major cities of the United States, we have to be a very passionate debate, and it generally is not because of the quality of leadership here, and I want to just tip my hat to that leadership, the gentleman from California [Mr. Dixon] and the gentleman from New Jersey [Mr. Gallo].

On the issue of abortion, no one, and this has been a great source of comfort to me in a rather passionate debate, no one has ever questioned in my 15-year span here my dedication to this issue on principle and beyond just religious belief or theological conviction, my belief on scientific, and medical grounds and, yes, even sociological grounds.

When I first managed to win a Republican primary in 1976, our bicentennial year, and I have told this story several times using this Committee's debate as a forum to do it, I was driving past the Lincoln Memorial and the Washington Monument, looking at those 50 flags flying for each State, and I heard over the radio that the District of Columbia has become the first city in America where there were more abortions tolerated than live births, and that has gone on ever since 1976. Pretty soon it will be two decades. There were 1,600,000 abortions last year with a piddling, a tragically tiny, 25 to 30,000 adoptions.

Mr. Chairman, something is wrong. If I were of African-American heritage, and I would be very proud of it, I would question country club Republicans who always say, "How we going to feed them?" Economic abortions are the worst of all. It is a form of national suicide, of giving up and saying, "We can't feed these people, so let's kill them." and we cannot go along with infanticide, yet some people say, "So, let's kill them in the womb."

No, I think it will be a proud day when the District of Columbia sets a precedent for America. The District of Columbia protects every child born and unborn in this beautiful District that I think is one of the finest cities to visit and live in the world. We are all trying to make it better, but I am afraid this issue of when life begins, when it is really sanctified, when we should respect it, nurture it, and protect it is a debate that is going to be with us as long as this country exists.

Mr. GALLO. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. Holloway].

Mr. HOLLOWAY. Mr. Chairman, I take the well today to try to instill in the minds of the Members of this House what has happened here in the District of Columbia.

I offered an amendment, and the Committee did not waive the point of order to allow me to offer it, and my amendment simply said it inserted at
Mr. Chairman, I have only this to say: I am proud to live in a district which would not exclude people from health benefits based on their sexual orientation. I am proud to live in a district that regards homophobia as unacceptable and as racism and sexism.
this floor and openly tell me that homosexualit\y is good for the future of America. I do not think anyone can stand in this Chamber and tell people that it is good for the future of our country. If they do, I have to argue and say that what made this country great is our Judeo-Christian beliefs, our belief in marriage, in the family, in commitment for life. I think this bill totally goes to-ward destroying that, and I will ask Members to vote to disapprove the motion to rise.

Mr. DIXON. Mr. Chairman, might I inquire how much time is left?

The CHAIRMAN. The Chair advises that each side as 1 minute remaining in general debate.

Mr. GALLO. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. DIXON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I yield myself this time just to address the gentleman from Louisiana [Mr. HOLLOWAY]. I understand that the issue the gentleman is addressing is a very emotional one, one that is certainly controversial in our society. However, that is not the issue before us.

The issue before us is whether this community, the District of Columbia, has the right to promulgate its own rules and regulations.

Mr. Chairman, from the comments I have heard from the gentleman from Louisiana [Mr. HOLLOWAY], he does not like the District's decision to extend certain health benefits to partners. That is not the issue here today. The issue is whether or not the District has the right to promulgate rules and regulations governing benefits for its citizens. It has decided to do so. It has nothing to do with homosexuality, one way or the other.

Mr. Chairman, in closing let me thank my staff. My chief of staff, Americo Miconi always does outstanding work, and let me also thank Donna Mullins and Mary Porter for their fine assistance, as well as that of all the members of the staff of the full Committee on Appropriations. They are always very professional, very courteous, and very responsive, even in the most difficult of situations and circumstances.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment printed in House Report 102-661, and any amendments thereto, shall be de-batable for the time specified in the report, equally divided and controlled by the proponent and an opponent of the amendment.

The Clerk will read as follows:

Be it enacted by the Senate and House of Representa-tives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year end- ing September 30, 1993, and for other pur-poses, namely:

TITLE I

FISCAL YEAR 1993 APPROPRIATIONS

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia in lieu of taxes for the fiscal year ending September 30, 1993, $94,591,000: Provided, That not to exceed $5,500,000 of the amount hereby appropriated from the "Water and Sewer Utility Payment in Lieu of Taxes Act of 1992" shall be available for the Mayor's youth and crime initiative fund, but shall not be obligated or expended until the Mayor submits to the Council a plan for the allocation and use of the funds: Provided further, That notwithstanding any other provision of law, there is hereby appropriated from the earnings of the applicable retirement funds $18,292,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which $10,292,000 shall be paid into the general fund during the fiscal year ending September 30, 1993, in rendering services related to the Retirement Board, including, but limited to, the costs of post-retirement eligibility, calculating pension benefits, preparing and distributing pension checks, filing reports and returns, and administering the retirement fund:

FEDERAL CONTRIBUTION TO RETIREMENT FUNDS

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds, as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (39 Stat. 886; Public Law 96-120), $32,070,000.

FEDERAL CONTRIBUTION FOR CRIME AND YOUTH INITIATIVES

For a Federal contribution for crime and youth initiatives in the District of Columbia, $30,798,600: Provided, That this appropriation shall not be obligated or expended until the Committees on Appropriations of the House of Representatives and the Senate shall have approved a detailed plan as to the use of these funds:

PRESIDENTIAL INAGURATION

For payment to the District of Columbia in lieu of reimbursements for expenses incurred in connection with Presidential inauguration activities, $3,514,000, as authorized by section 307(b) of the District of Columbia Self-Gov-ernment and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 1-1839).

METROPOLITAN POLICE DEPARTMENT

For a Federal contribution to the District of Columbia for the Metropolitan Police Department, $400,000, of which $2,500 shall be for training and continuing education pro-grams and $150,000 shall be for a summer youth program.

BOARD OF EDUCATION

For a Federal contribution to the District of Columbia for Education, $250,000, for an adult literacy program and $50,000 shall be for a program to teach self-discipline, motivation, and respect in public schools.

DISTRICT OF COLUMBIA INSTITUTE FOR MENTAL HEALTH

For a Federal contribution to the District of Columbia for the District of Columbia Institute for Mental Health to provide professional mental health care to low-income, underinsured, and indigent chil-dren, adults, and families in the District of Columbia, $140,000.

CHILDREN'S NATIONAL MEDICAL CENTER

For a Federal contribution to the Children's National Medical Center for a cost-shared National Child Protection Center, $416,000.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the Dis-trict of Columbia, except as otherwise spe-cifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $115,591,000: Provided, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expendi-tures for official purposes: Provided further, That not to exceed $5,000,000 of the amount hereby appropriated from the "Water and Sewer Utility Payment in Lieu of Taxes Act of 1992" shall be available for the Mayor's youth and crime initiative fund, but shall not be obligated or expended until the Mayor submits to the Council a plan for the allocation and use of the funds: Provided further, That notwithstanding any other provision of law, there is hereby appropriated from the earnings of the applicable retirement funds $18,292,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which $10,292,000 shall be paid into the general fund during the fiscal year ending September 30, 1993, in rendering services related to the Retirement Board, including, but limited to, the costs of post-retirement eligibility, calculating pension benefits, preparing and distributing pension checks, filing reports and returns, and administering the retirement fund:

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $52,970,000, for economic development and regulation, $140,000.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY

For payment to the District of Columbia to pay interest on and for the retirement of the bonds issued by the District of Columbia Housing Finance Agency, including costs and charges of issuing the bonds and expenses of any kind or description out of the general fund of the District of Columbia, $10,292,000.

GOVERNMENTAL DIRECTION AND SUPPORT

For governmental direction and support, $115,591,000.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without limitation as to the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $52,970,000, for economic development and regulation, $140,000.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY

For payment to the District of Columbia to pay interest on and for the retirement of the bonds issued by the District of Columbia Housing Finance Agency, including costs and charges of issuing the bonds and expenses of any kind or description out of the general fund of the District of Columbia, $10,292,000.

GOVERNMENTAL DIRECTION AND SUPPORT

For governmental direction and support, $115,591,000.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without limitation as to the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.
Lorton prison in Fairfax County, Virginia, can promptly obtain information from District of Columbia government officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: Provided further, That the Metropolitan Police Department shall adopt a plan to make the availability of the 24-hour telephone information service among the residents of the area surrounding Lorton prison complex: Provided further, That the Department of Pollution shall adopt a plan to publicize the availability of the information service among the residents of the Metropolitan area surrounding Lorton prison in Fairfax County, Virginia, and to issue a report to the Mayor on the implementation of such plan and the information service.

Provided further, That the Metropolitan Police Department shall adopt a plan to make the availability of the information service among the residents of the area surrounding Lorton prison complex: Provided further, That the Department of Pollution shall adopt a plan to publicize the availability of the information service among the residents of the Metropolitan area surrounding Lorton prison in Fairfax County, Virginia, and to issue a report to the Mayor on the implementation of such plan and the information service.

Provided further, That the Metropolitan Police Department shall adopt a plan to make the availability of the information service among the residents of the area surrounding Lorton prison complex: Provided further, That the Department of Pollution shall adopt a plan to publicize the availability of the information service among the residents of the Metropolitan area surrounding Lorton prison in Fairfax County, Virginia, and to issue a report to the Mayor on the implementation of such plan and the information service.

Provided further, That the Metropolitan Police Department shall adopt a plan to make the availability of the information service among the residents of the area surrounding Lorton prison complex: Provided further, That the Department of Pollution shall adopt a plan to publicize the availability of the information service among the residents of the Metropolitan area surrounding Lorton prison in Fairfax County, Virginia, and to issue a report to the Mayor on the implementation of such plan and the information service.

Provided further, That the Metropolitan Police Department shall adopt a plan to make the availability of the information service among the residents of the area surrounding Lorton prison complex: Provided further, That the Department of Pollution shall adopt a plan to publicize the availability of the information service among the residents of the Metropolitan area surrounding Lorton prison in Fairfax County, Virginia, and to issue a report to the Mayor on the implementation of such plan and the information service.

Provided further, That the Metropolitan Police Department shall adopt a plan to make the availability of the information service among the residents of the area surrounding Lorton prison complex: Provided further, That the Department of Pollution shall adopt a plan to publicize the availability of the information service among the residents of the Metropolitan area surrounding Lorton prison in Fairfax County, Virginia, and to issue a report to the Mayor on the implementation of such plan and the information service.
For the purpose of reducing costs associated with the rental and leasing of facilities for governmental purposes, $16,682,000.

FURLOUGH ADJUSTMENT

Each agency, office, and instrumentality of the District, except the District of Columbia Courts, shall furlough each employee of the respective agency, office, or Instrumentality for one day in each month of the fiscal year ending September 30, 1993, or a proportional number of hours for part-time employees. The personal services spending authority for each agency, office, and instrumentality subject to this section is reduced in an amount equal to the savings resulting from the employee furloughs required by this section, for a total reduction of $35,000,000.

CAPITAL OUTLAY

For construction projects, $333,639,000, as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 through 43-1518); the District of Columbia Public Works Act of 1964, approved May 18, 1964 (68 Stat. 101; Public Law 83-364); and An Act to authorize the Commissioner of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in such programs, approved June 14, 1972 (86 Stat. 651; Public Law 92-666; D.C. Code, secs. 43-19 through 43-19-2501; Capehart Amendment).

For the Water and Sewer Enterprise Fund, $231,630,000, of which $39,602,000 shall be appropriated and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects, and $123,300,000 shall be available in lieu of taxes pursuant to the “Water and Sewer Utility Payment in Lieu of Taxes Act of 1992” shall be transferred to the general fund to provide for Mayor’s emergency and crime initiative, and $3,000,000 for the University of the District of Columbia.

For the Lottery and Charitable Games Enterprise Fund, $6,682,000, as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, as approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 et seq.); Provided, That the requirements and restrictions that are applicable to general fund capital improvement projects and set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title: Provided further, That not to exceed $23,705,000 in water and sewer enterprise fund operating revenues shall be available for pay-as-you-go capital projects.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982, approved December 4, 1981 (95 Stat. 1174, 1175; Public Law 97-91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers and Eggs and Eggs and Eggs for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-250; D.C. Code, secs. 2-2501 et seq., 2-2516 et seq.), $2,450,000, to be derived from non-Federal District of Columbia revenues: Provided, That the District of Columbia shall identify the source of funding for this appropriation title from the District’s own locally-generated revenues: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1982 (D.C. Code, sec. 43-1901 et seq.), $2,500,000.

STARPLEX FUND

For the Starplex Fund, an amount necessary for the expenses incurred by the Mayor for the operation of the Capital Area Transportation and Commuter Services, as established by the District of Columbia, to be raised by the sale of bonds and the proceeds of which shall be used for the purpose of financing, constructing, equipping, maintaining, and operating a transit center at the corner of Sixteenth and H Street, N.W., as shall be determined by the Board.

SNC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated disbursing official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SNC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately-owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: Provided, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-1 (Federal Travel Regulations).

SNC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations considered to be instrumental to the obvious interests of the District of Columbia government, when authorized by the Mayor: Provided, That such payments shall not exceed the maximum prevailing rates for such services as prescribed in the Federal Property Management Regulations 101-1 (Federal Travel Regulations).

Provided further, That the funds appropriated by An Act establishing a District of Columbia Armory Board, and for other purposes, approved June 4, 1948 (62 Stat. 338; D.C. Code, sec. 78-301(b)), shall be available for the payment of the cost of maintaining the District of Columbia Stadium Fund, an amount necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 13, 1968 (82
SEC. 110. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1994, shall be transmitted to the Congress no later than April 15, 1993.

SEC. 111. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations. In addition to the Subcommittees on the District of Columbia, the Subcommittee on General Services, Federalism, and the District of Columbia of the Senate Committee on Governmental Operations, the Council of the District of Columbia, or their duly authorized representatives; Provided, That none of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection until 30 days after the close of each quarter, the Mayor shall develop procedures for the transmission of data to the Council of the District of Columbia, the Congress, and the public in a timely manner.

SEC. 112. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Code 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 113. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycotts designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 114. None of the Federal funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

SEC. 115. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter, for the development of the District of Columbia government, and the Congress the actual borrowing and spending progress compared with projections.

SEC. 116. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amount to be financed with such borrowings.

SEC. 117. The Mayor shall not expend any moneys borrowed for capital projects for the construction, operation, maintenance, or improvement of space, facilities, or other public assets or for any educational purposes, unless the Mayor has obtained prior approval from the Council of the District of Columbia government.

SEC. 118. None of the funds appropriated by this Act may be obligated or expended for any purpose other than the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 119. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations. In addition to the Subcommittees on the District of Columbia, the Subcommittee on General Services, Federalism, and the District of Columbia of the Senate Committee on Governmental Operations, the Council of the District of Columbia, or their duly authorized representatives; Provided, That none of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection until 30 days after the close of each quarter, the Mayor shall develop procedures for the transmission of data to the Council of the District of Columbia, the Congress, and the public in a timely manner.

SEC. 112. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Code 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 113. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycotts designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 114. None of the Federal funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

SEC. 115. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter, for the development of the District of Columbia government, and the Congress the actual borrowing and spending progress compared with projections.

SEC. 116. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amount to be financed with such borrowings.

SEC. 117. The Mayor shall not expend any moneys borrowed for capital projects for the construction, operation, maintenance, or improvement of space, facilities, or other public assets or for any educational purposes, unless the Mayor has obtained prior approval from the Council of the District of Columbia government.

SEC. 118. None of the funds appropriated by this Act may be obligated or expended for any purpose other than the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 119. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations. In addition to the Subcommittees on the District of Columbia, the Subcommittee on General Services, Federalism, and the District of Columbia of the Senate Committee on Governmental Operations, the Council of the District of Columbia, or their duly authorized representatives: Provided, That none of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection until 30 days after the close of each quarter, the Mayor shall develop procedures for the transmission of data to the Council of the District of Columbia, the Congress, and the public in a timely manner.


SEC. 112. Notwithstanding any other provisions of law, the provisions of the District of Columbia Self-Government and Governmental Reorganization Act of 1973 (87 Stat. 1938; D.C. Code, sec. 1-243(7)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 122. Notwithstanding any other provisions of law, the provisions of the District of Columbia Self-Government and Governmental Reorganization Act of 1973 (87 Stat. 1938; D.C. Code, sec. 1-243(7)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 122. Notwithstanding any other provisions of law, the provisions of the District of Columbia Self-Government and Governmental Reorganization Act of 1973 (87 Stat. 1938; D.C. Code, sec. 1-243(7)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 122. Notwithstanding any other provisions of law, the provisions of the District of Columbia Self-Government and Governmental Reorganization Act of 1973 (87 Stat. 1938; D.C. Code, sec. 1-243(7)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 122. Notwithstanding any other provisions of law, the provisions of the District of Columbia Self-Government and Governmental Reorganization Act of 1973 (87 Stat. 1938; D.C. Code, sec. 1-243(7)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 122. Notwithstanding any other provisions of law, the provisions of the District of Columbia Self-Government and Governmental Reorganization Act of 1973 (87 Stat. 1938; D.C. Code, sec. 1-243(7)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 122. Notwithstanding any other provisions of law, the provisions of the District of Columbia Self-Government and Governmental Reorganization Act of 1973 (87 Stat. 1938; D.C. Code, sec. 1-243(7)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 122. Notwithstanding any other provisions of law, the provisions of the District of Columbia Self-Government and Governmental Reorganization Act of 1973 (87 Stat. 1938; D.C. Code, sec. 1-243(7)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.
are sequestered by the order: Provided, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in the District of Columbia, as specified by the order, except as specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, Public Law 99-177, as amended.

Sect. 130. Section 133(e) of the District of Columbia Appropriations Act, 1990, as amended by striking "December 31, 1992" and inserting "December 31, 1993".

Sect. 131. For the fiscal year ending September 30, 1990, the District of Columbia shall pay interest on its quarterly payments to the United States that are made more than 60 days after the date of receipt of an itemized statement from the Federal Bureau of Prisons of amounts due for housing District of Columbia convicts in Federal penitentiaries for the preceding quarter.

Sect. 132. None of the funds provided in this Act may be used by the District of Columbia to provide for the salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiative Act of 1981, D.C. Law 3-171; 105 Stat. 561, D.C. Code, sec. 1-113(d).

Sect. 133. None of the funds made available in this Act may be used by the District of Columbia to operate, after June 1, 1993, the juvenile detention facility known as the Cedar Knoll Facility. The Mayor shall transfer to the United States the funds available for operating the Cedar Knoll Facility to the Committees on Appropriations of the House of Representatives and the Senate by January 15, 1993.

Sect. 134. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 1993 if:
(1) The Mayor approves the acceptance and use of the gift or donation; and
(2) The entity uses the gift or donation to carry out its authorized functions or duties.
(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term "entity of the District of Columbia government" includes an independent agency of the District of Columbia.

Sec. 135. (a) None of the funds appropriated by this or any other Act may be used to issue or renew a registration certificate or identification tag for any motor vehicle if unpaid fines, penalties and other costs for traffic violators in the District of Columbia are outstanding against any registered owner of such vehicle or against any authorized user of such vehicle by such registered owner.

(b) Subsection (a) shall not apply to an issuance or renewal if the Director of the Department of Public Works of the District of Columbia:
(1) determines that special circumstances require a waiver of such subsection with respect to such issuance or renewal;
(2) is in writing, setting forth such circumstances; and
(3) submits a written notification of such waiver and circumstances to the Committees on Appropriations of the House of Representatives and the Senate and to the governmental agency having authority to approve such issuance or renewal.

Sec. 136. None of the funds made available in this Act may be used by the District of Columbia to impose, implement, collect, administer, transfer, or enforce a payment in lieu of taxes on the Water and Sewer Administration that would increase payments required of suburban jurisdictions in Maryland under the Blue Plains Interjurisdictional Agreement of 1985.

This title may be cited as the "District of Columbia Appropriations Act, 1993."
Mr. Chairman, I simply want to clarify the fact that we say there are no Federal Government.

Mr. Chairman, I simply want to clarify the fact that we...
through college together. They are really close friends, and they go to work for the District of Columbia. And they are both, for the sake of my example, orphans. And they want to apply for this domestic partnership arrangement for health benefits, for hospital visitation, for insurance benefits.

Do my colleagues know what they have to be asked by these great District of Columbia officials? Do they have sex? And if they do not have sex, how do people consider immoral, illicit, or perverted sex, let us forget all those adjectives, if they do not touch one another in a sexually intimate way, they do not qualify. So it is the state saying, "If you have a roommate and you want part of this program, you had better have sexual contact with the same sex." Mr. Chairman, I yield to the distinguished California representative, Mr. DELLUMS.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding to me. I would just say to the gentleman, I would rather seek my own time. And if the gentleman is going to conclude this part of the discussion momentarily, the gentleman is prepared to move an amendment.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield? Mr. DORNAN of California. I yield to the gentleman from Massachusetts. Mr. MAVROULES. Mr. Chairman, I thank the gentleman for yielding to me. I had the responsibility, along with my colleagues, to investigate the U.S.S. Iowa incident. Actually, the Navy used very poor judgment in rushing to judgment. What the gentleman has stated perhaps is a little inaccurate. I just want to clear the record.

The gentleman and I are great friends. We go back many years. Mr. DORNAN of California. Mr. Chairman, I yield to the gentleman. If I may, the Navy had rushed to judgment because they could not believe people could be that good of friends.

Mr. MAVROULES. Mr. Chairman, if the gentleman will continue to yield, not exactly for the reasons that the gentleman stated. If the gentleman would go back into the investigation, he would find they rushed to judgment because of some technical data that they thought they could apply to that young man and his so-called partner. Actually, the insurance policy was $100,000 rather than $50,000. But when they rushed to judgment, they did a great disservice to that young man. Mr. DORNAN of California. Mr. Chairman, I agree.

Mr. MAVROULES. Mr. Chairman, the point I am trying to make here is that we ought to have an open mind in this Congress. We ought not to be rushing to judgment here. That is what we are doing. Mr. DORNAN of California. Mr. Chairman, reclaiming my time, the gentleman makes my point. He has cleaned up the inaccuracy. It was $100,000. But the Navy liaison here thought that what triggered their suspicion was a young bunkmate taking out an insurance policy for $100,000.

The point I am making is that friendships like that do exist. But if one files for domestic partnership, they are asked, "Do you have intimate sexual perverted contact with one another? Because if you don't, you are out the door. We only go for the people that have sex."

Mr. MAVROULES. Mr. Chairman, if the gentleman will continue to yield, just so I can clarify another point, if the gentleman was at those hearings, he would have heard from the young man who had the policy out on Mr. Hartwig. When the gentleman heard his testimony, I think it would probably change his attitude on the entire matter. I am not here to be critical. I am here to clarify a point. Mr. DORNAN of California. That they were not friends anymore. They were not talking.

Mr. MAVROULES. Mr. Chairman, there is a lot more to it.

Mr. DORNAN of California. Mr. Chairman, the point I am making is, we do have, maybe I will use the poet's words "dear and close" friendships that do not involve abnormal or perverted sex. Therefore, the whole domestic partner thing, whether it is the beautiful city by the bay in San Francisco or right here in this gorgeous District of Columbia, it is founded on a fraudulent premise that one must establish illicit sex, what some people consider mortal sinning, or one does not get to qualify with their partner. I rest my case.

Mr. HOLLOWAY. Mr. Chairman, will the gentleman yield? Mr. DORNAN of California. I yield to the gentlema from Louisiana.

Mr. HOLLOWAY. Mr. Chairman, I just want to make one statement. The gentleman was fair to me, and I want to restate that. I guess just my frustration of the minority here and knowing that we lose, it seems every time we go to rules, every time we go to committee. So in no way was I not treated correctly by the subcommittee as well as the Committee on the District of Columbia. So the gentleman was very fair to me.

In no way did I intend to lead Members to believe that he handled it in a way that I was not allowed to have mine. The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has expired.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I thank the gentleman from Louisiana [Mr. HOLLOWAY] for his explanation, because the reason why I rose earlier to ask the gentleman to yield was because this gentleman takes a great deal of pride in the reputation that I have worked for 22 years to develop and maintain in this institution, and that is one of openness and one of fairness and attempting to deal with my colleagues with dignity.

It is precisely in that manner that I dealt with my distinguished colleague. Mr. Chairman, there is a certain degree of surrealism about this debate. We are not here to be super city councilpersons for the District of Columbia. We are not here to be super Mayors of the District of Columbia. We were elected from our respective congressional districts to come together in the spirit of comity and consensus to address the myriad social, economic problems that confront this Nation and this world.

There are duly elected persons in the District of Columbia more than capable of dealing with the problems that confront people in the District. There is no one Member of this Chamber that would take these steps in any other city in the Nation. They do so in the District of Columbia because of the unique nature of it.

In my distinguished colleague, the gentleman from Louisiana [Mr. HOLLOWAY] introduced a resolution of disapproval, which was immediately referred to the District of Columbia. In my capacity as chair of that committee I met with my distinguished colleague, assured him that within the appropriate time frame that the subcommittee and the full committee would address the resolution of disapproval.

Over the years, Mr. Chairman, in order to handle resolutions of disapproval we developed three criteria in looking at the resolution of disapproval, because we said that we should not address the substantive issues.

We have developed three criteria to look at all the resolutions of disapproval.

Question: Does the act of the local government violate the Home Rule Act? In this instance the answer was no.

Does it violate the Constitution of the United States? Even the proponents of the resolution of disapproval did not assert that. The answer at the subcommittee level, in the report to the full committee, the answer was no.

Did it violate the Federal interest? There was some controversy in that regard, but I would suggest, with all due respect to my distinguished colleague, the gentleman from Louisiana, that and that is one of openness and one of moments ago as being violative of the Federal interest does not address the condition. That is not a substantive argument to the question of whether the Federal interest is violated.
Mr. Chairman, we decided that based upon the fact that the Congress of the United States has an act signed into law by the President precludes us from being city councilpersons, why do the residents of the District of Columbia not have the same rights as any other citizens? We should respect any person here if they introduced an organic piece of legislation so we could debate it at a national level. But I believe in democracy, Mr. Chairman. Why then do we trample so powerfully on the rights and prerogatives of the residents of the District of Columbia, who have a Representative that is not even capable of bringing a bill into law by the President precludes us from doing so? I move to strike the requisite number of words.

Mr. Chairman, I think that the sentiments that my colleague, the gentleman from California, expressed are equally recognized on this side. However, I think we have also on this side an opportunity to express our sentiments up or down. We can express how we feel.

I think in this case a lot of us on this side are wondering about whether we can promulgate this, whether this kind of policy is good. I think we have a right to comment on it. Frankly, I believe the District of Columbia can come up with a plan that does not legitimize nonlegal partnerships and still extend benefits to uninsured individuals. I think it is a recognizable way to debate this issue on the House floor to talk about it.

I think what the gentleman from Louisiana, Mr. Holloway, is trying to do is to bring this debate out in the open and try and let the colleagues here understand what is happening with this bill. If we support such efforts like the District of Columbia's Health Care Benefits Expansion Act, we only wipe our feet all over the institution of marriage and family values.

I would urge my colleagues to support the Holloway amendment, and I guess he will not get his amendment, so I would ask my colleagues to vote no on the motion to rise.

Mr. Dornan of California. Mr. Chairman, will the gentleman yield?

Mr. Stearns. Mr. Chairman, I yield to the gentleman from California. Mr. Dornan of California. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, if I could just address one thing to my distinguished colleague, the gentleman from California, Mr. Dornan, arguably the finest orator in this splendid Hall, once during a debate I said to him something about Selma, and I think he thought I was trying to be clever or cute or smart-alecky, and I was not. I meant it from the bottom of my heart, with all of my conviction, that the road to Selma was not, was not, the road to Sodom. He took exception to it.

Let me add something that I know very well, that the road to Selma was not the road to Sodom. So, Mr. Chairman, we decided that based upon the fact that the Congress of the United States has an act signed into law by the President precludes us from being city councilpersons, why do the residents of the District of Columbia not have the same rights as any other citizens? We should respect any person here if they introduced an organic piece of legislation so we could debate it at a national level. But I believe in democracy, Mr. Chairman. Why then do we trample so powerfully on the rights and prerogatives of the residents of the District of Columbia, who have a Representative that is not even capable of bringing a bill into law by the President precludes us from doing so? I move to strike the requisite number of words.

Mr. Chairman, I think that the sentiments that my colleague, the gentleman from California, expressed are equally recognized on this side. However, I think we have also on this side an opportunity to express our sentiments up or down. We can express how we feel.

I think in this case a lot of us on this side are wondering about whether we can promulgate this, whether this kind of policy is good. I think we have a right to comment on it. Frankly, I believe the District of Columbia can come up with a plan that does not legitimize nonlegal partnerships and still extend benefits to uninsured individuals. I think it is a recognizable way to debate this issue on the House floor to talk about it.

I think what the gentleman from Louisiana, Mr. Holloway, is trying to do is to bring this debate out in the open and try and let the colleagues here understand what is happening with this bill. If we support such efforts like the District of Columbia's Health Care Benefits Expansion Act, we only wipe our feet all over the institution of marriage and family values.

I would urge my colleagues to support the Holloway amendment, and I guess he will not get his amendment, so I would ask my colleagues to vote no on the motion to rise.

Mr. Dornan of California. Mr. Chairman, will the gentleman yield?

Mr. Stearns. Mr. Chairman, I yield to the gentleman from California. Mr. Dornan of California. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, if I could just address one thing to my distinguished colleague, the gentleman from California, Mr. Dornan, arguably the finest orator in this splendid Hall, once during a debate I said to him something about Selma, and I think he thought I was trying to be clever or cute or smart-alecky, and I was not. I meant it from the bottom of my heart, with all of my conviction, that the road to Selma was not, was not, the road to Sodom. He took exception to it.

Let me add something that I know very well, that the road to Selma was not the road to Sodom.

So, Mr. Chairman, we decided that based upon the fact that the Congress of the United States has an act signed into law by the President precludes us from being city councilpersons, why do the residents of the District of Columbia not have the same rights as any other citizens? We should respect any person here if they introduced an organic piece of legislation so we could debate it at a national level. But I believe in democracy, Mr. Chairman. Why then do we trample so powerfully on the rights and prerogatives of the residents of the District of Columbia, who have a Representative that is not even capable of bringing a bill into law by the President precludes us from doing so? I move to strike the requisite number of words.

Mr. Chairman, I think that the sentiments that my colleague, the gentleman from California, expressed are equally recognized on this side. However, I think we have also on this side an opportunity to express our sentiments up or down. We can express how we feel.

I think in this case a lot of us on this side are wondering about whether we can promulgate this, whether this kind of policy is good. I think we have a right to comment on it. Frankly, I believe the District of Columbia can come up with a plan that does not legitimize nonlegal partnerships and still extend benefits to uninsured individuals. I think it is a recognizable way to debate this issue on the House floor to talk about it.

I think what the gentleman from Louisiana, Mr. Holloway, is trying to do is to bring this debate out in the open and try and let the colleagues here understand what is happening with this bill. If we support such efforts like the District of Columbia's Health Care Benefits Expansion Act, we only wipe our feet all over the institution of marriage and family values.

I would urge my colleagues to support the Holloway amendment, and I guess he will not get his amendment, so I would ask my colleagues to vote no on the motion to rise.

Mr. Dornan of California. Mr. Chairman, will the gentleman yield?

Mr. Stearns. Mr. Chairman, I yield to the gentleman from California. Mr. Dornan of California. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, if I could just address one thing to my distinguished colleague, the gentleman from California, Mr. Dornan, arguably the finest orator in this splendid Hall, once during a debate I said to him something about Selma, and I think he thought I was trying to be clever or cute or smart-alecky, and I was not. I meant it from the bottom of my heart, with all of my conviction, that the road to Selma was not, was not, the road to Sodom. He took exception to it.

Let me add something that I know very well, that the road to Selma was not the road to Sodom.
male interns were robbed at gunpoint.

I think that common sense mitigates that young women especially who are those who tend to use this as a form of protection, especially when walking the streets at night or some other time have a sense of security, at least some protection, especially when walking the streets at night or some other time would give them a sense of independence.

This amendment has the support of the National Association of Black Women, the Concerned Women of America, the Delta Sigma Theta Sorority, the Honorable Shirley Chisholm of the National Political Congress of Black Women, as well as others.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from California, chairman of the subcommittee.

Mr. DIXON. Mr. Chairman, I thank the gentleman for yielding.

It would appear that the gentleman’s amendment does make good sense. However, I think the District can better promulgate the necessary rules and regulations regarding the carrying of mace by the average citizen.

I know the gentleman has been in dialogue with the city council chairman and has received a letter from him indicating that he will immediately not only move on emergency legislation, but will also move on permanent legislation so that your desire and I think the desire of many citizens of the District will be accomplished no later than December 31, 1992. And based on the Council chairman’s letter I would ask the gentleman to withdraw his amendment.

Ms. NORTON. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I am pleased to yield to the distinguished delegate from the District of Columbia.

Ms. NORTON. Mr. Chairman, I appreciate very much the way in which the Member has handled this matter, and I would ask that Members who have similar concerns in the manner that the gentleman from Ohio has. It may well be that a local initiative can take care of the problem, and I thank the gentleman very much.

Mr. McEWEN. I thank my colleagues.

Mr. Chairman, I include for the RECORD a letter from Mr. John A. Wilson, chairman of the Council of the District of Columbia with a copy of the proposed law change.

The documents referred to follow:


Hon. Bob McEwen, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN McEWEN: Enclosed is a copy of a draft bill entitled “The Legalization of Mace Amendment Act of 1992,” which I will introduce at tonight’s legislative meeting of the Council of the District of Columbia. I will immediately refer the measure to committee and seek your cooperation in scheduling a public hearing and mark-up the bill and the Council can schedule two readings on the bill before December 31, 1992. In final reading on this bill, I intend to move identical emergency legislation which will take effect immediately upon signature by the Mayor.

The time for single jurisdictional jurisdictions throughout the United States, is experiencing an unacceptable number of criminal attacks against innocent persons. I share your concern that these innocent persons have the ability to possess mace and similar compounds designed to ward off attackers. I am glad that you brought your concerns to my attention and I appreciate your deferring action on an amendment to the District’s appropriation act to give the Council an opportunity to consider my legislation.

Please be assured that I will do everything that I can to do so can to ensure enactment of this legislation before the end of this calendar year. Please feel free to contact me or Bridgitt Quinn, Chief of Staff, at 724-8177, if I can be of further assistance.

Sincerely yours,

JOHN A. WILSON, Chairman.

[DRAFT BILL]

A Bill to amend the Firearms Control Regulations Act of 1976 to remove mace from the definition of destructive devices to legalize its possession and use in the District of Columbia.

Be it enacted by the Council of the District of Columbia, That this act may be cited as the “Legalization of Mace Amendment Act of 1992.”

SEC. 2. Paragraph (7)(C) of the Firearms Control Regulations Act, effective September 24, 1976 (D.C. Law 1-85; D.C. Code § 7-233(c)), is amended by adding the following phrase at the end to read as follows: “except that this shall not include the chemical compound identified as mace or by whatever name known”. This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto) as provided in section 602(c)(1) of the Self-Government and Government Reorganization Act, approved December 24, 1973 (87 Stat. 815; D.C. Code § 1-233(c)), and publication in either the District of Columbia Register, the District of Columbia Register, the District of Columbia Register, the District of Columbia Register, the District of Columbia Register, as well as the District of Columbia Municipal Regulations.

If I may, Mr. Chairman, I will read two relevant sentences. It says: I share your concern that these innocent persons have the ability to possess mace and similar compounds designed to ward off attackers. I am glad that you brought your concerns to my attention and I appreciate your deferring action on an amendment to the District’s Appropriation Act to give the Council an opportunity to consider my legislation.

Mr. Wilson, as I stated, has introduced legislation to repeal this section of the law here within the District. Our desire as Members of Congress simply is to have a sense of security, at least some sense of security, without having this confined, and the way that is most expedient, and most efficient, and gives the most protection for the sanctity of home rule is what we would like to accomplish here.

I think that the chairman of the D.C. Subcommittee, the gentleman from California, Mr. Dixon, and also the distinguished Delegate, Ms. Elea­nor Holmes Norton, as well as the chairman of the Council who have expressed their willingness to have this enacted immediately.

If I may phrase it this way, I would ask the gentleman from California, my understanding is that if we do not act on this tonight and give the D.C. Council time to act, that if the D.C. Council chooses not to act that I will be protected in the right to bring this again before the body, and perhaps in this bill in conference, and that I would be given that consideration.

Mr. DIXON. If the gentleman will yield, that is correct.

Mr. McEWEN. I thank the gentleman.

Mr. GALLO. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from New Jersey.

Mr. GALLO. Mr. Chairman, I would like to congratulate the gentleman from Ohio for bringing this amendment to the floor. I know that when we were going through the Rules Committee it was the general feeling by both the chairman and myself and other members that we talked to that this legislation was something that was needed for the protection of the individuals that come into the District. And I want to compliment the gentleman for also understanding that the council is going to address this issue. I believe the D.C. Council also feels that there is a need for a change in their law. But I thank the gentleman for bringing this amendment forward.

Mr. McEWEN. I thank my colleague.

Mr. GREEN of New York. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from New York.

Mr. GREEN of New York. Mr. Chairman, I thank the gentleman for yielding and want to compliment him on his willingness to accept this process this evening as he raises this important issue. I hope the gentleman will indulge me for a couple of minutes because I was not able to get to the floor during the debate which just ended on the Holloway amendment.

My feeling is, frankly, that while I have deep respect for my friend from Louisiana, I do feel strongly that family arrangements have changed since 40 years ago.

There was a time when every household essentially had a father out at work, a mother at home raising the children. But the fact of the matter is that is not true today, and that raises significant issues as to how we proceed with health care legislation and other kinds of legislation affecting households.
The late Justice Brandeis once said that one of the great geniuses of our Federal system was that the States were laboratories of social experiment, and I think in this case the District is conducting an important social experiment, though not a State, and under home rule provisions it ought to be permitted to conduct that social experiment. In the end we shall have a great deal to learn in Congress from how that social experiment works out.

So I hope my colleagues will support the motion to raise and oppose the Holloway amendment.

Again I thank the gentleman for his indulgence.

Mr. McEWEN. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

Mr. MOORE. Mr. Chairman, I would like to thank Chairman Dixon and the ranking member, DEAN GALLOW, for their contributions we have made in this committee, has drawn criticism from the District.

As mandated by the Federal system, were laboratories of social experiment, and I think in the end we shall have a great deal to learn in Congress from how that social experiment works out.

The CHAIRMAN. The question was on the motion offered by the gentleman from California [Mr. DIXON].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. HOLLOWAY. I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were ayes 231, noes 181, not voting 22, as follows:

A Berkeley
B Geren
C Oaktar
D Anderson
E Gibbons
F Oberstar
G Andrews (NJ)
H Gibson
I Obey
J Arapahoe
K Gonzalez
L Olin
M Arapahoe (ME)
N Gonzales
O Oller
P Andrews (NJ)
Q Gonzalez
R Orson
S Annunzio
T Green
U Owens (NY)
V Headley
W Hamilton
X Headley
Y Haynsworth
Z Hays

CONGRESSIONAL RECORD—HOUSE

The SPEAKER pro tempore. Without objection, the previous question is ordered to be reconsidered.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

<table>
<thead>
<tr>
<th>NAYS—243</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gosse</td>
</tr>
<tr>
<td>Granger</td>
</tr>
<tr>
<td>Grady</td>
</tr>
<tr>
<td>Green</td>
</tr>
<tr>
<td>Gudger</td>
</tr>
<tr>
<td>Hall (OH)</td>
</tr>
<tr>
<td>Hall (TX)</td>
</tr>
<tr>
<td>Hammond</td>
</tr>
<tr>
<td>Harris (TX)</td>
</tr>
<tr>
<td>Hassett</td>
</tr>
<tr>
<td>Heatly</td>
</tr>
<tr>
<td>Henry</td>
</tr>
<tr>
<td>Heaven</td>
</tr>
<tr>
<td>Hege</td>
</tr>
<tr>
<td>Hefley</td>
</tr>
<tr>
<td>Hensley</td>
</tr>
<tr>
<td>Hertel</td>
</tr>
<tr>
<td>Hightower</td>
</tr>
<tr>
<td>Hight</td>
</tr>
<tr>
<td>Higginbotham</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
<tr>
<td>Higginson</td>
</tr>
</tbody>
</table>

* NAYS—243

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps. 

* Reps.
July 8, 1992

Mr. DONNELLY and Mr. MOAKLEY changed their vote from "nay" to "yea.

So (two-thirds not having voted in favor thereof) the motion was rejected.

The purpose of the vote was announced as above recorded.

TRANSFER OF FUNCTIONS AND ENTITIES TO DIRECTOR OF NON-LEGISLATIVE AND FINANCIAL SERVICES

Mr. HOYER. Mr. Speaker, I ask unanimous consent that the transfer of functions and entities to Director of Nonlegislative and Financial Services pursuant to section 7 of House Resolution 423 be effected not later than September 11, 1992.

The SPEAKER pro tempore (Mr. McCLOSKEY). Is there objection to the request of the gentleman from Maryland?

Mr. THOMAS of California. Mr. Speaker, reserving the right to object, I do so to allow a brief explanation.

Mr. HOYER. Mr. Speaker, if the gentleman will yield, this is simply a unanimous-consent request to extend the time to transfer the functions to a new Administrator, which office was created by House Resolution 423, simply because the search committee has not come up with a nominee. As soon as they do and we can put someone on board, that will be done.

We have extended the time until September 11, 1992. That is 65 days from today. The only reason it is not 60 days from today is because we will not be back from the August recess for the convention.

Mr. THOMAS of California. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1900

Mr. UPTON. Mr. Speaker, I ask unanimous consent that the gentleman from Arizona [Mr. KOLBE] be removed as a cosponsor of H.R. 1900.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. HASTERT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Resolution 194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST H.R. 5518, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES ACT, 1993

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-659) on the resolution (H. Res. 513) waiving certain points of order against the bill (H.R. 5518) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1993, and for other purposes, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT REGARDING SUBMISSION OF AMENDMENTS ON H.R. 4650, CABLE TELEVISION PROTECTION AND COMPETITION ACT OF 1992

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute.)

Mr. MOAKLEY. Mr. Speaker, the Rules Committee may meet and grant a rule to H.R. 4650, the Cable Television Protection and Competition Act of 1992, in the near future. A request has been made for a structured rule, which would permit only those floor amendments designated in the rule.

Earlier today, the committee circulated a "Dear Colleague" that requests all amendments to the bill be submitted to the Rules Committee no later than 12 noon on Tuesday, July 21, 1992.

In order to ensure Members' rights to offer amendments under the rule that may be requested, they should submit 15 copies of each amendment, together with a brief explanation of each amendment, to the committee office at H-312, the Capitol, by 12 noon on Tuesday, July 21.

WOMEN'S ATHLETICS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, 20 years ago, the Congress voted approval of title IX of the Education Amendment of 1972, which calls for equal access to sports opportunities for men and women who attend colleges and universities that receive Federal funds. But it is difficult to celebrate the 20th anniversary of title IX when there remains so much inequality for women in sports.

Why has it taken so long for many of these colleges and universities to obey a Federal law? It has taken this long because the Office for Civil Rights, the agency responsible for enforcing title IX, has failed to consistently do so. For the past 12 years, Republican Presidents have waged war against civil rights and equal rights for women in sports.

The Office for Civil Rights should simply tell colleges and universities: "Provide equal opportunities for women athletes or be prepared to operate without Federal funds. Period. No excuses."

Title IX paved the way for dramatic increases in female participation in both intercollegiate and scholastic sports. For example, between 1972 and 1981, women's participation in intercollegiate sports increased from 7 to 35 percent. But without enforcement, the early progress has not been sustained.

A recent study by the National Collegiate Athletic Association reveals that while women made up more than 50 percent of the overall student population at division I schools, they made up just under 31 percent of all student athletes. At these schools, women athletes accounted for 30.4 percent of scholarships, 22.6 percent of travel and game budgets, and 17.2 percent of recruiting expenses.

Despite such dire statistics, there are some recent indications that women athletes might get a fair shake in spite of the lack of support from the Office of Civil Rights. The NCAA, the governing body that regulates major intercollegiate athletics, under the leadership of Dick Schultz has shown a willingness to have its member schools comply with title IX or be excluded from NCAA sanctioned events.

The Big Ten Conference, one of the Nation's major college sports conferences, recently approved a gender equity proposal that promises to increase the women's athletics to 40 percent of the conference intercollegiate programs. One of the Big Ten schools, the University of Iowa, has gone a step further. It has set a goal of 55 percent. Washington State University has been recognized nationally as having a model sports gender-equity program. I applaud them all.

It is too bad it has taken two decades for this kind of movement to occur. It is imperative for all universities to now fully commit themselves to nothing short of gender-equity compliance with title IX. Mr. Speaker, I will continue to speak about the need for institutions receiving Federal funds to comply with title IX as we observe the 20th anniversary of this important law.

FOREIGN TAX LOOPHOLES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. JONTZ] is recognized for 5 minutes.

Mr. JONTZ. Mr. Speaker, too many good jobs are leaving our country. We
must end the taxpayer subsidy of this threat to our economy by passing H.R. 5042 to eliminate provisions now in the Tax Code which encourage foreign investment by U.S. corporations.

Today it is very attractive for American businesses to relocate overseas. Encouraged by an ample supply of cheap labor offshore, American companies continue to export jobs at a disturbing rate. This evening I want to talk about the fact that the U.S. Tax Code actually encourages corporations to go overseas by offering tax breaks and incentives for foreign investment.

Today if a company in Kokomo, IN, dismantles a plant, loads it on railcars, ships it to Mexico and rebuilds it there, any and all costs incurred by the company in relocating the plant are tax deductible as a legitimate business expense. Throwing American workers out of their jobs is not a legitimate business expense and should not be classified as one.

If a company’s stockholders want to move jobs, let them pay for it, not charge it to the American taxpayers.

Mr. Speaker, American corporations increased their foreign investment by 10 percent last year to a record $77 billion. But domestic investments by these same corporations rose only one-half of 1 percent. This has been steadily worsening as a trend over several years.

Investments overseas by U.S. corporations rose 19 percent in 1990, 21 percent in 1989 and 24 percent in 1988. United States manufacturing in Mexico increased 30 percent in 1990 and another 20 percent in 1991. Today United States investments in Mexico are at an all time high: more than $1 billion. This is absolutely unacceptable. We are losing too many American jobs to Mexico, Brazil, and other foreign companies. We have to stop providing companies with so many incentives to move American jobs overseas. At the very least we need to make investing in America just as attractive as investing abroad. Our Nation’s tax policy should encourage investment at home, not overseas.

H.R. 5042 would eliminate provisions in current tax law that encourage the export of American jobs. This bill would disallow deductions for expenses in moving factories abroad. By forcing corporations to rely on their own funds for the money to relocate, we can discourage businesses from exporting American jobs, not subsidize them.

H.R. 5042 would also eliminate the foreign tax credit provisions in the Tax Code.

A firm conducts its overseas investment through a subsidiary corporation chartered abroad, it can defer the payment of U.S. taxes on its overseas income indefinitely. The U.S. foreign tax credit provisions permit U.S. firms to credit foreign taxes they have paid against the U.S. taxes they would otherwise owe on that foreign-source income. If a company pays income tax in Indiana or Georgia or any other State, it is allowed a tax deduction for U.S. business expense. But if that company pays income tax in Mexico or France or any other country, it can credit every penny paid against United States Federal income tax. This is just not right. A company should be able to deduct income tax paid to another country as a business expense, not as income tax already paid. Under the present Tax Code, we are asking the American taxpayer to pay the tax bills of the corporations that abandoned them. We are telling those companies that it’s OK to export jobs to other countries—that we will even pay their American income taxes while they are gone. Those companies move overseas, acquire inexpensive labor, export their products back to us at higher profits and we will pay their Federal income tax. Income taxes paid to another country do not benefit the American people; they benefit the foreign government. Those taxes are expenses, not receipts for U.S. taxes already paid—they should be deductions, not credits.

Most economists agree that CEN or capital export neutrality is the correct policy for foreign income taxation. This is based on the idea that the most important consideration for taxation of international income is to remove tax considerations as a factor influencing siting decisions of American corporations. The goal is a set of tax rules that guarantee U.S. companies pay the same taxes no matter where they locate their plants. This is not the case, regrettably, under present tax law.

H.R. 5042 reforms the current tax laws of our country to benefit the American taxpayer, not the businesses which export jobs looking for cheap labor. That U.S. tax policy should encourage and support the creation and retention of American jobs is unassailable. Our tax policy favors moving jobs overseas rather than favoring investment in the United States here at home. This legislation would help turn around the haemorrhaging of American jobs for American workers.

Cumulatively, U.S. corporations have $1.5 trillion invested overseas. With an unemployment rate of almost 7.8 percent, we would be well-served if only a fraction of this investment were redirected to the United States. I believe H.R. 5042 can do just that, and I urge my colleagues to support the bill.

YUGOSLAVIA: THE TRUTH AT LAST

The SPEAKER then resumed. Under a previous order of the House, the gentle­woman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, today the New York Times lead editorial headlines “Croatia, the Butcher’s Apprentices.” The editorial which I will read into the RECORD states:

While strongman Slobodan Milosevic carves up most of the tiny neighboring republics, Franjo Tudjman of Croatia is trying to slice off his own slab.

At last. The truth is coming out.

For over 6 months, Mr. Speaker, I have come to this floor trying to call attention to the many factions responsi­ble for the terrible fighting now in Bosnia but earlier in Croatia. I have warned that putting pressure and blame on the Serbs alone would not stop the fighting since they were not the only combatants and not the only invaders of Bosnian soil.

There has been evidence aplenty—for at least 3 months—of Croatian soldiers fighting inside Bosnia, seizing villages and territory for the flag of Croatia, and of being supplied with arms from Germany.

These intentions were telegraphed before Bosnia-Hercegovina was recog­nized, and in the hullaballoo created at the time that Bosnia was admitted into the United Nations, the counsel of former Secret­ary of State Cyrus Vance that Bosnia-Hercegovina not be recognized was forgotten.

Experienced hands realized that once Bosnia-Hercegovina was on its own, ethnic rivalries would break out—that any Serbian move would trigger a Croa­tian countermove or vice versa, and that the Moslems would be jumping in the middle, and finally, that everyone of them would be fighting each other.

Secretary Vance feared this and counseled against it, but when Euro­pean nations began to interfere—first with our recognition of Bosnia-Hercegovina and then, most recently, with sanctions against Serbia—rather than leading, the United States followed into the maelstrom.

Knowledge of the area, its history, and its people would have suggested that any sanctions enacted to stop the fighting would have stopped the sup­plies of arms and munitions to all com­batants coming from any nation.

But, at the time of the sanctions, the Western press, particularly the American reports, rarely mentioned the Croa­tian involvement and certainly no mention was made of their territorial conquests.

As a matter of fact, Mr. Speaker, the news stories that came out after the sanctions were voted by the U.N. pointed out that a report of the U.N. point­ing to the violations of Croatia had been hidden, had been covered up. And the Security Council was not given the opportunity to have it before they voted.

| 2050 |

However, this oversight was compounded by the attitude of some of the staff in the United States Embassy in Belgrade, quoting an American citi-
July 8, 1992

CONGRESSIONAL RECORD—HOUSE

18309

zen, Mrs. Margaret Ann Jevtic, on the treatment she received—a as a refugee from Sarajevo—from the United States Embassy in Belgrade.

This report is not written by John Shatlin, a freelance writer living in Belgrade, Yugoslavia, and its headline is: “U.S. Embassy in Belgrade Shocks, Angers Americans.”

It starts with: “June 1992, Yugoslavia. Margaret Ann Jevtic, 53, who was born in Arizona, lived in California, but who fled war-stricken Sarajevo recently with her husband Rajko and their Yorkshire terrier who fled war-stricken Sarajevo recently with their home in May due to deteriorating events. Mrs. Jevtic triggered shock, anger, and tears. Mrs. Jevtic says Tynes told her it was his recommendation that she me off the embassy in Belgrade, Mrs. Jevtic has no intentions of going back soon. Because she doesn’t feel that she was treated fairly. Mrs. Jevtic has learned a mortar shell exploded on her property on Muslim injustices, she said. (The Embassy’s Counsel General Robert Tynes told her this.) Mrs. Jevtic asked. She thought it was too much of a coincidence when T.V. cameras appeared in Sarajevo in Belgrade, Mrs. Jevtic has no intentions of going back soon. Because she doesn’t feel that she was treated fairly. Mrs. Jevtic asked. She thought it was too much of a coincidence when T.V. cameras appeared in Sarajevo in Belgrade, Mrs. Jevtic has no intentions of going back soon. Because she doesn’t feel that she was treated fairly.

But when he came to the United States, the American woman began to see things differently. She learned about the Serbs and their atrocities, she said. How they would burn Tynes triggered shock, anger, and tears. Mrs. Jevtic says Tynes told her it was his recommendation that she me off the embassy in Belgrade, Mrs. Jevtic has no intentions of going back soon. Because she doesn’t feel that she was treated fairly. Mrs. Jevtic has learned a mortar shell exploded on her property on Muslim injustices, she said. (The Embassy’s Counsel General Robert Tynes told her this.) Mrs. Jevtic asked. She thought it was too much of a coincidence when T.V. cameras appeared in Sarajevo in Belgrade, Mrs. Jevtic has no intentions of going back soon. Because she doesn’t feel that she was treated fairly. Mrs. Jevtic asked. She thought it was too much of a coincidence when T.V. cameras appeared in Sarajevo in Belgrade, Mrs. Jevtic has no intentions of going back soon. Because she doesn’t feel that she was treated fairly.

Mrs. Jevtic says Tynes told her it was his recommendation that she me off the embassy in Belgrade, Mrs. Jevtic has no intentions of going back soon. Because she doesn’t feel that she was treated fairly. Mrs. Jevtic has learned a mortar shell exploded on her property on Muslim injustices, she said. (The Embassy’s Counsel General Robert Tynes told her this.) Mrs. Jevtic asked. She thought it was too much of a coincidence when T.V. cameras appeared in Sarajevo in Belgrade, Mrs. Jevtic has no intentions of going back soon. Because she doesn’t feel that she was treated fairly. Mrs. Jevtic asked. She thought it was too much of a coincidence when T.V. cameras appeared in Sarajevo in Belgrade, Mrs. Jevtic has no intentions of going back soon. Because she doesn’t feel that she was treated fairly.

Tynes told her that he had the best interests of the United States in mind, and that if she didn’t follow his advice, he would report her to the embassy. Mrs. Jevtic thought this was unfair, and she refused to follow his advice. She said she would stay in Sarajevo until she felt safe, and she would not leave until she felt that her rights had been protected.

Mrs. Jevtic began to write letters to American leaders, expressing her concern about the situation in Sarajevo. She wrote to President Bill Clinton, to Secretary of State Madeleine Albright, and to members of Congress. She made phone calls to reporters and news organizations, and she even went to the United States Embassy in Belgrade to speak to the staff. She wanted them to know that she was not being treated fairly, and she wanted them to help her.

Mrs. Jevtic’s story spread, and soon she was receiving letters and phone calls from all over the United States. People expressed their support and encouragement, and they offered to help her in any way they could. Mrs. Jevtic was grateful for their support, and she knew that she wasn’t alone.

In the end, Mrs. Jevtic was able to stay in Sarajevo, and she was able to protect her family and her property. She learned that sometimes, when you stand up for what you believe in, things can change for the better. Mrs. Jevtic’s story was a reminder that, no matter how difficult the situation, there is always hope for change. She hoped that her story would inspire others to stand up for what they believe in, and to never give up on their dreams.

Mrs. Jevtic’s story was a reminder that, no matter how difficult the situation, there is always hope for change. She hoped that her story would inspire others to stand up for what they believe in, and to never give up on their dreams.
from their traditional stronghold in western Bosnia, and the new Croatian republic would make them a minority in the southern, western and northeastern regions claimed by the Bosnian Croats. As many Muslim Slavs have feared since the Yugoslav federation began to disintegrate last year, the division of Bosnia and Herzegovina is seen as the end of the Muslims’ hope of being the dominant partners in the state. It would also raise “fundamental questions about the Muslims’ survival.”

“The end of us as a people,” one senior Bosnian Government official said, “is coming under intense pressure from” Boban, in his early 30’s, a businessman who senior Bosnian officials said had made millions of dollars as a weapons supplier to Serbs, Croats and Muslims favoring Serb dominance.

In declaring the new republic, Mr. Boban claimed the territory there would come to the aid of Sarajevo from strongholds as close as 25 miles away. Mr. Boban’s troops are more numerous and better equipped than the Bosnian Government’s defense forces, and, unlike the Government forces, have lots of tanks and other heavy armor.

For two months, Mr. Boban increased the pressure by blocking shipments of arms and ammunition that the Sarajevo Government, working against Ho-tech enemies, had been traveling to Sarajevo. He also secretly bought United Nations embargoed supplies from a region about 70 miles deep and up to 70 miles wide that encompasses most of Herzegovina, a province that lies east of Herzegovina in the region of Bosnia.

The new state also claims the Posavina region in northeastern Bosnia, adjacent to Croatia.

[From the Baltimore Sun, July 3, 1992]

EARLY RECOGNITION OF BOSNIA FUELLED VIOLENCE, Bosnian and Montenegrin Says (By Mark Matthews)

WASHINGTON.—A Serbian opposition leader charged yesterday that American and European recognition of Bosnia-Herzegovina in April doomed prospects of agreement among its three ethnic groups and thus contributed to the current fighting.

Premature recognition of Bosnia-Herzegovina by Europe and the United States in large measure contributed to the “unfortunate situation,” he said. Dr. Dragoljub Municovic, president of Serbia’s Democratic Party, said in an interview.

At the time of recognition, agreement was reached “within reach” among Bosnia’s Serbs, Croats and Muslims at European Community-sponsored talks in Portugal. Mr. Municovic said.

The talks, aimed at setting up Swiss-type cantons to replace the same week.

The United States also failed to take into account the effect on the Yugoslav army based in Bosnia, he said. After recognition, part of the army was withdrawn to Serbia.

The rest became a force acting in behalf of Bosnian Serbs and no longer totally under Belgrade’s control, he said.

The United States is in fact argued for keeping Yugoslavia intact as its member republic, feared a power vacuum, and lagged behind the Europeans for so long in recognizing Croatia and Slovenia. It recognized those two independent republics and Bosnia-Herzegovina.

Mr. Municovic nevertheless said the United States should have clung to its one-Yugo­lavia policy.

“No question Yugoslavia was the main vil­lains,” he said. But the U.S. policy shift “confirmed interests of the Serbs, who are worried about the end of the Serbs’ independence.”

Mr. Municovic leads a long-suppressed party founded in 1990 that was reconstituted in 1990 and now forms the largest opposition parliamentary group.

A dissident since his youth, he was impris­oned for 1 ½ years by the Tito regime in 1949. His visit to Washington this week included meetings with Deputy Secretary of State Lawrence S. Eagleburger, the National Secu­rity Council’s top European expert, David C. Compton, and House Majority Leader Richard A. Gephardt.

His criticism of U.S. policy drew only a mild response yesterday from a State De­partment official who has followed Yugoslav developments.

“These are important arguments that we need to hear,” a State Department official said. “They make the U.S. government’s frustration in trying to influence events in the former Yugoslavia and an unwillingness to debate past events.”

The official took issue with Mr. Municovic’s suggestion that the Serbian army in Bosnia wasn’t led by Belgrade. “The primary responsibility for this violence re­sides in Belgrade. It has organized and sup­plied these forces,” he said.

Mr. Boban increased the pressure by blocking shipments of arms and ammunition that the Sarajevo Government, working against Ho-tech enemies, had been traveling to Sarajevo. He also secretly bought United Nations embargoed supplies from a region about 70 miles deep and up to 70 miles wide that encompasses most of Herzegovina, a province that lies east of Herzegovina in the region of Bosnia.

The new state also claims the Posavina region in northeastern Bosnia, adjacent to Croatia.

[From the Washington Post, July 7, 1992]
people are aware of the fact that there are 39 States that are prone toward earthquakes. We know that in the middle part of the last century the most serious quake in the history of this country took place on the New Madrid fault line. The thing that has happened is that we in California have rigorous building standards, but few States outside of California require that buildings meet the earthquake construction standards. On that New Madrid fault line in the Midwest which I just mentioned, an earthquake half the strength of the one that struck Joshua Tree, CA, on June 29th could cause massive destruction and leave hundreds of thousands of people homeless.

The message coming out of southern California, and of course we are very grateful that this quake and the aftershocks have been out in the desert rather than in downtown Los Angeles where it could have been devastation, but the message which has come from California is we all need to be prepared, everyone in this country because, as I said, there are 39 States which are prone toward earthquakes.

It is for that reason that I have joined with 62 of my colleagues in co-sponsoring H.R. 2806 which is designed to create a national earthquake insurance and hazard mitigation program.

Mr. Speaker, what it does is establish a partnership with the private insurance industry to provide affordable earthquake insurance coverage for all homeowners. A number of people could say that I as a Republican am advocating some massive Government program here. But actually the opposite is the case. And I say that because when we look at natural disasters such as the earthquakes which take place, where is it that the victims look for relief? They really look to only one spot, and that is the Federal Government, right here.

In fact, as we look at the programs provided, we all know about the Federal Emergency Management Agency and the Small Business Administration which are always on the scene following a large earthquake or other natural disaster. That assistance all costs money. It costs all of us a great deal of money.

For example, we all remember October 17, 1989, the so-called World Series earthquake when the World Series was being played in San Francisco and the great and wonderful Thomas Pritier, or World Series or San Francisco earthquake in October 1989 cost every working American $32.

The point I am making is that if one looks at the fact that every working American had to, through the emergency appropriation that we provided here, and in California a special quarter percent sales tax was imposed on all consumers in California, then the cost is tremendous. So what H.R. 2806 advocates is a risk-based national insurance program that will provide greater protection and reduced premiums for homeowners. It will reduce the need for Federal disaster assistance and free up State and local money for very important infrastructure repair that needs to be addressed.

Earthquake disasters are a very costly national problem which obviously need a comprehensive national response. The so-called Big One, which so many people have been anticipating, could cost over $50 billion in property damage alone. That is why establishing a national earthquake insurance and hazard mitigation reduction program should be one of our Nation's top priorities, because what it does is it creates a joint partnership, a partnership so that the U.S. taxpayer does not carry the sole burden for meeting the needs of those who are victimized by disasters.

I am not alone in this assessment, Mr. Speaker. In fact, the U.S. Conference of Mayors has passed a resolution recently in late June 29th which includes a wide range of mayors. This was submitted by the mayor of Los Angeles, Tom Bradley, Donna Smith, the mayor of Pomona, the mayor of Port Hueneme, Clark, Mayor Perron, mayor of Elkhart. They basically have taken a very strong position, Mr. Speaker, with their resolution in support of earthquake preparedness and damage mitigation.

Mr. Speaker, I include that resolution at this point in the RECORD:

RESOLUTION NO. 13

Whereas the United States Geological Service has determined that a portion of all 50 States are vulnerable to the hazards of earthquakes and that 39 States are especially susceptible to major or moderate quakes; and

Whereas many of America's great cities in almost every region of the country are at substantial risk of a catastrophic earthquake; and

Whereas scientists agree that a catastrophic earthquake (8.0 or larger on the Richter Scale) is inevitable and will likely strike somewhere across the country within the next forty years; and

Whereas scientists conclude that this catastrophic earthquake is as likely to occur east of the Rocky Mountains as it is in the west coast States; and

Whereas such a catastrophic earthquake striking in a metropolitan area could cause thousands of fatalities and upwards of $50-$60 billion in damages; and

Whereas such a catastrophic earthquake would destroy public infrastructure, lifelines such as sewer, water systems, and pipelines, and severely cripple other important city services; and

Whereas such a catastrophic earthquake would have national impact on the economy,
financial markets, and the lifelines and infrastructure well beyond the quake’s epicenter, and
Whereas much of the country’s emergency management services, particularly at the local level, are ill-prepared to respond to earthquakes; and
Whereas efforts should be pursued by cities, counties, states, and the federal government in a cooperative fashion to save lives and prevent losses from future earthquakes; and
Whereas few homeowners, even in high-risk metropolitan areas, purchase earthquake insurance because of low awareness and high cost: Now, therefore, be it
Resolved, That the United States Conference of Mayors supports efforts to better prepare our cities and the entire country for earthquakes by establishing a federal earthquake hazards reduction program that prepares emergency management systems at the local level to handle the crisis following a catastrophic earthquake, helps to save lives and mitigate losses from future earthquakes, provides funding for local earthquake preparedness and response efforts, and makes earthquake insurance affordable and available.

PROJECTED COST: Unknown.

Basically H.R. 2806 encourages States in those earthquake-prone areas to institute cost-effective hazard mitigation procedures in the area of building codes, land use planning and seismic strengthening of existing structures. It creates a universal earthquake insurance program in order to make coverage both available and affordable. And, Mr. Speaker, it creates an industry-financed reinsurance program to protect insurance companies from excess losses that could lead to widespread bankruptcies and disruptions in the underwriting of new insurance policies.

When we look at the tremendous cost that exists today, it seems to me, Mr. Speaker, that this is the most balanced and fair approach that we can take. Contrary to the way that it may appear, there is no doubt about the fact that this program would create a dramatic savings for the U.S. taxpayer. Why? Because we will not have people simply looking to us as their sole source of relief.

So I am happy that we have as many cosponsors as we do, Mr. Speaker, and I would like to encourage as many of our colleagues to continue bipartisan Democrat and Republican support for this legislation. I would encourage them to contact our office at 225-2305 and put their names on as cosponsors of this bill so that we can address the concerns not just of Californians, not just of Alaskans but of others throughout the Nation who are clearly faced with the potential for an earthquake.

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

[Speaker]

Ms. Ros-Lehtinen in two instances. 
Mr. GILMAN. 
Ms. ROS-LEHTINEN in two instances. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES. 
Mr. PORTER in two instances. 
Mr. CLINTON. 
Mr. RIGGS. 
Mr. RORES.

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HYDE (at the request of Mr. Michel) for today from 5 p.m. on account of family medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. McEwen) to revise and extend their remarks and include extraneous material:

Mr. BURTON of Indiana, for 60 minutes each day, on August 3, 4, 5, 6, 7, 10, 11, and 12.
Mr. MCELHINNY, for 60 minutes each day, on August 3, 4, 5, 6, 7, 10, 11, and 12.
Mr. RIGGS, for 60 minutes each day, on today and July 9, 21, 22, 23, and 24.

(The following Members (at the request of Mrs. Collins of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. AMATO in two instances, today.
Mr. LAFALCE, for 20 minutes today, and 20 minutes on July 9.
Mr. GONZALEZ, for 60 minutes, on July 8.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

The following Members (at the request of Mr. McEwen) to include extraneous material:

Mrs. BLAIR, in two instances.
Mr. HASTERT.
Mr. LAGOMARISINO.
Mr. PORTER in two instances.
Mr. CLINTON.
Mr. WALSH.
Mr. GILMAN.
Mr. RHODES.
Mr. RIGGS.
Ms. ROS-LEHTINEN in two instances.
Mr. SOLOMON.

(The following Members (at the request of Mrs. Collins of Illinois) to include extraneous matter:)

Mr. BROWN.
Mr. TOWNS.
Mr. HAMILTON in two instances.
Mr. SOLARE.
Mrs. BOXER.
Mr. MCHUGH.
Mr. TORRES in two instances.
Mr. MONTGOMERY.
Mr. WEXLER.
Mr. ROBB in two instances.
Mr. DORGAN of North Dakota.
Mr. VENTO.
Mr. EDWARDS of California.
Mr. McCURDY.
Mr. BONIOR.
Mr. GUARINI.

SENATE BILL, JOINT RESOLUTIONS, AND CONCURRENT RESOLUTION REFERRED

A bill, joint resolutions, and a concurrent resolution of the Senate of the following titles were taken from the Speaker’s table and, under the rule, referred as follows:

S. 2384. An act to designate the United States Post Office Building located at 160 Main Street, Milford, Delaware, as the “John J. Williams Post Office Building”; to the Committee on Post Office and Civil Service.

S.J. Res. 270. Joint Resolution to designate August 15, 1992, as “82nd Airborne Division 56th Anniversary Recognition Day”, to the Committee on Post Office and Civil Service.

S.J. Res. 326. Joint Resolution designating the beach at 53 degrees 37’31” N, 166 degrees 34’19” W to 53 degrees 34’46” N, 166 degrees 34’21” W on Hog Island, which lies in the Northeast Bay of Unalaska, Alaska be named “Arkansas Beach” in commemoration of the 2862nd Regiment of the National Guard who served during the Japanese attack of Dutch Harbor, Unalaska on June 3 and 4, 1942; to the Committee on Interior and Insular Affairs.

S.Con. Res. 81. Concurrent resolution expressing the sense of the Congress regarding visionary art as a national treasure and regarding the American Visionary Art Museum as a national repository and educational center for visionary art; to the Committee on Education and Labor.

ENROLLED BILLS SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereafter signed by the Speaker:

H.R. 188. An act to designate the building in Hidninte, North Carolina, which houses the primary operations of the United States Postal Service as the “Zora Le sno S. Thomas Post Office Building”.

H.R. 4505. An act to designate the facility of the United States Postal Service located at 20 South Montgomery Street in Trenton, New Jersey, as the “Arthur J. Holland United States Post Office Building”; and

H.R. 5412. An act to authorize the transfer of certain naval vessels to Greece and Taiwan.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:


ADJOURNMENT

Mr. DREIER of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o’clock and 9 minutes p.m.) the House adjourned until tomorrow, Thursday, July 9, 1992, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from
the Speaker's table and referred as follows:

3878. A communication from the President of the United States, transmitting amendments to the fiscal year 1992 request for appropriations for the Department of Defense, Housing and Urban Development, Justice, Labor, and Veterans Affairs; the Commission on Civil Rights; the Equal Employment Opportunity Commission; and the National Commission on Libraries and Information Science, pursuant to 31 U.S.C. 1107 (H. Doc. No. 102-556); to the Committee on Appropriations and ordered to be printed.

3880. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice that the Department of Defense has provided defense articles and services to the Persian Gulf region under the authority of Presidential Determinations 91-26 and 91-31, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on Foreign Affairs.

3881. A letter from the Secretary of Health and Human Services, transmitting a report of a survey of uniform needs assessment instruments in consultation with panels of experts in delivery of posthospital extension of home health services, pursuant to 42 U.S.C. 1395x note; jointly to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper committees and ordered to be printed.

[Submitted July 8, 1992]

Mr. BROOKS: Committee on the Judiciary. H.R. 5573. A bill to provide grants to communities and States to assist in the prevention and reduction of violent crime in communities and States; to the Committee on Ways and Means.

Mr. BROOKS: Committee on the Judiciary. H.R. 5574. A bill to authorize the Library of Congress to provide certain information and services, and for other purposes; to the Committee on House Administration.

Mr. GORDON: Committee on Rules. H.Res. 531. Resolution waiving certain points of order against the bill (H.R. 5518) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1993, and for other purposes. (Rept. 102-659). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LIVINGSTON:

H.R. 5567. A bill to amend title 18, United States Code, to provide mandatory life imprisonment for persons convicted of a third violent felony; to the Committee on the Judiciary.

By Mr. ANDREWS of New Jersey:

H.R. 5568. A bill to amend the Internal Revenue Code of 1986 to provide estate tax relief for victims of the terrorist-caused airplane crashes near New York City on September 11, 1986; to the Committee on Ways and Means.

By Mr. DEFAZIO:

H.R. 5569. A bill to require the President to impose economic sanctions against countries that engage in commercial whaling; jointly to the Committees on Foreign Affairs, Merchant Marine and Fisheries, and Ways and Means.

By Mr. DORGAN of North Dakota (for himself, Mr. PENNY, Mr. ORTON, Mr. DIBRINO, Mr. BRYANT, Mr. BACCHUS, Ms. LONG, Mr. JOHNSON of South Dakota, Mrs. BOXER, and Mr. GLICKMAN):

H.R. 5570. A bill to authorize and direct the Director of the Office of Management and Budget to develop a plan to reduce Federal overhead costs by 10 percent and to report to Congress and the President by February 1, 1993; jointly, to the Committees on Government Operations, the Judiciary, and House Administration.

By Mr. EDWARDS of California:


By Mr. HORTON (for himself, Mr. M-NITA, Mr. MATSUMAR, Mr. PALEOMAVAEGA, Ms. MULINARI, Mr. MINK, Mr. ABERSHAW, and Mr. BLAZY):

H.R. 5572. A bill to designate May of each year as Asian/Pacific American Heritage Month; to the Committee on Post Office and Civil Service.

By Mr. JOHNSTON of Florida (for himself, Mr. MILLER of California, Mr. NEAL of North Carolina, Mrs. COLLINS of Michigan, Mr. PETERSON of Florida, Mr. RACCHUS, Mr. SMITH of Florida, Mr. LEIRMAN of Florida, and Mr. GIBBONS):

H.R. 5573. A bill to provide grants to States and local entities to integrate education, medical, and social and human services to at-risk children; to the Committee on Education and Labor.

By Mr. LEACH:

H.R. 5574. A bill to authorize the Library of Congress to provide certain information products and services, and for other purposes; to the Committee on House Administration.

H.R. 5575. A bill to authorize certain uses of real property acquired by the Architect of the Capitol for use by the Librarian of Congress and for other purposes; to the Committee on House Administration.

By Mr. SHARP (for himself and Mr. DIAMOND):

H.R. 5576. A bill to amend title XIX of the Social Security Act to reform the Medicaid quality assurance system for administrative expenses; to the Committees on Energy and Commerce.

By Mr. SHAYS (for himself and Mr. MFUME):

H.R. 5577. A bill to amend the United States Housing Act of 1937 to revise the method of calculating the amounts paid by public housing agencies in lieu of State, city, county, and local taxes, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GUARINI (for himself, Mr. LA-FALCE, and Ms. KAPTUR):

H.R. 5578. A bill to assure fair international trade in farm and nonfarm vehicles; to the Committee on Ways and Means.

By Mr. SHAYS (for himself and Mr. MFUME):

H.R. 5579. A bill to assist distressed cities with large, abandoned factories and hazardous waste sites, jointly, to the Committees on Ways and Means and Commerce and Public Works and Transportation.

By Mr. DINGELL (for himself, Mr. ROS- TOWNSKY, Mr. SWEET, Mr. FORD of Michigan, Mr. CONEY, Mr. ROSE, Mr. BROWN, Mr. MILLER of California, and Mr. CARLO):

H.R. 5604. Joint resolution proposing an amendment to the Constitution of the United States to permit the Congress to limit expenditures in elections for Federal office; to the Committee on the Judiciary.

By Mr. SOLARZ (for himself, Mr. LEACH, Mr. LUGOMASINO, Mr. BLAY, Mr. PALEOMAVAEGA, Mr. LANTOS, Mr. FOGLIETTA, Mr. ACKERMAN, and Mr. TORRICELLI):

H.Con. Res. 349. Concurrent resolution to commend the people of the Philippines for successfully conducting peaceful general elections and to congratulate Fidel Ramos for his election to the Presidency of the Philippines; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 50: Mr. ROYBAL, Mr. WEISS, Mr. STARK, and Mr. VIECLOSKY.

H.R. 81: Mr. MFUME, Mr. SLATTERY, Mr. ROSE, Mr. VENTO, and Mr. BRYANT.

H.R. 402: Mr. FRANKE of Massachusetts.

H.R. 917: Mr. WASHINGTON.

H.R. 1168: Mr. DOWELL of California, Mr. TOWNSEND, Mr. JEFFERSON, Mr. DANNEMEYER, and Mr. SPENCE.

H.R. 1218: Mr. BROWER, Mr. CRAMER, and Mr. COLORADO.

H.R. 1466: Mr. EREDUDE and Mr. CHANDLER.

H.R. 1562: Ms. OAKAR.

H.R. 1563: Mr. TORRICELLI and Mr. CURTIS.

H.R. 1771: Mr. BUSTAMANTE.

H.R. 1789: Mr. SHAW, Mr. MACHTLEY, and Mr. MCGREGOR.

H.R. 2296: Mr. GINGRICH.

H.R. 2665: Mr. RICHARDSON, Mr. GIBBONS, Mr. RAMPSTAD, and Mr. GREEN of Texas.
DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H. J. Res. 489: Mr. AUCCOIN, Mr. ROE.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk’s desk and referred as follows:

S. 167. By the SPEAKER: Petition of the board of selectmen of the town of Eliot, ME, relative to the U.S. Naval Shipyard at Kittery, ME, to the Committee on Armed Services.

168. Also, petition of the city council of the city of New York, relative to the establishment of a Medicare policy which extends coverage for long-term health care; jointly, to the Committees on Ways and Means and Energy and Commerce.

189. Also, petition of the council of the city of New York, relative to adding to the existing Medicare payment program to cover acupuncture and dental treatments; jointly, to the Committees on Ways and Means and Energy and Commerce.
TRIBUTE TO KISAYO TAMIIYASU
HON. MIKE KOPETSKI
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992
Mr. KOPETSKI. Mr. Speaker, I rise today to pay tribute to a great woman who is celebrating her belated—her 88th birthday celebration this summer in Lincoln City, OR.

Kisayo Tamiyasu came to America from Japan in 1921, a 16-year-old bride seeking a new life with her young husband, Shigeto Tamiyasu. Transcending cultures and continents, Kisayo's life story is filled with courage and strength, pathos, and adversity. Beginning married life together in the hop fields and potato farms of Multnomah and Clackamas Counties in Oregon, through the establishment of their family in Brooks, OR, the Japanese relocation camps of Tule Lake and Minidoka, resettlement in Portland, OR, and well-earned retirement in Palo Alto, CA, Kisayo and her husband exemplify a unique generation of immigrants who made positive contributions to their adoptive country and became outstanding Americans.

Mr. Speaker, I am including in the RECORD a biography of Kisayo Tamiyasu which describes her remarkable life in greater detail. On behalf of all Oregonians, I want to extend to Mrs. Tamiyasu very best wishes on her 88th birthday.

KISAYO (SADAKUNI) TAMIIYASU
Kisayo Sadakuni Tamiyasu was born on October 15, 1904 (the 14th year of the reign of Emperor Meiji) to Kosaburo and Katsuyo Sadakuni in a farmhouse in Hiroshima Prefecture, Japan. She was second in the birth order with one older and two younger brothers.

Her childhood was typical for the Japanese peasantry of the time. The Sadakunis grew crops on a very small plot so there was ample food for the family's sustenance with some excess to barter for other essential goods and services. In the year Kisayo was born, Japan became involved in the Russo-Japanese War, and the Sadakuni children bore the brunt of providing manpower and revenue for this national commitment.

In spite of her family's modest circumstances, Kisayo recalls a very happy childhood. Her paternal grandmother deployed her tomboyish demeanor and considered formal education for girls as unnecessary. However, Kisayo completed junior high school, which was three years more than the compulsory requirement of 6 years. As a child in rural Japan, she was a devout Buddhist and indoctrinated with the traditional values of individual and collective pride, strong family and community observance, homemaker's chores, authoritarian learning, self-sufficiency, and a rigorous work ethic.

Kisayo's formal education was interrupted when she received a marriage proposal from Shigeto Tamiyasu, Tamiyasu, who had earlier emigrated to America, returned to his ancestral home in the spring of 1921 to seek a bride. Kisayo was married to Shigeto Tamiyasu on March 15, 1922. To avoid conscription into Japanese military service, Shigeto returned to America immediately following the wedding reception. Four months later, at the tender age of 16 years and 9 months, Kisayo said her final farewells to her mother and brothers whom she would never see again and journeyed across the Pacific Ocean aboard the S.S. Alabama Mars, arriving in Seattle, Washington, on August 20, 1921.

With the somewhat naive optimism of a teenager, Kisayo looked forward with anticipation to her new life in the United States. Like most immigrant Japanese (Issei), Kisayo neither spoke nor understood English, a language which was not only unfamiliar but totally unrelated to her native tongue. She was also unfamiliar with Western customs and laws. Compounding these problems, the United States was in the midst of the Great Depression and, during the first half of this era, anti-Japanese agitation and legislation was prevalent in the West Coast States. Federal law disallowed naturalization privileges to Japanese immigrants. Nonetheless, Mrs. Tamiyasu had heard that, in Oregon, state and local governments enacted Alien Land Laws which prohibited the ownership of the land by persons ineligible for citizenship. She had learned that Oregon employed some method to assist applicants in attaining citizenship opportunities for ethnic Japanese to only the most menial tasks which did not compete with Americans of European descent.

The Tamiyasu began married life under these onerous conditions as migrant workers in the hop fields and potato farms of Multnomah and Clackamas Counties in the Oregon of the 1920s. As an itinerant farm worker, Mrs. Tamiyasu labored in the fields, doing men's work from dawn to dusk, after which she handled domestic chores. Under these rigorous circumstances, Mrs. Tamiyasu had five children, four of whom survived (Masao, Pauline Haruye, Mikio and Toshio). With the arrival of each child, Mrs. Tamiyasu was able to take off only enough time from work for delivery. Out of sheer necessity, the infant children were left unattended, at home or in the field, and fed and diapered only as breaks in field work permitted.

Life was a little more settled and began to improve when the Tamiyasu became contract farmers in Brooks, Oregon. There the family, at long last, occupied a house and began to have an active social life in a stable Japanese-American community. A fifth child, Susie, was born in Brooks. The children participated in Brooks Grade School and Salem High School activities and the family enjoyed annual post-harvest vacations at the Oregon beaches. Although they were prohibited by law to purchase the land which they cultivated, they acquired maple syrup, farm machinery and some home appliances.

Just as their economic well-being was improving, Japanese Imperial Navy bombers attacked Pearl Harbor and the new-found dreams of the Tamiyasu family were sunk just as surely as the U.S.S. Arizona. In the war hysteria which followed, with no hard evidence, all ethnic Japanese in America were considered potential spies and saboteurs.

This fear and war hysteria, combined with an existing element of anti-Japanese agitation, led to the creation of Executive Order 9066 signed by the President on February 19, 1942. By this Presidential Order all persons of Japanese ancestry were evacuated from the Pacific Coast States.

On June 1, 1942, Mrs. Tamiyasu and all of the law-abiding members of the small farming community of Brooks, Oregon, were moved from their homes and transported to the Tule Lake Relocation Center for incarceration. They had committed no crimes. They were incarcerated for no other reason than the nonvolitional accident of being of Japanese ancestry.

The Tamiyasu family remained in Tule Lake until October 1943. At that time, the Tule Lake Center's purpose changed. It then became a segregation center for those Japanese-Americans whose response to the injustices perpetuated against them by the United States Government was to apply for repatriation to Japan. As they wanted to remain in America and somehow fulfill their dream of becoming American citizens, the Tamiyasus moved to the Minidoka Center in Idaho. Two of the seven Tamiyasu children were born in these concentration camps, Eddy at Tule Lake and Lyn in Minidoka.

On August 15, 1945, the family left Minidoka for return to Portland, Oregon, where, initially, they operated a hotel business and later a Chinese-Japanese cuisine restaurant. During these years, Kisayo was busily involved in the family enterprises. At this time, she became a conscientious student of the culinary arts and, to this day, she is an outstanding practitioner of everyday and classical Japanese cooking.

Sometime after the end of World War II, Mrs. Tamiyasu learned that her younger brothers, who remained Japanese citizens, were killed during the War. One was killed in the atomic bombing of Hiroshima, and the youngest went down with a Japanese warship somewhere in the Pacific. Ironically, two of her own sons served in the Military Intelligence Service of the United States Army during World War II.

In 1964, the Tamiyasus moved to Palo Alto, California, where Shigeto enjoyed 22 years of retirement before passing away on February 13, 1987, just one day before his 88th birthday. Mrs. Tamiyasu is in excellent health and lives alone in a home next to her eldest daughter, Pauline. Her activities center around family members, handicrafts and the Palo Alto Buddhist Church. She is often visited by her grandchildren who enjoy her experience, wisdom, kindness, good humor and great cooking.

Life in America for Kisayo Tamiyasu can be roughly partitioned into two somehow contrasting parts. The first three-plus de-
ad supervised, from 1921 into the 1930s, financially were extremely arduous and the recent four-plus decades were more rewarding. Rewards in the early years came from the many simple pleasures of raising children and from tending the land. Through these early years of privation, she persevered without complaint. To this day, she is not bitter about "the early days" and speaks of them almost as a source of pride. She has eighteen grand-children who adore her, and she has experienced the joy of interacting with 12 very active grandchildren with the responsibility for their care or upbringing.

Mrs. Tamiyasu is one of the few remaining members of a rapidly diminishing Issei generation who were, in most fundamental respects, unique among immigrants to America. Through innovation and hard work, they turned wasteland into productive farmland. As rewards for their resourcefulness and industry, they were despised and prevented by law from being an asset and which they had developed. Faced with organized agitation and legislation which was designed to drive them out of the country, the overwhelming majority chose to persevere and remained industrious, honest and law-abiding, and made valuable contributions to American agriculture.

More importantly, however, the Issei were the keystone to the success of their descendants in America. In addition to being outstanding role models of tenacity in the face of adversity, they raised their offspring, the Nisei, to be disciplined, industrious and studious so that they were better prepared to compete in what they knew to be a hostile society. The transition of ethnic Japanese in America from a despised and oppressed group to a model minority could not have occurred without the resolution to remain in America from a despised and oppressed group to a model minority could not have occurred. She still lives in the house place for Jeanie Jew and her family. Their story began sometime in the 1860's when a young man, M.Y. Lee left Tosihan, Canton, China to find a better life in America. Mr. Lee was one of the first Chinese pioneers to help build the transcontinental railroad. He later became a prominent California businessman. When the Chinese were having difficulties in Oregon, Mr. Lee traveled to Oregon and was killed during that period of unrest. It was a time of anti-Chinese and anti-Asian sentiment.

The celebration of Asian-Pacific American Heritage Month has a very deep and personal place for Jeanie Jew and her family. Their story began sometime in the 1860's when a young man, M.Y. Lee left Tosihan, Canton, China to find a better life in America. Mr. Lee was one of the first Chinese pioneers to help build the transcontinental railroad. He later became a prominent California businessman. When the Chinese were having difficulties in Oregon, Mr. Lee traveled to Oregon and was killed during that period of unrest. It was a time of anti-Chinese and anti-Asian sentiment.

The revelations about Mr. Lee and the story of the Asian-Pacific Americans led this one woman to believe that not only should Asians understand their own heritage, but that all Americans must know about the contributions and histories of the Asian-Pacific American experience in the United States. Jeanie Jew, the creator of the idea for a heritage month is the granddaughter of M.Y. Lee, the early pioneer.

The original resolution designated the week beginning May 4 as "Asian-Pacific American Heritage Week" because that week included two significant birth and history days of Asian-Americans. May 7, 1843, marks the date of the first arrival of the Japanese in the United States. May 10, 1869, or "Golden Spike Day" was the day on which the transcontinental railroad was completed largely by Chinese-American pioneers. Both dates will fittingly be included in Asian-Pacific American Heritage Month.

I want to commend the two women who made this event possible. Mr. Jew turned a personal tragedy in her family history into a positive force.

Asian-Pacific American Heritage Month will now be observed by All Americans. I also want to thank Ruby Moy, my administrative assistant, for her efforts to pass this legislation. She holds the highest professional position to a Member of Congress and is a second generation Asian-American.

In 1977, Mrs. Jew and Ms. Moy cofounded the congressional Asian-Pacific Staff Caucus, an organization which collectively worked for the establishment of the first heritage proclamation and supports yearly efforts to perpetuate its recognition. The caucus, a group of professional staff members of Asian descent, periodically discusses and reviews legislation and issues of concern to Asian-Pacific Americans.

I hope my colleagues will join me in supporting this resolution and in recognizing the history and contributions of Asian-Pacific Americans, particularly during Asian-Pacific American Heritage Month.


**LIBRARY OF CONGRESS FUND ACT OF 1992**

**HON. CHARLIE ROSE OF NORTH CAROLINA**

**IN THE HOUSE OF REPRESENTATIVES**

**Wednesday, July 8, 1992**

Mr. ROSE. Mr. Speaker, today at the request of the Librarian of Congress, I am introducing a bill to authorize the Library of Congress to provide certain information products and services and for other purposes.

The legislation enables the Library of Congress to extend the range of services it can offer, in order to meet demands for specialized products and services which should not be funded through public moneys. So the act creates the mechanism—a revolving fund—through which the Library can recover its costs for providing products and services designed to meet the specialized information needs of individuals or discrete groups.

The General Accounting Office has recommended the creation of such a revolving fund.

Second, the act reaffirms the Library's role as the Nation's Library, assuring that it will continue to protect the provision of free core services. Third, the act also modernizes the Library's 1902 authority under section 150 of title 2, United States Code, to reflect current and future formats for bibliographic and technical products distributed to the Nation's libraries. This is a vital service, saving our public and academic libraries as estimated $370 million in this fiscal year alone by distributing centralized cataloging records for materials the libraries would otherwise have to catalog themselves. This is more than the entire Library budget. The Library recovers approximately $7.3 million for these catalog products, representing only the costs of distribution.

The legislation includes safeguard for the Library's current practices relating to copyright protection and distribution of Library publications to the depository library system. It also provides strong controls for the operation of the revolving fund; for example, obligations for fund service activities are limited to the total amounts specified in the appropriations process; the act directs the Librarian to report annually to Congress on fund activities and financial transactions; and provides for a General Accounting Office audit. Further, the Librarian will publish notice of new fund service activities in the Federal Register and provide an extended public comment period.

In this era of fiscal restraints, the Library needs this legislation if it is to maintain its unique supporting and leadership role in the network of libraries which preserve this country's intellectual and cultural heritage and foster its future. The Librarian's goal to extend the services of the Library and expand its community of users will be greatly facilitated by this legislation.

---

**HON. EDWARD TORRES OF CALIFORNIA**

**HON. ESTEBAN EDWARD TORRES OF CALIFORNIA**

**IN THE HOUSE OF REPRESENTATIVES**

**Wednesday, July 8, 1992**

Mr. TORRES. Mr. Speaker, on June 25, the city of Santa Fe Springs, CA, was bestowed the honor of receiving the Federal Emergency Management Agency's [FEMA] Outstanding Public Service Award. The city of Santa Fe Springs was given this honor for their efforts in developing a model emergency preparedness network [EPN]. Santa Fe Springs implemented its EPN 3 years ago to provide for self-sufficiency in preparing for an emergency or disaster.

Santa Fe Springs' EPN developed out of lessons learned from the disastrous and confusing experiences of the 1987 Whittier earthquake. This destructive force of nature prompted the city to develop its EPN Program, in order to allow the city to sustain itself for a minimum of 72 hours following the isolation created by a major local disaster. The system is broken up into four quadrants of the city. Each quadrant is selected and identified by the locations of their fire station areas and are headed up by area coordinators and assistants. In case of an emergency or disaster, the area coordinators would report all information and damage assessments to the main EPN coordinator located at the city emergency operations center.

All information and assessments would be transmitted by radios and moved by runners. Color flags are placed to show the severity of damages to facilities caused by the emergency or disaster. At that time trained volunteers, of the EPN Program, follow their checklists that direct them to their actions and locate essential supplies and critical medical resources needed.

Mr. Speaker, I know that my colleagues in the House of Representatives would join me in congratulating the city of Santa Fe Springs in receiving the FEMA's Outstanding Public Service Award. I am honored to represent the people of Santa Fe Springs in Congress, even more so for their outstanding efforts.

---

**HON. PAUL E. GILLMOR OF OHIO**

**IN THE HOUSE OF REPRESENTATIVES**

**Wednesday, July 8, 1992**

Mr. GILLMOR. Mr. Speaker, I want to take this opportunity to pay tribute to Grace Uhle of Port Clinton, Ohio.

Grace Uhle recently received the "Volunteer Ohio" Volunteer of the Year Award. I can say with confidence that she is most deserving of this high honor.

There are many examples that illustrate how Grace Uhle has made an enormous contribution to society through voluntarism, whether it is her tireless work on behalf of homeless children in Cleveland or answering phones at a local United Way office's social services hotline. Grace Uhle's concern for the most vulnerable among us is inspiring.

---

**HON. G.V. (SONNY) MONTGOMERY OF MISSISSIPPI**

**IN THE HOUSE OF REPRESENTATIVES**

**Wednesday, July 8, 1992**

Mr. MONTGOMERY. Mr. Speaker, I am pleased to share with my colleagues news of yet another medical breakthrough by Department of Veterans Affairs researchers. A team at the San Francisco VA health care system developed a new set of blood tests that enable physicians to predict the likelihood of postoperative heart attacks in patients who undergo nonheart surgery.

Hardly a month goes by that we don't read of some new and exciting discovery by VA scientists and there are other developments that aren't covered by the media. This most recent achievement is another fine illustration of VA's continuing contributions to the delivery and advancement of medicine in the U.S. and why it is a key component of any health care reform blueprint.

---

**VA RESEARCH CONTINUES TO UNRAVEL MEDICAL MYSTERIES**

**RESEARCHERS LINK SEVERAL TRAITS TO POST-SURGERY HEART ATTACKS**

**CHICAGO, July 7.—Researchers have identified five major traits that predict which patients who undergo non-heart surgery are most likely to be stricken with heart attacks after the operation.**

The nation spends $22 billion annually to treat cardiac complications after operations ranging from blood vessel repairs to hip replacements, researchers said.

Each year, 50,000 people have heart attacks after non-heart operations. But little long-term research has focused on such patients.

"Finally, we may be able to get a handle on this problem of heart attacks and surgery. It's a problem that's been with us for a long time," said Dennis T. Mangano of the Veterans Affairs Medical Center in San Francisco.

He and colleagues at the VA hospital and the University of California at San Francisco have written about five new studies on the subject in Wednesday's Journal of the American Medical Association.

One study, a two-year follow-up of 444 patients released in stable condition after non-heart operations, found the key trait predictive of later heart problems is a condition called ischemia, a reduction of blood flow to the heart muscle, Mangano said. It was associated with a 2.2 times greater likelihood of death or complications from heart problems in the two years after non-heart surgery, he said.

Ischemia, which has no clear symptoms, can be detected by a portable electrocardiograph, a device that records the heart's electrical impulses. It can be worn on a belt for up to three days after surgery to monitor the patient's heart condition, Mangano said, noting that having patients wear the device is not an unusual standard procedure.

A second trait is having had a heart attack or severe heart pain while still in the hospital. Patients who did were 20 times more likely to be stricken in the next two years.
with cardiac death, another heart attack or severe chest pain.

Other traits that predicted later heart complications are blood-vessel disease, congestive heart failure, and coronary artery disease. Some heart problems are not predictive, including temporary heart-rhythm irregularities and rapid heartbeat after surgery.

Expensive technologies such as echocardiography, a method of taking pictures of the heart using sound waves, are a waste of money for many patients and should be done very selectively, the researchers found.

THE MONTFORD POINT MARINE

HON. H. MARTIN LANCASTER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 8, 1992

Mr. LANCASTER. Mr. Speaker, 50 years after the enlistment and training of the first African-American marines at Montford Point, Camp Lejeune, NC, one of the Marine Corps' African-American generals, Brig. Gen. George H. Walls, Jr., was the guest of honor at the anniversary celebration at the American Legion in Jacksonville, NC.

General Walls received his commission in the Marine Corps in 1965, 24 years after Howard P. Perry of Charlotte, NC, the first African-American recruit arrived at Montford Point and 16 years after the Montford Point special recruit depot was desegregated by the order of President Harry S. Truman.

The Montford Point marines called themselves the chosen few, and the original goal of the Marine Corps at the point was to form a complete battalion of 900 African-American marines. From August 26, 1942, until September 9, 1949, more than 20,000 African-Americans became marines by way of boot training at Montford Point. They were there, as they are now, fiercely proud of the title "Montford Point Marine."

The last Montford Point Marine to retire was M.Gy.Sgt. Norman D. Epinks, who was honored in ceremonies at the Marine Corps barracks at 8th and Streets in Washington, DC, on June 14, 1979.

But the most famous Montford Point marine of all was Sgt. Maj. Gilbert H. "Hashmark" Johnson. Through the efforts of then Assistant Secretary of the Navy, James E. Johnson, himself a Montford Pointer, and the Montford Point Marine Association, the Marine Corps school/training complex now bears the name: Camp Gilbert H. Johnson, Montford Point, Camp Lejeune, NC.

Sergeant Major Johnson had a deep reverence for the Marine Corps and for the Montford Point tradition. He was one of the first drill instructors at the point. His stern discipline, love of the corps, and respect for his men is contained in the hearts of the thousands of raw recruits he helped to transform into marines.

Sergeant Major Johnson died of a heart attack in 1972 while addressing his beloved Montford Point Marine Association in Jacksonville, NC, from Camp Lejeune. The sergeant major was fond of calling Montford Point hallowed ground in memory of the blood, sweat, and tears shed there by African-American marines.

His final words were, "My dear friends, I have gone as far with you as I can go."

I am proud to represent Montford Point and to pay tribute to the thousands of African-American marines who passed through its gates beginning 50 years ago this summer.

TRIBUTE TO DAVID WARGSBERG

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 8, 1992

Mrs. BOXER. Mr. Speaker, it gives me great pleasure to honor a member of the Soviet Jewry movement who has been one of its key advocates for the last 20 years: David Wargsberg, the executive director of the Bay Area Council for Soviet Jews.

Throughout my years in Congress, I have worked with David on numerous individual cases to bring families and spouses residing in my district, who were separated at the hands of the former Soviet Government, back together. While the political situation in the former Soviet Union has changed dramatically, David has continued to strive for the freedom of Soviet Jews, and he remains an invaluable resource and adviser to me and my staff.

I know of few people who have demonstrated the kind of personal commitment and dedication to the cause of human rights in the former Soviet Union that David has. He visits refuseniks and others denied or awaiting permission to leave, and he was the instrumental force in opening three offices, in Moscow, St. Petersburg, and Kiev, to provide assistance to them. Last year, he began a newsletter monitoring the human rights situation throughout the new republics.

I congratulate David on 20 years of compassionate yet forceful advocacy on behalf of Soviet Jews. I hope that we can count on 20 more.

LIBRARY OF CONGRESS REAL PROPERTY USE AUTHORIZATION

HON. CHARLIE ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 8, 1992

Mr. ROSE. Mr. Speaker, today I am introducing legislation, at the request of the Librarian of Congress, to authorize certain uses of real property acquired by the Architect of the Capitol for use by the Library of Congress and for other purposes.

The original legislation authorizing the purchase of the 601 East Capitol facility—Public Law 101-520—passed the House 2 years ago. It permits the use of the property as a day care center for children of Library of Congress and other legislative branch employees, and for staff training and development programs for Library of Congress employees.

This measure seeks to expand the existing authorization to include use of the facility for: First, external training programs including those designed to serve congressional staff; second, general assembly and education programs of the Library; and third, temporary lodging for visiting scholars housed at the Library's materials or participating in Library programs.

The bill would also authorize the establishment of a special deposit account with the Treasurer of the United States for funds generated from these uses.

Expedient passage of this bill is necessary to accomplish the purpose of the original authorizing legislation as well as to increase access to the Library's collections. As you may recall, the establishment of a day care center at the Library of Congress has been a long-standing concern of the Congress. If the center is to open April 1993 as scheduled, final construction must be completed by February 1993. However, the license to operate the center cannot be obtained until a fire sprinkler system is in place, which in turn requires plans for the completion of major construction on the upper floors of the building. These plans cannot be completed until the additional uses for the upper floors have been authorized by Congress. In addition to the implications for the day care center, this legislation has consequences for the ongoing restoration and renovation of the older Library buildings. Some of the books that are stored in these buildings are to be temporarily stored at the East Capitol facility. However, if adequate modifications are not made to the facility that in order to allow the temporary transfer, continuation of renovations in the older buildings may be delayed.

The Library of Congress is the world's greatest research library. Its preeminence as a repository of knowledge and information cannot be overstated. Teaching researchers and other patrons to navigate through increasingly sophisticated and multidisciplinary methods for information retrieval is vital to the Library's goal of serving as a catalyst in the information explosion. Like the external training programs, the proposed lodging quarters would augment the Library's efforts to increase access to this institution. The provision of spartan but convenient temporary quarters is designed to facilitate use of the Library's resources by those persons who might otherwise experience great difficulty in obtaining sufficient access to the Library because of the inability to secure temporary housing. Since the facility will have a maximum capacity to accommodate 17 people, this will not result in a significant diversion from the other available accommodations on Capitol Hill. Rather, this bill will provide a special service to those whose financial resources and pragmatic needs justify it. Mr. James H. Billington, the Librarian of Congress, seeks to increase national and international access to the Library's vast resources. This measure is consistent with that goal.

Mr. Speaker, this measure contains no controversial provisions, nor does it contain a request for additional funds. I urge my colleagues to support this legislation.
HONORING THE DEL HAVEN COMMUNITY CENTER AND THE SEAL FAMILY

HON. ESTEBAN EDWARD TORRES
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. TORRES. Mr. Speaker, I rise today to recognize Del Haven Community Center of La Puente. Started in June 1972, Del Haven is celebrating its 20th anniversary. "Building Better Tomorrows," by meeting the needs of the community is the theme of the Del Haven Community Center. Founded by Barbara and Wyatt Seal, Del Haven Community Center began as a 2-week summer day camp for 26 children, and 7 leaders. Today, Del Haven is an established agency, offering a wide range of services to the community. Del Haven's services include: extensive programs for children, recreation programs, vacation and summer day camps, leadership programs, a social service club, and afterschool compositions.

The center also offers programs for the developmentally disabled. Included among those programs are: weekly recreation, a social service club, summer resident camps, a conservation program, and the Special Olympics, to name a few. Del Haven Community Center also takes responsibility in addressing other social needs of the community. Del Haven offers social welfare programs, emergency food and clothing assistance, programs for high risk youth, and programs for seniors.

Today, Del Haven continues to stand upon its original foundation, the volunteer. Over 3,000 volunteers have unselfishly given their time to the center over the past 20 years. This past year, nearly 700 people have given their time to Del Haven. I commend the spirit of voluntarism at the center.

Del Haven has been recognized for its tremendous accomplishments in the eastern San Gabriel Valley. The center has been named outstanding nonprofit agency in District 13 of the California Parks and Recreation Department, and by West Covina Human Services. The cities of La Puente and West Covina have proclaimed Del Haven Weeks in honor of the center's service to the community. The Seal family are community leaders, having received the Seal-Gabriel Valley Humanitarian Award for Outstanding Community Service.

Mr. Speaker, on June 11, 1992, family, friends, and civic leaders gathered to honor the Del Haven Community Center and the Seal family for their 20 years of exemplary service to the eastern San Gabriel Valley. I ask my colleagues to join me in saluting the Del Haven Community Center and the Seal family for their contributions to our community.

THE READY-TO-LEARN ACT OF 1992

HON. DAVID E. PRICE
OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. PRICE. Mr. Speaker, I am pleased to be introducing, with my colleague from Oregon,
Public Broadcasting to develop educational television for preschool children and instructional programming for parents and child-care providers. In addition, the Corporation for Public Broadcasting will be required to establish a ready-to-learn channel on their new satellite which will provide educational and instructional programming for parents and their children.

The bill will also require cable companies to carry public television programming, including educational television programming for preschool children and 1 minute of ready-to-learn public service announcements along with whatever else they are broadcasting on Saturday mornings. Millions still remember the song "Conjunction-Junction" and the history lesson taught by an animated Thomas Jefferson that can serve as examples for efforts in this area. These modest requirements are not too much to ask of this multibillion dollar industry.

In all, this bill attempts to rally Federal support for the tremendous challenges we face in ensuring that all American children are ready to learn. We're not throwing money at the problem; we're not dictating that the Federal Government take over local programs; we're not creating costly, unnecessary bureaucracy. Rather, we're forming a partnership for children, setting a realistic agenda for children, and acting as a catalyst to address specific needs of children in each community.

This must be a partnership; the job cannot be done by the Federal Government alone. We need the leadership of parents, community leaders, churches, and other concerned citizens if we are to improve our Nation's future. The bill is just one step, but it is time to forge ahead. Mr. Wyden and I invite colleagues to join us.

TRIBUTE TO TERRY AND MARION PERKINS

HON. PAUL E. GILLMOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. GILLMOR. Mr. Speaker, I want to take this opportunity to pay tribute to Terry and Marion Perkins of Sandusky, OH. When Terry and Marion Perkins married in 1958, they not only committed themselves to each other. They also made an admirable commitment to the Margareta school system. After 33 years of distinguished service as teachers there, Terry and Marion Perkins have retired. They can look back on their years of outstanding work with special pride.

A life in education placed Terry and Marion Perkins at the heart of America's future. They have done enormous good for their communities and their country through a solid dedication to the power of learning and knowledge that our young people need to live their lives.

Mr. Speaker, I am proud to represent Mr. and Mrs. Perkins as a Member of Congress. I hope their retirement is filled with happiness, and I wish them all the best.

EXTENSIONS OF REMARKS
OPERATION PROVIDE COMFORT
EXTENDED BY TURKEY

HON. MATTHEW F. McHUGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. McHUGH. Mr. Speaker, I would like to take this opportunity to publicly commend the Government of Turkey for its recent decision to extend Operation Provide Comfort for another 6 months.

As you know, Operation Provide Comfort is the international program of protection and assistance for the Kurds of northern Iraq. On June 26, by a vote of 226 to 138, the Turkish Parliament approved this latest extension as our own Government had been urging.

At your direction, Mr. Speaker, I led a bipartisan congressional delegation to the region last year to assess the plight of the Kurds following the conclusion of Operation Desert Storm. The situation the Kurds faced at the time of our visit was desperate and it was quite apparent that no effort to assist them could succeed without the cooperation and support of the Turkish Government.

That support was promptly forthcoming and Operation Provide Comfort has been successful in providing protection and assistance to the Kurds. By approving this latest 6-month extension, the Turkish Parliament has once again displayed the humanitarian concern of the Turkish people for the Kurds of northern Iraq.

KANE BLACK CHERRY FESTIVAL

HON. WILLIAM F. CLINGER, JR.
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. CLINGER. Mr. Speaker, I am pleased to take this opportunity to pay tribute to Kane, PA, and recognize the weekend of July 17-19 as the "Kane Black Cherry Festival."

Pennsylvania has supplied the United States with plentiful timber since colonial times. The variety and quality of the woods available, the accessibility to major ports, and the experience and knowledge of the loggers combine to create an abundant resource in the forests of Pennsylvania.

Kane is located in the rural Allegheny region of northwestern Pennsylvania. As many of you may know, timber is one of Pennsylvania's largest industries, having more hardwood than any other State in the country. With more than 80 percent of its land covered by forest, the Allegheny region is an incredibly rich area, producing nearly one-third of the State's hardwood. As a result, the economy of communities such as Kane thrives on the timber industry.

The black cherry flourishes on the hillsides surrounding Kane where the trees grow larger, more densely, and of a higher quality than in any other part of the country. The Allegheny region is centered around Kane and is responsible for producing one-fourth of the black cherries grown in the United States. Buyers from Europe to the Far East have been known to select trees only from specified hillsides in the Kane area to ensure the highest standard of quality, citing this black cherry as the finest in the world.

Kane is a close-knit, family oriented community with enormous pride in its hard-working people. This summer, the Kane Chamber of Commerce will sponsor the Kane Black Cherry Festival to celebrate the resource from which this community has reaped so many benefits. Mr. Speaker, on behalf of the people of Kane, I urge my colleagues to recognize and honor the tremendous resources, both natural and human, found amidst these great hardwood forests by declaring Kane, PA, to be "The Black Cherry Capital of the United States."

IN HONOR OF 75 YEARS OF THE SANTA CRUZ COUNTY FARM BUREAU

HON. LEON E. PANETTA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. PANETTA. Mr. Speaker, I rise today to pay tribute to the Santa Cruz County Farm Bureau as it celebrates 75 years of service to the community. At the close of these 75 years, members of Farm Bureau can look back with pride on their commendable success, and I am proud at being given this chance to honor them.

In 1917, Farm Bureau was established as a means of gathering information on new and improved farming and marketing methods. The members have taken this far and beyond, and have created an organization that has brought farmers together.

Throughout the years, Farm Bureau has been consistent in contributing their time and hard work toward the well-being of the agricultural community. They have accomplished the preservation of this essential industry with dedication and support for all those involved. Whether it be assisting farmers during the floods of 1955 or the freeze of 1990, Farm Bureau has remained a strong force in the Santa Cruz community.

Following the devastating earthquake in October 1989, Farm Bureau established the Agriculture Recovery & Protection Fund as a means of organizing financial assistance for sustained agricultural losses in the community and its immediate areas. This in itself is a prominent example of the capability of Farm Bureau in adapting to the needs of the agricultural industry, regardless of what they may be.

Farm Bureau symbolizes progress, yet never losing sight of the preservation and protection of agriculture. Farm Bureau members have contributed numerous volunteer hours to carry out the goals of the organization and it is with this that I am proud to honor their 75th anniversary celebration.

Mr. Speaker, I would like to point out that Farm Bureau is not only celebrating 75 years of unwavering support, but also recognizing all those that participate in the industry. They have designated this year to nominate all agriculture employees as 1992 Farmer of the Year, and I would like to ask my colleagues to join me now in thanking these employees and
REMARKS

TRIBUTE TO EUNICE DIAZ
HON. ROBERT J. LAGOMARISINO
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. LAGOMARISINO. Mr. Speaker, I rise to pay tribute to Ms. Eunice Diaz, a member of the National AIDS Commission, who was recently nominated to receive the Pathfinders Award for her contributions in the fight against the AIDS virus.

Ms. Diaz, in conjunction with the National AIDS Commission, is involved in extensive research on AIDS and AIDS-related issues affecting the Nation. She is also currently the vice-chair of the Los Angeles County Commission on AIDS, a member of the AIDS Advisory Committee, the Health Resources and Service Administration, the Task Force on AIDS, as well as very many other valuable programs.

Ms. Diaz is involved in communities throughout the Nation providing technical assistance to various education and prevention projects. She has been well recognized by a number of respected organizations for her excellent work and has received numerous awards and honors.

Ms. Diaz has devoted the focus of her energies on reaching many of the minority and underprivileged groups in our Nation that have been affected by AIDS. Her compassion, dedication and skills are invaluable to our Nation's continuing struggle against this deadly disease. Therefore, I ask the House to join me in paying tribute to Ms. Eunice Diaz.

TRIBUTE TO PAUL GOLD AND HANK NEWCOME
HON. PAUL E. GILLMOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. GILLMOR. Mr. Speaker, I want to take this opportunity to pay tribute to Paul Gold and Hank Newcome, both of Bowling Green, OH. Paul Gold and Hank Newcome recently received the Boy Scouts of America Silver Beaver Award. I can say with confidence that both men are most deserving of this high honor.

Paul Gold and Hank Newcome have received the Silver Beaver for demonstrating outstanding leadership qualities along with a commitment to good citizenship and traditional American values. Through their actions and leadership, they have set a fine example for the young people in their community.

While both men have won other Boy Scout awards, Gold and Newcombe do not confine their good deeds to only the Boy Scouts. Whether one looks at Gold's work with the Toledo Autistic Society or Newcome's involvement with the United Way, these men believe in voluntarism and lending a hand to a neighbor.

Mr. Speaker, I am proud to represent people like Paul Gold and Hank Newcome as a Member of Congress. I congratulate them, and wish them all the best in the years ahead.

AMERICAN INDIANS AND THE 20TH CENTURY
HON. ENI F.H. FALEOMAVAEGA
OF AMERICAN SAMOA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 112-188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years.

In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing, for the consideration of my colleagues, an article from the June 28, 1992, edition of the Washington Post, entitled, "On Apache Homeland, Nuclear Waste Seen as Opportunity." The article shows regretfully that leadership of Indian reservations is not as simple as it once was.

(From the Washington Post, June 28, 1992)

ON APACHE HOMELAND, NUCLEAR WASTE SEEN AS OPPORTUNITY

(Ry Thomas W. Lippman)

MESCALERO, NM.—The ancestral homeland of the Mescalero Apache tribe was blessed by nature with an awesome beauty. Pine-for­ested peaks, still snowcapped in June, thrust up into a crystal sky over a landscape of rushing streams and abundant wildlife.

But scenery alone does not create jobs for the reservation's 3,000 people. In their quest for economic self-sufficiency, the tribe's leaders have developed a sawmill and a cattle ranch, in addition to a ski area and a sumptuous resort with lake and golf course nestled amid the 8,000-foot mountains.

Now the industrious Apaches are looking at a new kind of business opportunity: the possibility of big money in storing the nation's growing mountain of nuclear waste. If New Mexico's Indian tribes are convinced that they can get "fair" jobs, education and revenue, the Apaches seem prepared to assert their sovereignty against strong local opposition and welcome the radiation to their domain.

The federal government is seeking a place to store thousands of tons of used fuel from 112 nuclear power plants until a permanent underground repository is built, probably in Nevada, in the next century. Federal law requires the Energy Department to take title to the highly radioactive, spent fuel pools filling rapidly, have been clamoring for development of the temporary and permanent federal storage sites mandated by Congress.

When White House nuclear waste negotiator David H. Leroy asked every county, state and Indian tribe in the United States to study the idea of hosting the radioactive waste until the permanent disposal site is built, the Mescalero Apaches were the first to respond.

They have received $300,000 from the Energy Department to evaluate the safety, environmental impact and economics of constructing a Monitored Retrievable Storage (MRS) facility on their reservation. Now they must decide whether to seek an additional $3 million to locate and build a specific site and begin technical studies.

San Juan County, Utah; Apache County, Ariz; Fremont County, Wyo; and 13 other Indian tribes have applied for similar grants. In Grant County, N.D., the county supervisors were ousted by the voters after applying for a study grant, and that project was terminated. Oklahoma's Chickasaw and Sac and Fox tribes applied for grants but then decided not to accept them.

In a decision that the Tribal Council insist that they are far from a decision on whether to seek the MRS facility. To them, they said, it's just another business proposition to the highly radioactive material nobody else wants. The material could be safely placed elsewhere.

But nothing is that straightforward when nuclear power and the Indian issue are involved. New Mexico's entire congressional delegation and Gov. Bruce King (D) are trying to block the tribe from going further, arguing that they are already fully involved. New Mexico's entire congressional delegation and Gov. Bruce King (D) are trying to block the tribe from going further, arguing that they are already fully involved.

Extensions of Remarks

NUCLEAR WASTE: A BUSINESS OPPORTUNITY

Mr. Speaker, it's just another business proposition to the highly radioactive material nobody else wants. The material could be safely placed elsewhere.

But nothing is that straightforward when nuclear power and the Indian issue are involved. New Mexico's entire congressional delegation and Gov. Bruce King (D) are trying to block the tribe from going further, arguing that they are already fully involved.
substantial future financial returns, as well for our young people.

and whatever else is obtained in negotiations with Leroy.

would expect to receive property taxes because it would be privately owned-plus millions of dollars in direct federal payments to construct, by Energy Department elaboration or exposure to the environment.

nuclear fuel is intensely hot and renewable. But there is virtually no danger of a nuclear explosion because a storage facility is not a reactor. It would be, in Chino’s words, "the world’s most expensive warehouse, with elaborate security monitoring."

An MRS facility would cost about $2 billion to construct, by Energy Department estimates. Whatever jurisdiction hosts it would expect to receive property taxes because it would be privately owned-plus millions of dollars in direct federal payments, and whatever else is obtained in negotiations with Leroy.

"We are attracted to projects with long-term benefits for our people," Chino said. "They must be facilities that will provide substantial future financial returns, as well as training, jobs and growth opportunities for our people."

"Nuclear energy is a fact of life for all of us," he added. "We all have to deal with it in one form or another. As tribes, we as tribes have chosen to meet it on our own terms. Like our lands, our integrity is sacred to us. We believe that our values can help create a new approach to nuclear problems facing our government and our country."

Chino’s integrity came under heavy fire in the Ruidoso News series. "Shady, scheming, and unethical" are words used by other reservation neighbors to describe the relationship between Pacific Nuclear Clear Corp., the tribe’s technical consultant, the paper said, without attribution. "Whispers of under-the-table bribes and rumors of payola, or other favors rendered whose land is close to the reservation."

There is no evidence to support any such allegations. But whatever its merits as journalism, that kind of writing appears to reflect a strained relationship between the tribe and some of its non-Indian neighbors. Last winter, the tribe threatened to close its Ski Apache resort, the area’s cold-weather economic mainstay, if demonstrators from Ruidoso came onto the reservation.

Some environmental groups, led by the Natural Resources Defense Council, oppose the development of an MRS facility at any site. They fear it would become a de facto permanent storage site and ease the pressure on the Energy Department to develop an underground repository.

Chino said that will not happen if the MRS facility is built here. The tribe would demand a formal treaty with Washington, he said, requiring that "these nuclear contain­ers be removed within 10 years. And if, o­­r else we will shut the facility down."

OPENING OF CONGRESSIONAL HIGH SCHOOL ART COMPETITION

HON. TED WEISS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. WEISS. Mr. Speaker, the opening ceremony for the 11th annual Congressional High School art exhibition this year was a tremendous success. With more than 140 of the winning students and their families attending, participants included famed actor Tom Cruise, Speaker of the House THOMAS FOLEY, and Dr. Marina Whiteman of General Motors-the corporate sponsor of the exhibition and opening ceremony.

The exhibition, "An Artistic Discovery," simply could not take place without the efforts of Speaker FOLEY and General Motors. While I have previously entered Mr. Cruise’s into the RECORD, I would like to share with my colleagues the thoughtful comments of Speaker FOLEY and Dr. Marina, vice president and group executive, public affairs and marketing group of General Motors, and I include their statements in the RECORD.

SPEAKER THOMAS S. FOLEY

I am very proud to be a part of this celebration and I would like to welcome each of you, particularly the students artists and their families.

Each year one of us on Capitol Hill wait anxiously to see the winning artworks. And each year everyone is overwhelmed by the talent and insight embodied in the works. This year is no exception. I congratulate each of you on your accomplishment.

Those involved in the Congressional High School Art Competition should realize that this project is no small matter, because this congressional recognition of artists—of young artists—speaks to the type of nation we are becoming. Only a nation that encourages individual expression and which helps to develop and preserve its works of art and its culture can truly flourish.

President John Kennedy once stated: "I look forward to an America which will reward achievement in the arts as we reward achievement in business or sports. I look forward to an America which will steadily raise the standards of artistic accomplish­ment and which will steadily enlarge cultural opportunities for all of our citizens. And I look forward to an America which will stand as an example to the world not only for its strength but for its civilization as well."

This year, as the Congressional High School Art Exhibition enters its second decade, we find ourselves in a diverse and rapidly changing world. This is a time in which the arts are more important than ever because art has the power to bridge gaps between people and cultures and to communicate in a way which words alone can never match.

Art is an outlet for emotion and a vehicle for understanding.

This exhibition of the work of our young artists is representative of the value our nation places on art and culture, and our belief in the importance of individual expression. Throughout the coming year, we will encourage our students to travel back and forth from the Capitol, and we will be impressed by the talent and artistic vision of our nation’s young artists. I urge each of you to continue to cultivate and exercise your artistic talent, and congratulate each of you on all that you have already accomplished.

DR. MARINA WHITMAN

GM is pleased and proud to be associated once again with the Congressional Arts Caucus and with this extraordinary exhibition.

What we see here is the result of talent, craftsmanship, and patience, hard work. If you’re going to do something that’s really worthwhile, it seems to me, you have to have all three—and plenty of each.

The name of the exhibition—"An Artistic Discovery"—refers to the fact that through this competition, we’ve found a rich new vein of artistic talent.

But that’s not the only kind of discovery I see going on here.

These young artists are revealing themselves to us. In the distinctive way each one of them has put his or her head...hands...and heart into the painting in this exhibition.

And when that happens, there’s a very special kind of discovery.

Artists make us look at things through their eyes; they make things visible to us that we wouldn’t otherwise see.

And in the process, we discover something new about ourselves and our world.

So, we all owe these outstanding young people our thanks for sharing their sensitivities and their revelations with us.

Congratulations to each of this year’s contest­ants.

I hope your talent continues to flourish and grow.

And I hope that the creation and enjoyment of art will be a source of pleasure—and of self-discovery—for the rest of your lives.
EXTENSIONS OF REMARKS

THE FUTURE OF ENVIRONMENTAL DIPLOMACY

HON. LEE H. HAMILTON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues a re­cent development that was announced by Prof. Richard N. Gardner of Columbia University. Professor Gardner, a respected international legal scholar and former diplomat, offers several valuable observations about the practice of eco-diplomacy, which we do not want majority voting in which poor countries would regularly outvote us, so we have to settle for unanimous outcomes in U.N. meetings. For the Earth Summit and in its preparations, this has meant achieving consensus from 178 countries on an action plan called Agenda 21—800 pages covering 40 large subjects from atmosphere, soil, water and forests to population growth, toxic waste disposal, technology transfer and financing. That would challenge the ingenuity of a Metternich, even of a Kissinger.

As the delegates found out in Rio, lowest common denominator consensus can be ex­ceedingly frustrating. In one key area after another, Agenda 21 was diluted by veto coalitions of objecting countries. Saudi Arabia, Kuwait and Iran watered down references to energy taxes and energy efficiency. Malaysia and India prevented an agreement to negot­iate a treaty on the protection of the world’s forests. Even before Rio, the Vatican, supported by Argentina and Ireland, had eliminated references to family planning and contraception. And, of course, the United States successfully resisted commitments to additional contributions of foreign aid. Still, and this is the good news, eco-coalitions of the willing do not need to be blocked by veto coalitions of the unwilling. Even in its watered-down form, Agenda 21 provides a useful framework for future action by countries that are prepared to show a higher level of environmental responsibility. Despite the Vatican, for example, the Agenda 21 document calls for the creation of a new institution “information, education and means” to en­sure that women and men “have the same right to decide freely” not only on the number and spacing of their children.” Agen­
da 21 cites the estimate of the Secretariat that funds made available for this purpose present $4.5 billion a year to encourage family planning programs supported by the United Nations in more than 60 developing countries.

Third, international eco-law will come in instalments. The failure of the United States to sign on targets and timetables in the Framework Convention on Climate Change was a disappointment, but hardly a tragedy. The convention commits the United States and other nations to cooperate in stabilizing greenhouse gas concentrations in the atmosphere, and to report on the domestic programs they undertake to achieve this goal.

Six months after the convention comes into force, the parties can add national targets and timetables in the light of scientific evidence. As in the case of the Vienna Convention on the Ozone Layer, subsequent protocols can tighten up national commitments.

Niebuhr's ideas were deeply rooted in a theology of divine transcendence and human fallibility. They were accessible to and influential among people of diverse religious and philosophical backgrounds. "He persuaded me and many of my counterparts," writes the distinguished historian Arthur Schlesinger, Jr., "that original sin provides a far stronger foundation for freedom and self-government than illusions about human perfectibility."

Professor Schlesinger participated in a centennial celebration of Reinhold Niebuhr's life and work at Union Seminary in November and has recently summarized his thoughts in an editorial tribute to Niebuhr, which I ask be included at this point in the Record. It is fitting to pause and honor the life and work of this remarkable American, and perhaps even more important to reflect on how his ideas speak to the perplexities of our own day.

REINHOLD NIEBUHR CENTENNIAL

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 8, 1992

Mr. PRICE. Mr. Speaker, this year we observe the centennial of the birth of Reinhold Niebuhr, one of our country's preeminent theologians and political theorists. Born in Missouri on June 21, 1892, Niebuhr served in Detroit as a pastor for 13 years before coming to Union Theological Seminary in New York in 1928 for what was to be a distinguished and highly productive career.

Niebuhr's ideas profoundly influenced my own understanding of my inherited religious faith and its implications for political life—and similarly shaped the thinking of thousands in my generation. I first encountered his writings as a student at Yale Divinity School where his influence was widespread, ranging from his magisterial "The Nature and Destiny of Man" in theology, to "The Irony of American History" in American religious thought, to "Moral Man and Immoral Society" in social ethics. Niebuhr was a Christian realist not a man of the cloth, much as a system as a way of thinking, tempering idealism with a realization that all human endeavors are subject to the taint of pridefulness and the will-to-power. "The worst form of intolerance," Niebuhr once wrote, "is religious intolerance, in which the particular interests of the contestants hide behind religious absolutes." At the same time, he rejected that cynicism which would dismiss ideals as illusory and settle for a realpolitik that made sin and self-interest normative. The religious ethic of love, although it could never be perfectly embodied in politics, nonetheless compelled its adherents to constantly strive for justice as a proximate public expansion of love. Thus did Niebuhr not put political reality into the service of justice.

Such applications were not always simple or straightforward. In the years prior to World War II, for example, Niebuhr challenged those who interpreted the love ethic to counsel non-intervention and resistance and pacifism. Such a view, he argued, owed more to enlightenment notions of human perfectionability than to that Christian realism that, in taking full account of human sin and the will-to-power, recognized "that justice could be achieved only by a certain degree of coercion on the one hand, and by resistance to coercion and tyranny on the other hand."

While Niebuhr's ideas were deeply rooted in a theology of divine transcendence and human fallibility, they were accessible to and influential among people of diverse religious and philosophical backgrounds. "He persuaded me and many of my counterparts," writes the distinguished historian Arthur Schlesinger, Jr., "that original sin provides a far stronger foundation for freedom and self-government than illusions about human perfectibility."

Professor Schlesinger participated in a centennial celebration of Reinhold Niebuhr's life and work at Union Seminary in November and has recently summarized his thoughts in an editorial tribute to Niebuhr, which I ask be included at this point in the Record. It is fitting to pause and honor the life and work of this remarkable American, and perhaps even more important to reflect on how his ideas speak to the perplexities of our own day.

Yale Divinity School where he felt like "a mongrel among thoroughbreds." He came to the United States in 1938 and taught there for the next three decades as a teacher and scholar, as a man of faith and a man of scholarship.

What gave his activities unity and power was his passionate sense of the tragedy of life, irony of history and fallibility of humanity—and his deep conviction of the duty, even in face of these intractable realities, to be firm in the right as God gives us to see the right. Humility, he believed, must temper our sense of action. Lincoln was his ideal as a statesman because he combined "moral resoluteness about the immediate issues with a religious awareness of another dimension of meaning."

I first heard him preach in the winter of 1940-41 in the midst of the bitter national debate between the isolationists and the interventionists. Man was sinful, Niebuhr said. The self cannot always do the good it intends. But even sinful man had the duty of resistance against evil. One could not justify our standing apart from the European struggle.

This emphasis on sin startled my generation, brought up on optimistic convictions of human innocence and perfectibility. But nothing had prepared us for Hitler and Stalin, the Holocaust, concentration camps and gulag. Human nature was evidently not capable of depravity as of virtue. Niebuhr made us think anew about the nature and destiny of man.

Traditionally, the idea of the frailty of man led to the demand for obedience to ordained authority. But Niebuhr rejected that argument. "I assure you," he wrote, "that the example of those who could not justify our standing apart from the European struggle.

Yale Divinity School where he felt like "a mongrel among thoroughbreds." He came to the United States in 1938 and taught there for the next three decades as a teacher and scholar, as a man of faith and a man of scholarship.

What gave his activities unity and power was his passionate sense of the tragedy of life, irony of history and fallibility of humanity—and his deep conviction of the duty, even in face of these intractable realities, to be firm in the right as God gives us to see the right. Humility, he believed, must temper our sense of action. Lincoln was his ideal as a statesman because he combined "moral resoluteness about the immediate issues with a religious awareness of another dimension of meaning."

I first heard him preach in the winter of 1940-41 in the midst of the bitter national debate between the isolationists and the interventionists. Man was sinful, Niebuhr said. The self cannot always do the good it intends. But even sinful man had the duty of resistance against evil. One could not justify our standing apart from the European struggle.

This emphasis on sin startled my generation, brought up on optimistic convictions of human innocence and perfectibility. But nothing had prepared us for Hitler and Stalin, the Holocaust, concentration camps and gulag. Human nature was evidently not capable of depravity as of virtue. Niebuhr made us think anew about the nature and destiny of man.

Traditionally, the idea of the frailty of man led to the demand for obedience to ordained authority. But Niebuhr rejected that argument. "I assure you," he wrote, "that the example of those who
EXTENSIONS OF REMARKS

ETHANOL RALLY

HON. J. DENNIS HASTERT
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. HASTERT. Mr. Speaker, on Monday, the people of Illinois made it clear that they want to help reduce America's dangerous dependence on foreign oil.

Hundreds of people joined me and the distinguished Republican leaders of both Chambers to rally in Peoria for the expanded use of ethanol, a home-grown renewable fuel source made from agricultural products, primarily corn.

Ethanol blends are cleaner burning than pure gasoline and reduces emissions of carbon monoxide and hydrocarbons. Ethanol adds 20 cents a bushel to the market price for corn. It creates jobs and expands markets for our Nation's farmers. And corn used by the ethanol industry will save taxpayers $7 billion in government-funded farm products.

At a time when America is trying to achieve energy independence, it is critical that the Government supports alternative fuel programs. But the EPA's reformulated gasoline proposal would establish a regulatory roadblock to the use of ethanol-blended gasoline in clean air nonattainment areas, such as Chicago.

Mr. Speaker, during the debate on the Clean Air Act, we in Congress made it clear that our efforts to promote increased ethanol use were consistent with the desire to reduce harmful emissions into the air. Now the EPA has created rigid requirements for reformulated gasoline that shut ethanol out of the market, and it doesn't take into account the primary environmental benefit of ethanol: A 20-percent reduction in carbon monoxide emissions.

Mr. Speaker, as the EPA considers reviving gasoline rules, I hope it asks the following question: Would we rather be reliant on the American farmer for fuel or Arab oil sheiks?

I would like to congratulate Tracy on her outstanding accomplishments thus far and wish her the best of luck in Barcelona. I am proud to have her representing the United States at the Olympic games.

A SALUTE TO WARREN THOMPSON

HON. EDOLPHUS TOWNS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. TOWNS. Mr. Speaker, today I rise to pay tribute to a man who exemplifies achievement and commitment, Mr. Warren Thompson. Finalized this summer, Warren M. Thompson, the majority owner of Thompson Hospitality Inc., purchased 31 Bob's Big Boy outlets in the Baltimore-Washington area totaling $131.1 million. The transaction renders Thompson Hospital the largest black-owned restaurant business and the largest black franchise in the United States. Thompson plans to reach a goal of $40 million between the 31 restaurants. This large acquisition represents a tremendous achievement for the franchisee; however, he refuses to stop there. Thompson vows to utilize the services of as many qualified minority vendors as possible. In addition, Thompson has proposed an adopt-a-school program to reach out and expose children in the communities nearing his franchises to the food-service industry and management.

Mr. Thompson has a history of dedication and success. For 9 years, he trained and worked for the Marriott Corp. He began as an assistant manager trainee at a Virginia-based Roy Rogers outlet and later managed Marriott outlets. He served as a rising manager and became Marriott's top black executive, where he first implemented the successful adopt-a-school program.

Mr. Thompson, now 32, graduated with an MBA from the University of Virginia. He has left an impact on the Marriott Corp., where he paved the way for relations between Marriott and women and minorities. Most importantly, Thompson is an asset to the hospitality and a successful contributor to education, our Nation's economy and the betterment of business in the United States.

In the spirit of black entrepreneurs such as A.G. Gaston, John Merrick, Percy Thompson, and Reginald Lewis, I salute Warren Thompson for carrying on the tradition of combating overwhelming obstacles over which black Americans have survived and prevailed. I hope that the knowledge of his struggle and triumph will inspire yet another generation to work to overcome any obstacle which may be encountered on the long and arduous road to prosperity.

VOTER PARTICIPATION

HON. LEE H. HAMILTON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 8, 1992, into the CONGRESSIONAL RECORD:

THE SUCCESSFUL LAUNCH OF SAMPEX DEMONSTRATES NASA'S COMMITMENT TO REDUCING THE COST OF THE SPACE PROGRAM

HON. GEORGE E. BROWN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. BROWN. Mr. Speaker, I am pleased to announce the successful launch on Friday, July 3, of NASA's Solar, Anomalous and Magnetospheric Particle Explorer spacecraft—or SAMPEX for short. This scientific spacecraft, which was rocketed into space from Vandenberg Air Force Base in California, will collect important data that will lead to increased understanding of the cosmic rays that incessantly bombarded the Earth's magnetic field and also may affect the ozone layer. In addition, SAMPEX will help us to better understand the formation of the Sun and the solar system.

Yet SAMPEX is important for another reason, too. It is the first of the small explorer line of scientific spacecraft that NASA has created as one way of reducing the cost of doing significant scientific research in space. The small explorers are intended to be relatively low-cost spacecraft that can be developed and launched quickly—while still delivering high-quality science. The SAMPEX mission demonstrates that NASA has been able to achieve the goals of the Small Explorer Program. SAMPEX cost $27 million, and it was designed, built, and launched within a 3-year period.

Mr. Speaker, SAMPEX and the Small Explorer Program offer visible proof of NASA's drive to reduce the cost and increase the efficiency of the Nation's civil space program. NASA currently is in the midst of a wide-ranging internal review of all of its major programs—including space station Freedom and the Earth Observing System—to see where costs can be cut and management streamlined. The NASA Administrator has recognized that budgets will be constrained over the foreseeable future, and he is moving aggressively to structure a lean, forward-looking, and affordable space program. I support him in that effort. He is providing an example that other agencies of the Federal Government would do well to emulate.

However, we must remember that cutting costs is not the only answer. An important reason for the success of the SAMPEX mission was the provision of stable funding to the program. As the House considers the NASA appropriation later this month, I urge Members to join me in assuring that NASA receives sufficient funding for the important programs—including space station Freedom—that the Congress and the administration have directed NASA to carry out.

Meanwhile, I would like to offer my congratulations to the scientists and engineers involved with SAMPEX, and I look forward to the exciting discoveries that are likely to result from the mission in the days ahead.

CONGRATULATIONS TO TRACY RUDE

HON. RONALD K. MACHTLEY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to honor Tracy Rudeford Barrington, RI, who has just been named to represent the United States on the Olympic rowing team this summer in Barcelona.

Tracy began her training at the Narragansett Boat Club in Providence and has been highly rewarded for her efforts since then. She has placed in four events in both the United States and World Rowing Championships for the past 2 years and has most recently been named the National Champion for the Women's Eight boat in 1991.

Tracy earned her position as a sweep on the Olympic team by being selected to attend a camp run by the coaches of the U.S. National Team. At the camp, she was judged to be one of the fastest and most powerful rowers in the country, and offered a spot on the prestigious team.

I wish her the best of luck in Barcelona.
VOTER PARTICIPATION

A century ago, 80 percent of all eligible voters regularly turned out for American presidential elections. Today the United States, the birthplace and beacon of modern democracy, ranks behind almost every other free country in terms of voter participation. Just 38 percent of all people at voting age voted in the presidential election of 1988. I believe that strong measures must be taken to increase the participation of small voters in the political system, or politics will become increasingly a spectator sport.

THE PROBLEM

Low levels of voter participation are disturbing for several reasons.

First, low participation can distort the electoral process. Voting is the most direct connection between citizens and their representatives. Citizens can register their preferences about issues and candidates by voting. When people abstain, their views are not fully considered in the electoral process. The preferences of non-voters are usually similar to the preferences of voters, but in certain elections the level of turnout may influence the outcome. Every vote matters.

Second, low turnout makes governing more difficult. Elections are the primary source of political support in a democracy. Candidates for office cannot win the votes of a bare majority of the voting-age public and expect to win. Only 27 percent of voting-age Americans actually voted for George Bush in the 1988 election. With such low turnouts, it is difficult for public officials to credibly claim that they have a popular mandate. Their ability to govern is damaged.

Third, while the act of voting draws citizens into the political system, abstention reinforces the disillusionment that so many Americans feel about politics. The act of voting makes people feel like they have a stake in the system. It leads people to invest the time and effort necessary to learn about issues and candidates. In contrast, current turnout rates signal that a large portion of the electorate may never participate fully in the American political system.

BACKGROUND

There are many reasons why people do not vote. In some elections, the issues are not very pressing. Young people, often lacking roots and stability, are less likely to turn out. But people also have become more cynical about government in recent years. Many people believe that the politicians who get elected. They dislike the candidates, the political parties, and politics in general.

Certain voter registration laws also discourage voting. In many areas, the problem of voter registration is that of the voter registration is that of a voter registration: 80-90 percent of registered voters typically vote in presidential elections. The problem is that at least one-third of all eligible voters—70 million people—are not registered to vote in this country.

A substantial number of potential voters in the U.S. choose not to register because it can be inconvenient, time-consuming or difficult. One-third of our adult population moves to different states and different counties each year, and local registration practices can pose barriers to voter registration. Many Hoosiers tell me that busy home and work schedules give them little time to register. And some people, even for important duties like registering to vote.

Other electoral processes can discourage turnout. For example, turnout increases as the polls close at 6:00 p.m. before many potential voters can get home from work or finish the things they need to do to take care of a home and family. Burdensome registration procedures and other obstacles to voting keep millions of Americans from the polls.

State electoral laws should be reformed to promote voter participation. Indiana, for example, might consider keeping the polls open later. In the 1988 presidential election, Hoosiers could vote between 8:00 a.m. and 8:00 p.m. Indiana is only one of three states where the polls close this early, and over half of the states keep their polls open more than 12 hours. Hoosiers should be able to vote later in the evening. Currently Hoosiers must also register at least 29 days before the general election. I believe Indiana should consider moving voter registration dates closer to elections. In addition, many other states allow delayed-in registration cards, or sign up now voters at polling places on election day. Voter participation might be increased by easier registration, a 24-hour voting period, or even a holiday on election day.

The federal government can take steps to make voter registration more convenient. One recent proposal, known as the "motor voter" bill, would permit citizens to register at the same time they apply for a driver's license or other types of permits, such as hunting and fishing licenses. This proposal would allow registration through the mail and would require states to have registration forms available at a variety of locations, including welfare offices. States would be banned from purging their voter rolls of those who do not vote. Many citizens would benefit from a simplified, more accessible registration system, including the elderly and persons with disabilities.

We also need to promote in people a greater sense of civic duty and confidence in the political process. Parents, educators, and religious leaders should renew their efforts to promote in people a greater sense of civic duty and confidence in the political process. Parents, educators, and religious leaders should renew their efforts to teach young people about the responsibilities of citizenship. The media should adopt a more balanced approach to covering elections—one that explores the positive aspects of American politics in addition to the negative. The campaign finance system should be thoroughly revamped so that ordinary citizens can be confident that candidates for office are responding to them, rather than to special interests.

Voter participation ultimately depends on the change in the performance of government institutions. Few Americans feel that the issues they care about are being adequately confronted by public officials and candidates. Politicians respond to articulate and clearly positions on the important issues of the day and explain these positions to the American people. They also need to listen to the opinions of voters and to the savings cards of voters. In addition, the same public officials make the system work better, then people will vote.

EXTENSIONS OF REMARKS

July 8, 1992

HON. HELEN DELICH BENLEY OF MARYLAND IN THE HOUSE OF REPRESENTATIVES Wednesday, July 8, 1992

Mrs. BENTLEY. Mr. Speaker, my fellow colleagues, I rise today to recognize Fort George G. Meade, MD, on the occasion of its 75th anniversary.

By an act of Congress in May 1917, Fort George G. Meade was authorized and the present site selected the following month. In honor of Maj. Gen. George Gordon Meade, the post was originally named Camp Meade. Commander of the Army of the Potomac during the Civil War, Major General Meade's strategy at the Battle of Gettysburg provided a victory that marked a turning point in the war.

Fort Meade has a rich history and always has been a vital part of our national defense. More than 100,000 men and women passed through Camp Meade in World War I and, in 1919, the Tank Corps Headquarters and Tank School was established at the camp. On March 5, 1929, by an act of Congress, this facility was renamed Fort George G. Meade and designated a permanent installation.

During World War II, Fort Meade served as a major training center. Approximately 3.5 million men and women passed through the post from 1941 to 1946. During this time, the post also served to house prisoners of war. After the war, in June 1947, the Headquarters 2d U.S. Army was transferred from Baltimore to Fort Meade.

Some years later, on January 1, 1956, 2d U.S. Army merged with the 1st U.S. Army and Fort Meade became the location for the command. In 1969, the same year, the 11th Armored Cavalry Regiment from Fort Meade was assigned to South Vietnam.

For over seven decades the men and women of Fort Meade have answered the call to duty. Today Fort Meade provides support to Active Army, Army Reserve, and National Guard units. Fort Meade also provides post support services to Headquarters, 1st U.S. Army, the National Security Agency, and other Department of Defense organizations.

I would like to take this opportunity to say a few words about the 75th anniversary of Fort Meade's establishment.

As a dedicated and integral part of our national defense, Fort Meade has served this country with an unparalleled degree of professionalism and excellence. Mr. Speaker, my fellow colleagues, I commend the hard working men and women who have passed through Fort Meade. I ask that you join me in congratulating Fort Meade on the occasion of its 75th anniversary.

RAY KRAMER: MAN OF THE YEAR FOR A LIFETIME OF GOOD WORKS

HON. FRANK PALLONE, JR. OF NEW JERSEY IN THE HOUSE OF REPRESENTATIVES Wednesday, July 8, 1992

Mr. PALLONE. Mr. Speaker, on Wednesday, July 8, 1992, the Kiwanis Club of Neptune-Ocean in Monmouth County, NJ, will honor one of the most distinguished and beloved members of our community, Mr. Ray Kramer of Spring Lake, NJ. The occasion for tonight's tribute to this great man is the Kiwanis Club's annual fundraising day at the Woodlake Country Club in Lakewood, NJ. Although my duties as a Member of this House preclude me from being there in my district, personally I want to join in honoring Ray Kramer. I would like to take this opportunity to pay tribute to a man whom I consider a friend, a valued colleague, and a role model for all public servants.

The list of Ray Kramer's many accomplishments and leadership activities would probably
EXTENSIONS OF REMARKS

July 8, 1992

fill at least half the pages of today's CONGRESSIONAL RECORD. Thus, I will try to summarize some of his more prominent achievements. Mr. Kramer was a member of the Monmouth County, NJ, Board of Chosen Freeholders for 8 years, during which time he served as director for 4 years and deputy director for 2 years. He served as mayor of the city of Asbury Park, NJ, from 1973 to 1985, having been a city councilman for 5 years prior to becoming mayor. He was the president of the New Jersey Conference of Mayors in 1978 and 1979, and also served that organization as treasurer, member of the board of trustees and member of the Legislative Action Committee. He has also served on numerous other boards and commissions at the local, county, and State levels, bringing his unique combination of intelligence and compassion to these public service positions.

Mr. Kramer's accomplishments in the private sector are equally impressive and diverse. For nearly five decades, he has been a successful restaurateur in Monmouth County. His keen understanding of how to make a business work has been a major factor in his work in government. He has brought to his public policy work the results-oriented sensibilities of a businessman, and has shown an ability to relate to the economic concerns of the working people and small business owners who are the backbone of our economy.

Ray Kramer has been a lifelong resident of Monmouth County. He is a graduate of Asbury Park High School. He went on to get his B.S. Degree in business administration at the University of South Carolina. He subsequently served as an ensign at the U.S. Navy Midshipmen's School at Columbia University. Ray Kramer served his country in the Navy during World War II, attaining the rank of lieutenant, senior grade. He is a member of a Congregation Sons Of Israel in Ocean Township, NJ, and has been its vice president for 23 years. The range of his memberships and affiliations with benevolent, cultural, philanthropic, and public service organizations is extensive to say the least.

Ray and his wife Leilani have three children, Kris, Kelly, and Kasey. Ray is also the father of two sons, Jeffrey and Kevin. The Kramer family certainly has much to be proud of, as do all of us who are lucky enough to call Ray Kramer a friend. Through his hard work and commitment to community service, Ray Kramer has touched and enriched the lives of thousands of people living on the Jersey Shore. I take great pride in joining with the Kiwanis Club of Neptune-Ocean in paying tribute to the Man of the Year, the Honorable Ray Kramer.

SMALL AND MEDIUM MANUFACTURERS ARE A VITAL ASSET TO OUR NATION'S ECONOMIC HEALTH

HON. GEORGE E. BROWN, JR. OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. BROWN. Mr. Speaker, small and medium manufacturers are a vital asset to our Nation's economic health. These manufacturers comprise 355,000 firms and 8 million workers who account for 40 percent of our manufacturing workforce. However, to compete with firms in nations that have access to lower-cost labor and firms in nations that are rapidly adopting and advancing state-of-the-art manufacturing techniques, our firms are finding that it is increasingly critical to operate at the frontiers of manufacturing to be competitive.

Although there is strength in our numbers, there are weaknesses in the access to needed resources and to needed training and information. Governments of other advanced nations have realized this and have developed extensive programs to assist their manufacturers in monitoring and adopting the best international practices. In Japan, for example, a country the size of California, the government has established 170 manufacturing extension centers to assist small- and medium-size manufacturers, which operate with a total annual budget of $500 million. In the United States, by comparison, the Federal Government committed a meager $16.3 million to civilian manufacturing extension services in fiscal year 1992.

The small scale of the U.S. effort reflects only the newness of the programs and not their success, which has been dramatic. In a review by the Government Accounting Offices of the first three manufacturing technology centers, it was found that in the first 2 1/2 years of operation, $144 million of productivity improvements were identified, with a Federal investment over the first 3 years of $22 million: A tremendous and immediate return on the investment of Federal dollars.

The operation of technology extension services across the United States and in other countries has been thoughtfully analyzed by Dr. Philip Shapira and summarized in two articles in Issues in Science and Technology. In the first article, "Helping Small Manufacturers Modernize," (fall 1990) Dr. Shapira confirms the success of these programs and the importance in innovation. He notes that the expertise made available by these centers is critical because it is not available to restaurants and small manufacturers. Technologies requires not just the purchase of new equipment, but knowledge about how the equipment can be most effectively used in a firm’s processes. He notes that the manufacturing extension services provide important information about the overall management of the enterprise, including work force training, quality control, shop-floor organization, management systems, and inventory control, and can do so in a pragmatic fashion that realizes the constraints of these firms.

Finally, about a government role, Dr. Shapira draws the following conclusion:

Public commitment is vital. Industrial extension is not a "quick-fix" jobs program. Rather, it works over the long term to improve productivity and quality, technological capability and flexibility, and management and labor skills."

In the second article, "Lessons from Japan: Helping Small Manufacturers," (spring 1992) Dr. Shapira evaluates the programs in Japan and finds extensive participation by the industrial firms filling perceived unmet abilities.

The needs identified by Dr. Shapira are precisely those being addressed in the legislation contained in the American Technology Competitiveness Act of 1992 (H.R. 5230) and the National Competitiveness Act of 1992 (H.R. 5231). The former, H.R. 5230, is a bill that I have introduced and the latter, H.R. 5231, is legislation introduced by Mr. VALENTINE which was recently approved and ordered reported by the Committee on Science, Space, and Technology. The report will be filed this week. These bills call for a number of carefully considered measures that would assist our firms in adopting the best practices in the industry, including the more substantial support of manufacturing extension services, the promotion of manufacturing outreach centers, and the creation of an electronic information network that would speed the flow of knowledge across industries.

Dr. Shapira's article describing the manufacturing extension program in Japan is highly informative of the successful implementation of an activity that is widely used by industry, and that provides broad-based and ordered programs for small- and medium-size manufacturers at the technological forefront. The article also describes the stark contrast with the small scale of activity in the United States. I would like to quote excerpts from this article to the pages of today's CONGRESSIONAL RECORD.

[Excerpts from Issues in Science and Technology, April 1992]

LESSONS FROM JAPAN: HELPING SMALL MANUFACTURERS
(By Philip Shapira)

In seeking to understand Japan's manufacturing prowess, Americans usually have focused on Japan's huge industrial companies and on government policies toward these corporate giants. But, although there is much to learn from the big firms, the spotlight on the Toyotas and Matsushitas has obscured a key factor in Japan's success: a broad, robust base of small manufacturers aided by a comprehensive local and regional system of technological support. In today in Japan, hundreds of thousands of small manufacturing companies are not only high-quality innovators in Japan's larger firms but also becoming innovators in their own right. Many of these small firms are those that are closest to their customers with their larger customers. They also can turn to an array of publicly sponsored centers and programs that help to promote manufacturing best practices, diffuse technology, enhance worker skills, and encourage interfirm linkages. Japan's public tech- nology institutions offer a range of programs. Tax incentives far exceed what is available for comparable companies in the United States and plays a vital role in Japan's overall economic success.

The system of support for technology development and application for small Japanese firms includes public and private credit guarantees, and equipment leasing programs provided by public agencies, cooperative organizations, and private organizations. Tax incentives for equipment investment are also offered. The central government, through the Ministry of International Trade and Industry (MITI) and other ministries, sponsors numerous regional technology projects as well as initiatives to stimulate technology information exchange, diffusion, and sharing among smaller firms. Local and national governments are pursuing similar strategies, generally in partnership with the central government. The variety of programs makes it hard to calculate total spending for small-
firm technology assistance in Japan, but es­timates run into billions of dollars.

At the heart of Japan's system of technolog­ical support for small manufacturers is a national network of 170 public centers, called Kohsetsushi centers, that extend research services, technology as­sistance, testing, training, and guidance to enterprises with 300 or fewer workers. They also run industrial technology centers born of the Japanese words for public (koh), es­tablishment (seitetsu), and testing labora­tory (shikenjo). With their easy access and nominal fees, the Kohsetsushi centers pro­vide small Japanese firms with an effective source of assistance to improve their manufac­turing operations and products.

Ironically, the model for the Kohsetsushi centers is an American one—the agricultural extension system that, for more than three­quarters of a century has shaped U.S. farms. American small farmers adopt new techniques and increase agricul­tural productivity. Although some U.S. tech­nology extension initiatives are under way, they are patchy, fragmented, and lack the stability, scale, and scope of Japan's cen­ters. Given the problems of U.S. manufactur­ing—such as the valuable contribution of extension-type programs here and in Japan—the United States should examine the Japanese Kohsetsushi centers. An example of how a comprehensive network of industrial exten­sion can support its small manufacturing firms.

**SMALL IS BIG IN JAPAN**

The Japanese manufacturing economy is built on a foundation of small firms. There are more than 97,000 producers with 300 or fewer workers in Japan—more than twice as many as in the United States. Just one-half of these employ fewer than four workers, leaving a core of about 41,000 companies with 5,300 employees, versus 200,000 such firms in the United States. Once considered a backward part of the Japanese economy, small manufacturers have risen steadily in importance since the early 1920s. Today, they comprise nearly three-quarters of manufacturing employment and more than half of manufacturing value-added.

The small manufacturing sector in Japan is not, of course, homogeneous. Numerous labor-intensive, low-technology operations still exist, with a few pulling small Japanese and foreign subcontractors, with no plant or equipment of their own. At the same time, a large and growing number of Japanese producers are directly engaged in modern manufactur­ing, frequently using advanced technologies. Overall, small manufacturers in Japan are more likely to use new manufacturing tech­nologies than their counterparts in the United States. For example, compared with simi­larly sized American firms, a large number of Japanese manufacturers use numerically or computer-controlled machine tools, and four times as many Japanese companies use ad­vanced machining centers and handling ro­bots. Work-force training—a key element in the effective use of new technology—also is more prevalent in small Japanese firms than in American ones.

**THE KOHSETSUSHI SYSTEM**

Just after the turn of the century, the United States pioneered a public system to link agricultural research with farmers, thereby accelerating the diffusion of new farm technologies and techniques. A federal-state-county agricultural extension service was established, with county field agents and technical support staff to bridge the gap between farmers and experts as agricultural experiment stations and land-grant univer­sities. Although a parallel system for indus­trial extension was also discussed at the time, only agricultural extension was widely implemented.

In Japan, then as now keen to bolster eco­nomic modernization, the value of exten­sion was more broadly perceived. With central government support, prefectural exper­imentation stations were established rapidly in agriculture and then in manufactur­ing. Many Kohsetsushi centers were founded in the 1920s and 1930s. For example, Tokyo's large Metropolitan Industrial Technology Center, specializing in the electrical, elec­tronics, machinery, metalworking, and chemical fields, dates to 1921. And new cen­ters are still being formed. For example, the Hokkaido Industrial Technology Center was set up in 1986 as part of a regional strategy to revitalize industry in the northern port­city of Hakodate.

Today, each of Japan's 47 prefectures has at least one Kohsetsushi center. In major indus­trial areas, the numbers are higher. Aichi prefecture, which includes the industrial me­tropolis of Nagoya, has eight centers. Kohsetsushi centers typically specialize in the industries active in their areas. Some focus on agricultural or traditional crafts, others on high technology. However, most have extended into manufacturing, especially in machinery, metals, chemicals, apparel and textiles, electronics, ceramics, and food processing. The services and activities of Kohsetsushi centers are as follows:

**Applied research**

About 6,900 people work at the centers, in­cluding 5,000 engineers and other technical personnel. About one-half of Kohsetsushi center staff time is spent working on industrially oriented projects and cooperative activities with local manufacturers. Projects can be small or large. For example, companies frequently send one or two of their staffs to a center to work on a project, which gives them research experience, updates their technical knowledge, and helps transfer technology back to their firm.

**Information dissemination**

Most Kohsetsushi centers run seminars, study groups, and even exhibitions to spread information on research and new technology. Centers also publish newsletters and re­search reports and maintain technical librar­ies.

**Testing**

Center labs test materials and products, verify whether products comply with Japa­nese and foreign standards, calibrate meas­uring instruments, and make sophisticated testing equipment available. These services help small firms to enhance quality, preci­sion, and reliability, and to avoid costly re­solve problems with materials and compo­nents. Nominal fees are charged. In some centers, staff teach courses on quality con­trol, design, and problem-solving skills. Visits and assistance to manufacturers are arranged to provide quality assistance. Firms use Kohsetsushi analysis, testing, and in­spection services more than 900,000 times each year.

**Advice and guidance**

Each center provides help in solving tech­nical problems and implementing new tech­nology. Many small firms lack the time or money to search for help by telephone or by manager visits to centers. For more complex problems, center staff pro­vide assistance on site. In 1989, Kohsetsushi centers provided technical advice in 450,000 instances, including 28,000 in which experts were sent to firms. The centers also admin­ister a program in which 3,500 registered pri­vate technology advisers, usually engineers or professors, are matched with companies and provide technology consulting services.

**Training and use of laboratories**

Small manufacturers send employees to the Kohsetsushi centers for training in the use of new technologies. The centers also provide lab space and equipment, allowing companies to use specialized and advanced equipment for research, prototype development, and employee training in small manufacturing. Kohsetsushi facilities and equipment are used by small firms about 61,000 times annually.

**Technology diffusion groups**

Kohsetsushi centers, as well as many other local organizations, sponsor groups of small companies that meet to exchange informa­tion and cooperate on sharing technology and developing new products and markets. Efforts to organize these groups began in the mid-1960s, as part of MITI-sponsored initia­tives to promote small-firm networking and increase the role of small firms in regional development. Participating Kohsetsushi cen­ters often organize several groups, with up to 50 local firms involved in each.

Spending on Kohsetsushi centers totals about $500 million a year. Most of this funding comes from state-county agricultural exten­sion services and local governments, with a small amount of revenues generated by fees. The central government typi­cally provides 10 to 20 percent of each cen­ter's budget.

**LESSONS FOR THE UNITED STATES**

Although concern has grown in the United States in recent years about lagging indus­trial modernization, especially in smaller firms, few efforts have been mounted. Industrial extension and technology deployment programs have for the most part been limited. About 40 in­dustrial extension programs have been es­tablished in 28 states, including five federally aided Manufacturing Technology Centers (MTCs). In addition, several states and re­gional organizations are starting small-firm networks to promote shared approaches to modernization. Administered by a range of educational institutions, state agencies, and nonprofit organizations, most of these initia­tives are small and their services vary great­ly.

Several of the more successful U.S. pro­grams, however, offer services akin to those provided by the Kohsetsushi centers. For ex­ample, Georgia's Georgia Manufacturing Technolo­gy Centers (MTCs), sponsored by state coun­ties and operated through the Georgia Tech­nology Foundation, university-administered industrial exten­sion services employ technical field agents to help firms solve technology and produc­tion problems and improve productivity. Pennsylvania supports a series of industrial resource centers, some of which match firms with private technical consultants, the fed­erally sponsored MTCs adapt and transfer in­formation and technology, help solve prob­lems and introduce new manufacturing tech­nology, and conduct demonstrations and ap­plied projects with regional firms. But such programs are exceptions; in comparison with Japan, approaches to technology efforts are lacking in several critical areas:

**Scale and extensive geographic coverage**

In 1990, only 11,800 of the 555,000 U.S. manu­facturers with fewer than 500 employees were served by federal and state ag­ency extension services, according to the National Gov­ernor's Association. Ten local programs ac­counted for more than two-thirds of these as­sisted firms. Many states have no substan­tial industrial extension effort at all. Addi­tionally, although there are some 50 indus­trial networks in 14 U.S. states, involving about 1,500 firms, this pales in comparison to
Japan, where MITI reports that more than 2,000 technology diffusion groups exist, with a membership of 70,000 firms.

**Comprehensive basic services**

In contrast to the wide range of basic services offered by American firms, only a dozen U.S. extension programs use field staff to work directly on site with firms. Similarly, only a U.S. program actively integrate technology with training, put a major emphasis on measurement and quality, or facilitate collaborative, holistic, pragmatic research links with small firms.

**Long-term stability and core public financial support**

Although industrial modernization is a big problem that requires a long-term approach, program support in the United States is generally inadequate and short-term. Total funding for existing U.S. industrial extension programs is only about $70 million, including state, federal, university, and industry sources—much less than that allocated to Japan, which has a lack of national leadership. Even in the face of the well-regarded Michigan Modernization Service, have been eliminated. Even in the flagship MTC program, federal funding is to continue. The third year and ended in the sixth. A number of U.S. programs are now seeking fee income from firms to cover costs. However, although fee generation can discipline programs to provide those services most valued by firms, the important spill-over aspects of industrial extension need a consistent and sufficient core of public support to be fully realized.

**A national commitment**

To a large extent, difficulties facing U.S. efforts reflect a lack of national leadership, and consensus in the United States about the importance of manufacturing in general, and industrial extension in particular. Financial support is inadequate, and policy coordination and continuity is weak at the federal level and in most states. Japan's industrial policy commitment at central as well as local levels is demonstrably stronger, and there is more robust political and financial support for a comprehensive industrial extension system. Indeed, perhaps the fundamental lesson to be learned from Japan's programs is that modernization and extension initiative need to be thoroughly implemented to be effective. The United States achieved this comprehensive in agricultural extension, which reaches out at the country level through county farm extension offices. Federal, State, and industry collaboration is now needed to craft a comprehensive system for the nation's manufacturing firms.

Although success in manufacturing depends on many factors, the U.S. lag in establishing systems to assist small firms to deploy modern technology and improve manufacturing puts these firms at a disadvantage in comparison with their small Japanese counterparts. A major reason for the overall manufacturing base. This is not to say that new U.S. efforts should be narrowly modeled on the Kohsetsushi approach; U.S. industrial, regional, and institutional conditions will require a different mix of strategies. However, the United States does need to make sure that its policy and programmatic responses to lagging small firm modernization are not only innovative, but also effective and comprehensive, with the scale, coverage, and long-term stability to make a difference.

**TRIBUTE TO ERMON K. JONES**

**HON. FRANK PALLONE, JR. OF NEW JERSEY IN THE HOUSE OF REPRESENTATIVES**

*Wednesday, July 8, 1992*

Mr. PALLONE. Mr. Speaker, the New Jersey State Federation of Colored Women's Clubs, Inc., will hold its 77th annual convention from July 11 to July 13 in Bridgeport, N.J. On Saturday evening, July 11, the federation will hold the 1992 awards banquet, featuring as guest speaker a distinguished former Member of this body, the Honorable Shirley Chisolm.

I would like to pay a special tribute to Mr. Ermon K. Jones of Neptune, N.J., who will receive the Outstanding District Citizen's Award at Saturday's event for his community activities and his church participation. Mr. Jones was born and raised in Neptune. After graduating from Neptune High School, he completed a year at Monmouth College, West Long Branch, N.J., and then served 3 years in the Army. In 1945, Mr. Jones received a basketball scholarship from Morgan State University, Baltimore, where he earned a B.A. degree. He subsequently received a masters degree from Teachers College, Columbia University, New York. He served as a field engineer at Fort Monmouth from 1951-69, and was then selected by the commanding general to serve as chief of the office of equal opportunity, where he served until his retirement.

Mr. Jones has a record of accomplishment on civil rights and community service that is second to none. He was president of the National Association for the Advancement of Colored People from 1966-70, and as chairman of the board of directors of the NAACP from 1966-70. Mr. Jones has been there to get the job done. That is one reason to be proud of Mr. Ermon Jones for his many accomplishments. He has left the community a better place for his involvement, and he has immensely enriched the lives of many people, particularly young people, who may not even know his name. His name is certainly well known to me, and it is indeed an honor and a privilege to share this partial list of his many achievements with the Members of this House.

**IN THE MIDDLE GROUND OF ROE VERSUS WADE**

**HON. DON EDWARDS OF CALIFORNIA IN THE HOUSE OF REPRESENTATIVES**

*Wednesday, July 8, 1992*

Mr. EDWARDS of California. Mr. Speaker, as the abortion debate heats up in the wake of the Casey decision, I commend to my colleagues' attention the following article on the legal meaning of Roe versus Wade. This article from Sunday's Washington Post debunks the many myths about Roe and reveals the compromise at the heart of that seminal decision.

I urge my colleagues to read this informative piece before voting on the late-term abortion provision of the Choice Act, a bill to codify the standard established in Roe.

From the Washington Post, July 5, 1992

A TRUCE FOR THE ABORTION WAR

(By Robert S. McElvaine)

So the abortion war continue. The Supreme Court has kept Roe v. Wade alive for a while yet, though nibbling at the edges. Now combatants are digging in for the next round on Capitol Hill and in the streets. The presidential and congressional campaigns will be full of fury. Increasingly, abortion seems to be a classic either-or conflict that demands compromise.

Yet a satisfactory middle ground does exist—and in fact is already on the books—if only we would take notice of it. That middle ground is Roe v. Wade itself.

Before proceeding, let's take a test. Ask yourself what you think the Supreme Court actually said in the historic 1973 abortion de- cision. How about this: that "the woman's right is absolute and that she is entitled to terminate her pregnancy at whatever time,
In whatever way, and for whatever reason she alone chooses." Or maybe this: "one has the right to agree with any one's body as one pleases."

Those words probably sum up what many Americans are thinking. It is in brief, that women have a fundamental right to "abortion on demand." If you're among them, you're wrong. Indeed, the court made by appellants in Roe. With this we do not agree.

Ironically, what the court did rule in Roe could not have been of the abortion case. Most Americans clearly are somewhere in the middle on this question, torn by feelings both for the woman with an unwanted pregnancy and for the potential life in her. Most of us yearn for a way to avoid identifying with the extreme proponents of either side. Roe avoids those extremes, leaning toward the interests of the mother early in the pregnancy and then increasingly toward more equal interests of mother and fetus as birth approaches.

The starting point in finding a sensible middle ground is to understand that both sides in this rancorous dispute base their arguments on the fundamental assumption, one that is a central and most troubling feature of the modern world view. Both sides in this controversy have a modern idea of humans as separated, isolated individuals or "selves" that they seem incapable of perceiving two lives tied together.

The embryo has become a symbol of modern disconnection and atomization that they see the fetus, the embryo, even the fertilized ovum, as a separate "individual"—despite the plain fact that it is intimately connected with and utterly dependent upon the body of the mother. Many argue further that life begins at conception and that the embryo therefore is an actual (not just potential) human life equal to that of the mother—even though a fertilized egg or embryo is ordinarily not yet the same thing as a fully developed person.

When the subject is not abortion, almost everyone recognizes the difference between a potential life and an actual life. No one confuses an acorn with an oak tree or an egg with a chicken. Even our churches make a clear distinction between a potential life and a complete human being. When a woman has a miscarriage in the early stages of pregnancy, for example, so we are told, she should search for the fertilized ovum, give it a name, have a clergyman perform a ceremony to prepare it for entry into heaven, and place it in a grave.

But the embryo is not a true embryo, even in its earliest stages, is understood by all to be an event that produces sorrow because it ended human life.

For their part, the extreme abortion-rights advocates insist that the "individual" concerns of the woman are the only consideration. That a woman's control over her body is an absolute right and should never be abridged in any way. As much modern believers in disconnection as their anti-abortion opponents, they refuse to acknowledge that there are two interests to be considered. I have even heard some refer to the embryo or fetus as a "parasite"—transforming one's own potential off-spring into an alien organism and making "its" destruction acceptable.

This would seem to be a classic dualistic argument, pitting two mutually antagonistic and irreconcilable principles against each other. So everyone must pick a side and be eternally right or wrong. There can be no middle ground, just as one cannot have a "partial abortion" or be a "little pregnant."

But in fact this analogy is an excellent one. The potential and the actual life are two, connected "interests" that are involved and both of whose fates can be avoided by taking into account one of their connectedness. It is a potential human being. What happens to it to be a matter of very careful consideration. On the other hand, we might also agree that the life to which it is tied is more than a potential one; its interests—her interests—must take precedence.

Therefore, once the interests of the potential human life are weighed, if those of the existing human life are found to be clearly incompatible with the bringing of the potential life to fruition, an early abortion is justified. But the further into a pregnancy one "...plus" gets, the more nearly the interests of the potential life come to equalizing those of the existing life, and so the less justified an abortion is. Approaching this most difficult question with some understanding of the connectedness of the mother and the potential life inside her enables us to realize that the question is not whether there is a "full abortion"—one which is performed on someone who is "a little pregnant"—and that is much more acceptable than "a partial abortion"—one on someone who is "very pregnant."

In the end, the either/or choice cannot be made. One must do good thinking of about the combined interests of the existing life and the potential life has been done first. If only we should find a way to put this moderate approach into effect.

But the middle way has already been found. It is presently the basis of Roe v. Wade, antiabortion forces have managed to convince most Americans, regardless of their viewpoint on the issue, that Roe was an extreme, pro-abortion ruling. It was not. Given the mythology that has been constructed around this decision, most Americans probably would be surprised to read what it actually says.

The little-recognized fact is that Justice Harry Blackmun's majority opinion in Roe made every effort to balance the two intertwined interests of mother and potential child. This is why Blackmun and the court concerned themselves with "viability" of the fetus and came up with its division of a pregnancy into trimesters. In the first, the interests of the mother are plainly paramount. In the last, those of the fetus are held to be nearly equivalent to those of the mother.

The state's "legitimate interest in protecting the potentiality of human life," Blackmun wrote, "... grows in substantiality as pregnancy advances, and at a point during pregnancy, [it] becomes 'compelling.'" He continued: "With respect to the State's important and legitimate interest in the potential life, its power is absolute, a power which we deem incompatible with the concept of separate värdity. This is so because the fetus then presumably has the capability of meaningful human life outside the mother's womb."

The court was less comfortable dealing with the middle trimester and the question of when viability occurs. But it concluded that in those cases where the potential life is viable in the State, in promoting its interest in the potentiality of human life, may, if it choos, regulate, and even proscribe, abortion, except in cases where the mother is endangered.

This is hardly the extreme "pro-abortion" stance that most people have been led to believe the court took. The Roe decision was in fact a remarkable attempt to avoid the sort of either/or, only-one-side-can-prevail thinking that has dominated the abortion debate for nearly two decades.

Americans looking for a middle way in the abortion debate should realize that they already have one. It is called Roe v. Wade and, despite last week's disturbing shift away from the trimester system, it is still the law of the land. What is needed is a reaffirmation of Roe—the real, moderate, balanced Roe decision that Mr. Justice Blackmun wrote in 1973, not the extreme ruling that exists in the popular imagination.

A CONGRESSIONAL SALUTE TO OLIVERIO DE LA CRUZ CODY

HON. GLENN M. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 8, 1992

Mr. ANDERSON. Mr. Speaker, on Thurs­

day, July 9, 1992, the Wilmington Chamber of

Commerce will hold its 88th annual installation

of officers' dinner. It is with great pleasure that

I rise today to pay tribute to an exceptional man, his outgoing president, Mr. Oliverio De La Cruz Cody.

Oll's life story is as interesting as it is remarkable. Born in the small mountain village of Tixlancingo, Mexico, in 1934, Oll recalls seeing an airplane flying overhead before he ever saw an automobile. His family was extremely poor and he often went hungry, but they instilled in Oll the value of hard work and the need for a good education. In order to assist with the family finances, Oll, at the tender age of 9, operated a corner stand.

As a young teenager, Oll was selected, on the basis of his excellent grades at school, to be sponsored by an American family, the Cody's. This sponsorship opened up a new world for Oll. At the age of 13, he was placed on a bus and without comprehending any English was sent to live with the Cody's in California. His new family could not speak Spanish and Oll had learned a stunted English in just 6 short months. Over the next 5 years, he truly became a member of the Cody family and they legally adopted him. He graduated from Gardena High School in June 1972 and attended California State University, Dominguez Hills, where he majored in mathematics. Although Oll became a permanent resident in 1977 and a United States citizen in 1986, he never severed ties with his natural family, who still reside in Mexico.

From this auspicious start, Oll has made a name for himself in southern California. Over the years, he has held many diverse and challenging positions. Oll has been a tutor at California State University, Dominguez Hills, the manager of several finance companies, a collector for the county of L.A., and a maker and installer of wrought ironwork. In 1987, he became the proprietor of Harbor Furniture Store. Oll has succeeded in all of his business ventures due to his diligent efforts, dedication, knowledge, skill, and charm.
the family and country that accepted him with open arms. He demonstrates this appreciation by his involvement with community activities. He is a member of the Wilmington Chamber of Commerce, the citizens advisory board of Wilmington, and the Rotary Club.

As Oli's term as president draws to a close, he is secure in the knowledge that under the guidance of president-elect, Rodger S. Hunt, the chamber will continue the fine traditions established 88 years ago. Mr. Speaker, my wife, Liz, and I wish him every success in his congressional salute to Mr. De La Cruz Cody. We wish Oli, his wife, Carol, and their children, Heather and Marcos, all the best in the years to come.

MOUNDS VIEW PIPELINE ACCIDENT: 6 YEARS LATER

HON. BRUCE F. VENTO
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. VENTO. Mr. Speaker, 6 years ago today, the residents of Mounds View, MN, awoke to find their streets in flames after a gasoline pipeline ruptured and exploded. This tragedy claimed the lives of a young mother, Beverly Spano, and her 7-year-old daughter, Jennifer. Another woman, Diane Balk, was severely burned. I have not forgotten these victims and neither should my colleagues. We have learned since then that this was a tragedy that could have been avoided if the Federal Government had required more frequent inspections and more inspectors, if it had required rapid shutoff valves on pipelines, this accident might never have happened.

Since that July day in 1986, both Congress and the Minnesota Legislature have passed significant new laws to improve the safety of hazardous liquid and natural gas pipelines.

Recently, both the Energy and Commerce as well as the Public Works and Transportation Committees have held hearings on the bill H.R. 1458, the Pipeline Safety Reauthorization Act, which includes several additional key provisions to assure the safety of these pipelines. This legislation will soon reach the House floor for action. I want to commend my colleagues, subcommittee Chairman SNAP, Chairman D'GELL, and Chairman Roe for their leadership in moving forward on this important legislation.

For the first time, the proposed new pipeline bill recognizes protection for environmentally sensitive areas as a key goal of the law and requires an inventory of pipeline facilities in those areas. The measure's most important proviso requires the Departments of Transportation [DOT] to issue new regulations for the installation of emergency flow restricting devices and automatic shutoff valves. Other provisions include increased civil penalties for violations of the pipeline safety laws, improved coordination and communication between DOT, the Environmental Protection Agency [EPA], and the Occupational Safety and Health Administration [OSHA]. Finally, the new bill calls for the much-needed hiring of five additional Federal safety inspectors.

Mr. Speaker, I look forward to supporting this important measure and commend all who have helped to shape and advance this improved pipeline policy.

EXTENSIONS OF REMARKS

HON. JAMES T. WALSH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. WALSH. Mr. Speaker, today I ask my colleagues to consider that in my home district this weekend hundreds of my fellow central New Yorkers and I will be celebrating the 100th anniversary of the Pastime Athletic Club of Syracuse, an institution as respected among sports enthusiasts in my district as any other.

Its prominence has been mostly local, sometimes statewide and on several occasions national. Opened in July 1892 by a few young men on the north side of Syracuse, the demand for space intensified until new quarters were acquired—doubling the space necessary within months.

At a time in our Nation when the novel game of baseball was first generating interest, the Pastime Athletic Club in effect introduced the sport to Syracuse. As many of my colleagues from other big-name university basketball regions know, Syracuse has learned the game well.

The Pastime members did not limit themselves to indoor sports. They participated in baseball, crew racing, track, and cross-country. Meanwhile bowlers, handball players, and boxers became local legends. The tandem cycle team won a handsome trophy in 1899 which still graces the trophy case.

The history of the club is a fascinating look at my district. The love of tradition and the dedication to competition that still exists in my fellow central New Yorkers, in many ways traces itself back to the earliest days of the Salt City and the Pastime Athletic Club.

The physical changes in the club facilities have kept up with the times. The social as kept and extra activities such as the pitch league and travel club have helped to include all members in the camaraderie and spirit that has spread the warmth of friendship among many Syracuse residents.

I am very proud to be able to spend this time at home this weekend with people who are truly representative of the values our community thrives on. I want to ask my colleagues to join me in wishing the members of the Pastime Athletic Club a happy 100th anniversary. We wish them the best of luck in a second decade of celebrating the spirit of athletics and the values that spirit embraces.

INTRODUCTION OF LEGISLATION TO REDUCE THE FEDERAL DEFICIT

HON. BYRON L. DORGAN
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. DORGAN of North Dakota. Mr. Speaker, today I am introducing legislation to take ac-

18381

tion to reduce the Federal deficit and to rein in the growth of Government. The goal of the bill is to cut bureaucracy and overhead, not to gut vital programs and services. I believe that Government has a role in dealing with many of our national problems. But excessive and wasteful costs for overhead sap the programs our Nation needs. Many Americans have lost faith in the ability of Government to work effectively for them. The Federal Government should do some belt-tightening as so many organizations and people have had to do during the difficult recession.

When revenues are down and expenses are up as is so clearly the case with the Federal Government, we should follow the example of the private sector and cut overhead costs. Right now, the Federal Government spends $270 to $300 billion annually for services such as printing and copying, travel, rent, communications, utilities, supplies and other overhead. One of every five dollars spent by the Federal Government goes for overhead costs—not for programs, benefits, and services. These overhead costs are a source of significant potential savings.

The economic foundation and international competitiveness of the United States has been undermined by the extraordinary growth of annual Federal budget deficits and a tripling of national debt during the last decade. Current forecasts by the Office of Management and Budget are for the largest deficit in U.S. history in fiscal year 1992, and proposed deficit spending of $1 billion per day over the next 5 years by the administration.

The doubling in spending by the Federal Government during the past 10 years has not been matched by revenues needed to finance such expenditures. The result has been a steep rise in the cost of financing the national debt to the point that net interest costs approach one-half of what is available for discretionary spending in the current fiscal year. We must begin to address this serious issue with meaningful action.

A reduction of 10 percent in expenditures for overhead costs could reduce the deficit by approximately $25 to $30 billion. This legislation would require each Department and independent agency in all three branches of Government to reduce overhead costs by an average of 10 percent by the beginning of fiscal year 1996 when compared to fiscal year 1992 levels. The reductions need not be across-the-board, but rather may be flexible at the discretion of the Department or independent agency, as long as the overall 10 percent reduction is achieved. This permits a planned, orderly approach to cutting costs and allows the managerial people in the executive branch to manage. No loss of services or essential functions is intended.

The traditional method of formulating Federal budgets has been to take last year's expenditures, add inflation, and then consider that the starting point for next year's budget. This has contributed to a creeping growth in bureaucracy that costs us dearly. We must reverse this manner of doing business and instead start working in the opposite direction, trimming bureaucracy rather than passively allowing it to grow.

We must face up to the fact that hard choices must be made. If enough of us say no
to business as usual, we can make a difference. If we will stand and exhibit some courage to change the road we are on, we can put our country on track.

CEREBRAL PALSY ASSOCIATION OF MIDDLESEX COUNTY, NJ. TO HOST RECEPTION AND CONCERT

HON. FRANK PALLONE, JR. OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. PALLONE. Mr. Speaker, on Sunday, July 12, 1992, the Cerebral Palsy Association of Middlesex County, NJ, will host a reception and concert, featuring the popular entertainers Regis Philbin and Kathy Lee Gifford, at Water­loo Village in Stanhope, NJ. The purpose of Sunday’s event is to raise funds for a wonderful new addition to the Lakeview School, a private school for students with multiple disabilities providing special education, rehabilitation, medical care, and social service support to 150 children from 11 counties around our State.

Proceeds from Sunday’s event will benefit the Andy Martin Memorial Fund. Andy Martin attended the Lakeview School for 5 years until he passed away in 1989 when he was just 8 years old. Andy, who could neither walk nor talk, had a quick mind and a great sense of humor. He thrived at the Lakeview School. Receiving intense therapy, he was able to compensate for some of his disability. But most exciting was Andy’s use of computers. Through a sophisticated, yet simple to operate system, Andy was able to communicate. By turning his head, pushing a button or focusing his eyes on a special board, Andy would convey his needs and feelings. Looking for some way to preserve the love which Andy brought into their lives, his parents, Chuck and Liz Martin, established the Andy Martin Memorial Fund. Their fond hope is that the new computer laboratory, which will be dedicated to Andy, would make their son proud.

Sunday’s event will also honor Andy’s grandfather, Mr. Walter Wechslar. A well-respected State official, Mr. Wechslar served as the comptroller of the treasury and budget director for the State of New Jersey. He also served on the board of directors of the Waterloo Village for 26 years.

Mr. Speaker, there are growing numbers of children with disabilities. This startling reality has prompted the Lakeview School to begin a building and renovation campaign to raise $5.2 million to double the size of its existing school and to provide care, services, and opportunities for special children to develop a brighter and richer life.

A CONGRESSIONAL SALUTE TO MR. CARROLL WEBERG

HON. GLENN M. ANDERSON OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an exceptional nonagenarian whose name is synonymous with the Bellflower Lions Club, Mr. Carroll Weberg. On Sunday, July 12, 1992, the Lions Club will host Mr. Weberg with high honor. It is with great pleasure that I bring this gentleman to your attention.

For over 47 years, Mr. Weberg has served as a Lion leader. When the Bellflower Lions Club received its charter in 1945, Carroll was chosen its first president. This month marks the end of his second term as president. The Bellflower Lions Club is part of an international organization founded in 1917, listing over 1.4 million members in 171 countries. Lions are renowned for their work with the visually impaired. In the past, Carroll has served a 2-year term on the Lions International Board. In this capacity, he traveled throughout the world to meetings and conventions, making new friends wherever he went. In 1985 with the assistance of Carroll Weberg, the Bellflower Host Lions Club created the Noon Lions Club, with a record membership of 120 people. Recently another honor was bestowed upon Carroll, he was chosen to preside as speaker for the Huntington Park Lion’s Club 70th anniversary dinner.

Mr. Weberg’s service to the community is not limited to his involvement with the Lions Club. He has served as an officer for the Los Angeles County Spring Fair for many years and as its president for 3 years. In addition, Carroll was the local chairman for the Reagan for Governor Committee in 1988.

Mr. Speaker, it is because of these and the many other accomplishments of Carroll Weberg that I take great pride in joining with all those attending this momentous occasion in expressing the gratitude he so richly deserves. My wife, Lee, joins me in extending this congressional salute and special birthday greeting to Mr. Carroll Weberg. We wish him and his daughters, Janet and Jean, all the best in the years to come.

EXTENSIONS OF REMARKS

HON. RALPH M. HALL OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. HALL of Texas. Mr. Speaker, the Nation’s space program has benefitted to our citizens since its inception more than 30 years ago. Communications satellites, weather satellites, and remote sensing satellites are just some of the fruits of space research that we now take for granted but have immeasurably improved the quality of life here on Earth.

I firmly believe that biomedical research in space has the potential to deliver equally impressive terrestrial benefits. In a recent hearing in Houston, TX, I heard compelling testimony that the space environment provides for biomedical research that may allow us to significantly increase our knowledge of the nature and possible treatment of diseases and other medical conditions.

The spinoffs from our space program continue to benefit terrestrial biomedical research and improve our quality of life in wondrous ways. For example, an area of great concern to our Nation is adequate health care to rural and underserved communities. NASA is about to issue a patient license for a not-for-profit medical foundation in New Orleans to manufacture and sell devices that can reduce the amount of information needed to transmit x rays over conventional telephone lines. This new technology in medicine will enable rural and underserved areas to send x rays quickly to specialized experts located in metropolitan areas. While head injuries often require diagnosis by highly specialized medical teams, a rural clinic can transmit cranial x rays quickly to national experts at a large city hospital and receive initial diagnosis and treatment instructions. Here, technology NASA originally developed for satellite navigation can now reach out to and benefit all Americans in emergency and life threatening situations.

Just as NASA met the challenge to develop technologies to navigate satellites precisely, NASA is developing the technologies necessary for space station Freedom. Based on past benefits derived from the space program, I am confident new space station technologies will provide us with new tools for medical diagnosis and treatment, crop growth, waste management, and breakthroughs in computers and information systems that will help us address a whole host of issues we face on Earth. The benefits we derive as a Nation from our space program will continue to enhance our quality of life and make possible that which we thought impossible.

JOHN I. HENDRICKS, JR., NA­TIONAL ABE ADMINISTRATOR OF THE YEAR AWARD

HON. ILEANA ROS-LEHTINEN OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to bring to the attention of the House and the American public the achievements of one of my constituents, John I. Hendricks, principal of the South Dade Adult Education Center.

Mr. Hendricks is one of Florida’s most seasoned educational administrators. He has attained an honor for himself and the State of Florida by receiving the 1992 ABE Administrator of the Year Award from the American Association for Adult and Continuing Education Commission on Adult Basic Education.

Mr. Hendricks’ devotion and commitment to the field of education has been recognized by other awards. He was chosen as Dade County’s first Principal of the Year in the area of adult, vocational, technical, community, and career education in 1988. He was subsequently inducted into the Florida Adult Education Association Hall of Fame.

Mr. Ramon E. Rasco, a constituent of my district made me aware of the honor that was bestowed on Mr. Hendricks. He was notified by an attentive colleague, Mr. Larry Santovena, who works with Mr. Hendricks.

Due to his commitment to the educational field, and to adult education in particular, Mr. Hendricks has met the criteria for the National ABE Administrator of the Year Award. He has
supported the notion of education as a never ending process in a person's lifetime.

Mr. Hendricks has been described by Ms. Martha Cox, curriculum coordinator of the Dade County Public Schools, as being one of the most versatile, creative, and daring of educators to serve the adult basic education population.

Mr. Hendricks started his educational career as a social studies teacher and subsequently as a counselor at Miami Southwest Adult Center.

In 1973 with only three classes offered, he established an adult center in Homestead, FL, which today is the largest freestanding adult education center in the State. People from all walks of life have benefited from his programs. These include military personnel, inmates at Federal and State institutions, refugees, migrant workers, the gifted, the handicapped, the homeless, battered victims, the elderly, and recovery drug and alcohol addicts.

Mr. Hendricks' devotion to helping others continues. His future plans include a strategy for meeting the educational needs of illiterate immigrants, chemically dependent individuals, court-assigned offenders, and AIDS victims. He aspires to develop the first holistic adult education center in Florida.

It is a privilege for our community to have a person such as Mr. Hendricks. He is a motivated and caring individual who has worked hard for his community. It is an honor to make the House and the American public aware of the attainments of Mr. Hendricks.

TOM SALVADORE: PILLAR OF HIS COMMUNITY IN MECHANICVILLE, NY

HON. GERALD B.H. SOLOMON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. SOLOMON. Mr. Speaker, I think you can judge a man by how much he gives back to his neighbors and community. By that standard, Tom Salvadore of Mechanicville, NY, is a giant.

Mr. Speaker, I'd like to stand today to congratulate Tom Salvadore on his recent retirement after 20 years with the Mechanicville Police Department. But I'd also like to express my gratitude for the fact that he's still a relatively young man and will continue to be active in the community for a long time.

Some time after serving in Vietnam as a Navy Seabee, Salvadore joined the Mechanicville Police Department. As you all know, law enforcement is a tough and often dangerous profession. It was just plenty to be a good police officer, as Tom Salvadore was, earning a promotion to sergeant in 1981 and serving as an officer of the Police Benevolent Association. But the point I want to make is that he found time to do many other things.

He found time to earn two associate degrees from Hudson Valley Community College, one in criminal justice, in 1975, and another in mortuary science in 1980. The first degree enhanced his skills as a police officer, the second degree enabled him to get his New York State funeral director's license and start his own funeral home. He started Devito-Salvadore in 1982, and has been running the business full-time since his retirement from the police department.

But that wasn't all. He was a volunteer firefighter and member of the rescue squad. He was past director of Mechanicville-Stillwater Little League, and was active in Veterans of Foreign Wars, American Legion, Sons of Italy, Elks, Rotary, Pop Warner Football, the Raider Flag Football League, and Mechanicville Football Booster Club.

Tom and his wife, Donna, are the parents of three sons, Michael, Marc, and Matt. He will have more time to spend with them. And for the first time he will be able to attend Mechanicville's Family Day. Up to now, Tom Salvadore has always been on duty to make sure everyone else would enjoy the event.

Mr. Speaker, I ask you and other members to join me in saluting Tom Salvadore, and in recognizing our "job well done" to someone who has given generously of himself to his community.

A TRIBUTE TO RICHARD SMITH—PATHFINDERS AWARD NOMINEE

HON. LEON E. PANETTA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. PANETTA. Mr. Speaker, during these times of restricted State and Federal resources, there is a critical need for gifted individuals willing to confront today's problems head on. One individual who every day meets a profound challenge in my district is Richard Smith, a coordinator for the Santa Cruz AIDS project.

The success of the Santa Cruz AIDS project would be unattainable without the dedication and expertise of workers and volunteers such as Richard Smith. Recognizing his innovative leadership in the fight against the spread of AIDS and HIV-infection, Mr. Smith was recently named a Pathfinders Award Nominee.

By mobilizing over 100 volunteers in Project Firsthand, his efforts have succeeded in promoting awareness and behavior change among a large number of intravenous drug users, street people, and others engaged in HIV/AIDS risk-taking behaviors. His leadership has joined AIDS-affected individuals with members of high-risk communities to facilitate positive change. The strong impact of Project Firsthand and the Santa Cruz AIDS project is clear. This year alone, close to 10,000 individuals have been reached with over 50 individuals successm ent training drug treatment programs.

Mr. Speaker, only through the efforts of individuals like Richard Smith will we be successful in meeting the growing AIDS pandemic. I ask my colleagues to join in a salute to Richard Smith, who has exhibited bold leadership in the fight against the spread of AIDS.

CARACAS
HON. JOHN EDWARD PORTER
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 8, 1992

Mr. PORTER. Mr. Speaker, the Caracas delegation was adopted by the participants to the Fourth World Congress on National Parks and Protected Areas when they met in Venezuela in February of this year. The Congress was convened by the World Conservation Union.

Well-managed national parks and protected areas are of vital importance to the plants and animals that they protect. Protected areas are also important to human needs including agriculture, medicine, and industry.

The Caracas declaration is the product of participants who want to reaffirm humanity's responsibility to safeguard the living planet.

PARTS, PROTECTED AREAS AND THE HUMAN FUTURE

THE CARACAS DECLARATION

We, over fifteen hundred leaders and participants deeply committed to international conservation, brought together by the World Conservation Union for the Fourth World Congress on National Parks and Protected Areas in Caracas, Venezuela between 20 and 21 February 1992, ADOPT this Declaration of our belief in the vital importance of well-managed national parks and protected areas to all people.

We recognize that:

Nature has intrinsic worth and warrants respect regardless of its usefulness to humanity;

The future of human societies depends upon people living in peace among themselves, and in harmony within nature;

Development depends on the maintenance of the diversity and productivity of life on Earth;

This natural wealth is being eroded at an unprecedented rate, because of the rapid growth in human numbers, the uneven and often excessive consumption of national resources, mistaken and socially harmful styles of development, global pollution and destruction of natural resources and the stresses of poverty and population pressure;

Many people must modify their styles of living and the world community must adopt new and equitable styles of development, based on the care and sustainable use of the environment, and the safeguarding of global life-supporting systems;

We consider that the establishment and effective management of networks of national parks and other areas in which critical natural habitats, fauna and flora are protected must have high priority and must be carried out in a manner sensitive to the needs and concerns of local people. These areas are of crucial, and growing, importance because:

They safeguard many of the world's outstanding areas of biodiversity and beauty, and are a source of inspiration and an irreplaceable asset of the counties to which they belong.

They help to maintain the diversity of ecosystems, species, genetic varieties and ecological processes (including the regulation of global climate).
EXTENSIONS OF REMARKS

July 8, 1992

Recognizing that action to safeguard the living riches and natural beauty of the Earth depends on the commitment of all people, we, the participants of the Committee, want to extend best wishes for Larry’s departure was viewed with both pride and regret by the committee. The opportunity for career and personal advancement which Larry realized, no longer be at our disposal. As I am sure that Mr. McCurdy, one of the most effective members of its staff when Larry Prior resigned to accept a position in private industry. Larry made many contributions to the work of the committee and he will be sorely missed.

Larry joined the committee’s staff after a distinguished 11 year career as an officer in the U.S. Marine Corps. His military service gave him extensive experience in a variety of activities related to intelligence, and the committee benefited enormously from the experience.

On the committee staff Larry served as the program and budget analyst responsible for the general defense intelligence program and a collection of defense programs know as tactical intelligence and related activities. During his tenure, these programs had to respond to rapidly changing events including the collapse of the Warsaw Pact, Operations Desert Shield and Desert Storm, and the implosion of the Soviet Union. Larry was able to fashion budgetary and programmatic recommendations which enabled the committee to take a leadership role in urging the termination of activities that were irrelevant by global change, and increased investment in areas where deficiencies were evidence as a result of the war against Iraq. Larry’s knowledge, and his well-deserved reputation for thoroughness, gave the committee great confidence in his recommendations on all issues for which he was responsible.

Larry’s departure was viewed with both pride and regret by the committee. The opportunity for career and personal advancement which Larry realized, no longer be at our disposal. As I am sure that Mr. McCurdy, one of the most effective members of its staff when Larry Prior resigned to accept a position in private industry. Larry made many contributions to the work of the committee and he will be sorely missed.

Larry joined the committee’s staff after a distinguished 11 year career as an officer in the U.S. Marine Corps. His military service gave him extensive experience in a variety of activities related to intelligence, and the committee benefited enormously from the experience.

On the committee staff Larry served as the program and budget analyst responsible for the general defense intelligence program and a collection of defense programs know as tactical intelligence and related activities. During his tenure, these programs had to respond to rapidly changing events including the collapse of the Warsaw Pact, Operations Desert Shield and Desert Storm, and the implosion of the Soviet Union. Larry was able to fashion budgetary and programmatic recommendations which enabled the committee to take a leadership role in urging the termination of activities that were irrelevant by global change, and increased investment in areas where deficiencies were evidence as a result of the war against Iraq. Larry’s knowledge, and his well-deserved reputation for thoroughness, gave the committee great confidence in his recommendations on all issues for which he was responsible.

Larry’s departure was viewed with both pride and regret by the committee. The opportunity for career and personal advancement which Larry realized, no longer be at our disposal. As I am sure that Mr. McCurdy, one of the most effective members of its staff when Larry Prior resigned to accept a position in private industry. Larry made many contributions to the work of the committee and he will be sorely missed.

Larry joined the committee’s staff after a distinguished 11 year career as an officer in the U.S. Marine Corps. His military service gave him extensive experience in a variety of activities related to intelligence, and the committee benefited enormously from the experience.

On the committee staff Larry served as the program and budget analyst responsible for the general defense intelligence program and a collection of defense programs know as tactical intelligence and related activities. During his tenure, these programs had to respond to rapidly changing events including the collapse of the Warsaw Pact, Operations Desert Shield and Desert Storm, and the implosion of the Soviet Union. Larry was able to fashion budgetary and programmatic recommendations which enabled the committee to take a leadership role in urging the termination of activities that were irrelevant by global change, and increased investment in areas where deficiencies were evidence as a result of the war against Iraq. Larry’s knowledge, and his well-deserved reputation for thoroughness, gave the committee great confidence in his recommendations on all issues for which he was responsible.

Larry’s departure was viewed with both pride and regret by the committee. The opportunity for career and personal advancement which Larry realized, no longer be at our disposal. As I am sure that Mr. McCurdy, one of the most effective members of its staff when Larry Prior resigned to accept a position in private industry. Larry made many contributions to the work of the committee and he will be sorely missed.

Larry joined the committee’s staff after a distinguished 11 year career as an officer in the U.S. Marine Corps. His military service gave him extensive experience in a variety of activities related to intelligence, and the committee benefited enormously from the experience.

On the committee staff Larry served as the program and budget analyst responsible for the general defense intelligence program and a collection of defense programs know as tactical intelligence and related activities. During his tenure, these programs had to respond to rapidly changing events including the collapse of the Warsaw Pact, Operations Desert Shield and Desert Storm, and the implosion of the Soviet Union. Larry was able to fashion budgetary and programmatic recommendations which enabled the committee to take a leadership role in urging the termination of activities that were irrelevant by global change, and increased investment in areas where deficiencies were evidence as a result of the war against Iraq. Larry’s knowledge, and his well-deserved reputation for thoroughness, gave the committee great confidence in his recommendations on all issues for which he was responsible.
continues success and happiness to Larry, his wife, Mary Kay, and his daughters Megan and Emily.

A TRIBUTE TO DR. LEE MOSKOWITZ

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 8, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to bring to the attention of the House and the American public the loss of one of my constituents, Dr. Lee Moskowitz. This outstanding physician was the victim of a long bout with cancer.

I would also like to thank Ms. Karen Buchsbaum, Dr. Henry I. Glick, Brian Keely, and Dr. Azorides Morales for being so kind as to bring this lamentable event to my attention.

Dr. Moskowitz, a pathologist, was a partner in the practice of Drs. Reimer, Barrow, Moskowitz and Gould. He practiced at Baptist Hospital and was an associate in the practice of Drs. Reimer, Barrow, Goodman; brother, Edward Sheldon Gottlieb; grandmother, Nettie Zimring; sister, Terri Michelle; and nephew, Scott Goodman.

Dr. Moskowitz taught and lectured extensively and authored a myriad of medical papers. He was a highly active and caring individual who spent a lifetime delving into the research of pathological diseases so that he might better serve his fellow man. He will be deeply missed by all who knew him.

A TRIBUTE TO COL. EVO RIGUZZI, JR.

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 8, 1992

Mr. GILMAN. Mr. Speaker, it is an honor to call to the attention of all our colleagues the achievements of Col. Evo Riguzzi, Jr., commander of the 800th Military Police Brigade, Uniondale, NY. He will be promoted to the rank of brigadier general in the U.S. Army Reserve on July 11, 1992.

Colonel Riguzzi is a 24-year veteran of military service and has served his country faithfully. He entered the Army in May of 1968, after completing the Reserve officer training course at Cannon College, Erie, PA, where he earned a degree in sociology. Following graduation Colonel Riguzzi served as a security platoon leader with the 69th Ordnance Company, 559th Artillery Battalion, in Vicenza, Italy.

During his 24 years of outstanding service, Colonel Riguzzi graduated from the Military Police Corps officer basic and advance courses, the civil affairs advance course, Command and General Staff College, and the Army War College. In addition he has been decorated with the Bronze Star Medal, Four Meritorious Service Medals, Three Army Commissioned Medals, four Army Reserve Component Achievement Medals, the National Defense, Service Medal, the Armed Forces Reserve Medal, the 9th Division, the Southwest Asia Campaign Medal with two Campaign Stars, the Army Service Ribbon and the Overseas Service Ribbon.

Last year Colonel Riguzzi served as executive officer of the 800th Military Police Brigade during Operation Desert Storm. Currently, Colonel Riguzzi is the Director of Corporate Security and Consumer Affairs for the House Insurance Co., where he is responsible for overseeing all security requirements of the firm.

Mr. Speaker, I invite my colleagues to join me in extending congratulations to Col. Evo Riguzzi, Jr., on his promotion to Brigadier General. Colonel Riguzzi has for 24 years meritoriously served his nation with dignity and I am certain that he will continue to do so in the future.

AUTOMOTIVE TRADE EQUITY ACT OF 1992

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 8, 1992

Mr. GUARINI. Mr. Speaker, we are losing our domestic auto industry. The unrelenting onslaught of foreign competition from the Japanese has whittled down the United States industry's share of the domestic auto market at the same time that our companies still face formidable barriers to sales in the Japanese market. U.S. auto manufacturers have seen their share of the U.S. auto market drop tremendously from over 99 percent in 1951 to less than 67 percent today.

In the past 10 years, we have accumulated over $1 trillion in trade deficits. Over $460 billion of this is attributable to Japan—much of which is in the automotive industry.

We simply cannot afford to let this continue. The automotive industry is an essential part of our economy and a vital part of our manufacturing base; 14 million jobs depend on it. If the automotive industry were to go under, one out of seven Americans would be put out of work. And with it would go our capability to build heavy machinery, tanks, and vehicles—the most essential components of a strong defense.

Today, I am introducing the Automotive Trade Equity Act of 1992, legislation which uses the model of the accord on market penetration established in a recent European Community-Japan agreement as the basis for Japanese access to United States markets.

The European Community has recognized the importance of its auto industry and recently negotiated with Japan an understanding on market penetration in the auto industry. Under this accord, Japan has agreed that its share of another country's motor vehicle market should be a maximum of 16 percent. This 16 percent import penetration figure is based on the total of imports plus production of their transplant operations. Both the EC and Japan also have recognized the necessity for substantial use of domestically produced parts in Japan's finished motor vehicles.

In its accord, the EC and Japan have agreed on specific import penetration levels for Japanese plus transplant production beginning January 1, 1993, and extending through 1999. Japanese import penetration of the European Community market in 1993 can be 10.1 percent. In 1999, Japan's penetration of the EC motor vehicle market can be no more than 16 percent. Japan's share of the United States motor vehicle market is currently 30 percent, and no limits apply to growth in that market share.

The European Community-Japan understanding was accompanied by assurances of use of certain levels of EC-produced parts. Japanese transplant producers in the United States use a very low level of United States produced parts. In the EC, local content is approximately 60 percent, with Japan's agreement to increase local sourcing for some countries to as much as 80 percent.

Through this agreement, the EC and Japan have, in effect, established a world standard for determining Japan's fair market share in a country's motor vehicle market and use of domestically produced parts.

The Automotive Trade Equity Act of 1992 will bring us in line with this new standard. The legislation builds upon the Japan-European Community agreement by setting a target for Japan's share of the United States market at 16 percent by 1999. The bill provides a transition period from January 1, 1993, through the end of 1999. This transition period allows Japanese imports, plus transplant production, to adjust from Japan's current 30 percent market share.

Both the United States and the EC have a current domestic market of 12 to 13 million sales—cars and trucks. Japan is expected to export approximately 1.2 million motor vehicles annually to the EC from 1993 through 1999. Any growth in Japan's penetration of the EC market is expected to come from transplant production.

Japan currently exports approximately 2.1 million motor vehicles to the United States market. This bill will cap Japan's exports to the United States at 1.9 million annually.

The bill also provides an incentive for transplant producers to increase the use of domestically produced automotive parts. Market
share is calculated by combining the number of direct imports with the number of cars produced by transplant companies. The incentive works by not counting in the calculation of Japan's market share those cars which contain at least 75 percent domestically produced parts.

For computations of market share, the Secretary of the Treasury must calculate the actual domestic consumption and market penetration of the U.S. motor vehicle market every 6 months and publish the results in the Federal Register.

Mr. Speaker, this bill is about jobs. Manufacturing jobs in the automotive industry are an important component of our economic security. The automotive industry is not just the people who are involved in the direct production of cars. It's also the people who work in industries crucial to the production process—steel, rubber, plastics, glass, textiles, aluminum, machine tools, chemicals, and electronics. Add to that the service-producing sectors dealing with the finished product in the wholesale and retail business. The sector directly and indirectly accounts for about 12 percent of U.S. gross national product and generates more than $200 billion a year in revenue.

It is time that we recognize that our economic security is a vital part of our national security and take steps to ensure that our manufacturers and businesses are on equal ground with worldwide practices. This legislation is an important step in that direction.

REVENUE ACT OF 1992

HON. RICHARD RAY
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 8, 1992

Mr. RAY. Mr. Speaker, I want to bring to the attention of my colleagues a situation that arose as a result of the way H.R. 11 was considered by the House.

In an effort to skirt Members wishing to attach an unrelated amendment to H.R. 11, which would alter the notch in Social Security benefit levels, the House considered H.R. 11 under suspension of the rules. Consideration of H.R. 11 under suspension of rules precluded any amendments from being offered.

H.R. 11 contains provisions which permit nonunionized airlines to offer their pilots more generous benefit packages than are available to other employees. Members of the House did not have an opportunity to debate this provision and offer an amendment to H.R. 11 to counter this provision due to the bill's consideration under suspension of the rules.

I believe the House should have had the opportunity to consider amendments germane to H.R. 11. Actions to counter antics to attach unrelated provisions to H.R. 11 prevented the House from serving the American people who elected us and rendered the function of the Committee on Rules obsolete. In my opinion, such actions deprive the House of the legitimate amendment process and should be avoided.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference.

The title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 9, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 20

2:00 p.m.

Armed Services

Defense Industry and Technology Subcommittee

Closed business meeting, to mark up those provisions which fall within the subcommittee's jurisdiction of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

SR-222

JULY 21

9:30 a.m.

Armed Services

Conventional Forces and Alliance Defense Subcommittee

Closed business meeting, to mark up those provisions which fall within the subcommittee's jurisdiction of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

SR-222

Commerce, Science, and Transportation

Consumer Subcommittee

To hold hearings to examine instances of auto repair fraud.

SR-253

Select on Indian Affairs

To hold hearings on proposed legislation to establish National Indian Policy Research Institute.

SR-485

10:00 a.m.

Governmental Affairs

To hold hearings to examine the role of Federal technology policy with regard to environmental protection.

SD-342

2:30 p.m.

Armed Services

Readiness, Sustainability and Support Subcommittee

Closed business meeting, to mark up those provisions which fall within the subcommittee's jurisdiction of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

SR-222

July 8, 1992

4:00 p.m.

Armed Services

Manpower and Personnel Subcommittee

Closed business meeting, to mark up those provisions which fall within the subcommittee's jurisdiction of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

SR-485

4:00 p.m.

SR-232A

closed business meeting, to mark up those provisions which fall within the subcommittee's jurisdiction of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

SR-222

Select on Indian Affairs

To hold hearings on S. 2746, to extend the purposes of the Overseas Private Investment Corporation to include American Indian Tribes and Alaska Natives.

4:00 p.m.

SR-233A

Rules and Administration

To hold hearings on S. 2748, to authorize the Library of Congress to provide certain information products and services.

SD-301

Veterans' Affairs

To hold hearings on proposed legislation relating to veterans housing and the Court of Veterans Appeals.

10:30 a.m.

SR-418

Armed Services

Strategic Forces and Nuclear Deterrence Subcommittee

Closed business meeting, to mark up those provisions which fall within the subcommittee's jurisdiction of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

SR-222

2:00 p.m.

Armed Services

Closed business meeting, to mark up S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

SR-222
2:00 p.m. Governmental Affairs
Closed business meeting to continue markup of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.
SR-222

9:30 a.m. Select on Indian Affairs
SR-485

9:00 a.m. Armed Services
Closed business meeting to continue markup of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.
SR-222

2:30 p.m. Select on Indian Affairs
SR-485

2:30 p.m. Governmental Affairs
General Services, Federalism, and the District of Columbia Subcommittee
To hold hearings on S. 2060, to clarify the application of Federal preemption of State and local laws.
SD-342

9:00 a.m. Governmental Affairs
To hold oversight hearings on the implementation of the Chief Financial Officers Act (P.L. 101-576), and to review the Army audit.
SD-342

9:30 a.m. Armed Services
Closed business meeting to continue markup of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

10:00 a.m. Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 1491, to provide for the establishment of a fish and wildlife conservation partnership program between the United States Fish and Wildlife Service, the States, and private organizations and individuals.
SD-406

2:00 p.m. Armed Services
Closed business meeting to continue markup of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

2:30 p.m. Armed Services
Closed business meeting to continue markup of S. 2629, to authorize funds for fiscal year 1993 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1993.

7:00 a.m. Armed Services
General Services, Federalism, and the District of Columbia Subcommittee
To continue hearings to examine efforts to combat fraud and abuse in the insurance industry.
SD-342

10:00 a.m. Finance
To resume hearings to examine the state of U.S. trade policy, focusing on proposed legislation to open foreign markets to U.S. exporters and to modernize the operations of the U.S. Customs Service.
SD-215

9:30 a.m. Agriculture, Nutrition, and Forestry
To hold hearings to examine cosmetic standards and pesticide use on fruits and vegetables.
SR-332

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine efforts to combat fraud and abuse in the insurance industry.
SD-342

9:30 a.m. Select on Indian Affairs
To hold hearings on S. 2617, to provide for the maintenance of dams located on Indian lands in New Mexico by the Bureau of Indian Affairs or through contracts with Indian tribes.
SR-485

10:00 a.m. Finance
To resume hearings to examine the state of U.S. trade policy, focusing on proposed legislation to open foreign markets to U.S. exporters and to modernize the operations of the U.S. Customs Service.
SD-215

9:30 a.m. Veterans' Affairs
Business meeting, to consider pending calendar business.
SD-342

9:30 a.m. Select on Indian Affairs
To hold oversight hearings on Indian trust fund management.
SR-485