SENATE—*Wednesday, April 16, 1997*

The Senate met at 10 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear God, this is one of those days when we really need two alarm clocks: One to wake us up and the other to remind us of why we are up. Give us a two-alarm wake-up call every hour of today—an alarm to go off inside us to wake us up to the wonderful privilege of being alive, and the other to claim the wondrous power You offer us to do Your will in all the responsibilities and challenges You have given us.

Keep us sensitive to see You at work in the world around us, active in the lives of people and abundant in Your blessings. Astonish us with evidences of Your intervening love. When we least expect You, You are there. May we never lose the capacity to be constantly amazed by what You are up to in our lives and the lives of people around us. You have taught us that a bored, bland, unsurprisable, unamazed person is a contradiction in terms.

So, Lord, give us courage to attempt what only You could help us achieve. Renew our enthusiasm; invigorate our vision; replenish our strength. With eyes, minds, and hearts wide open, we press on to the day. In the name of Him who gives us abundant life. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator LOTT, is recognized.

Mr. LOTT. I thank the Chair.

SCHEDULE

Mr. LOTT. Mr. President, today the Senate will be in a period of morning business until the hour of 1 p.m. to accommodate a number of Senators who have requested time to speak. That is 3 hours, but we have those requests that have been made, and we have a Senator waiting to begin speaking now. So we will accommodate those requests.

It is my hope that an agreement will be reached this morning to begin consideration of H.R. 1003, the so-called assisted suicide bill. If an agreement is reached, Senators can expect to begin consideration of the bill at 1 p.m. with a 3-hour time limitation. Therefore, Senators can expect rollcall votes this afternoon. I would expect at least one and possibly two. As always, I will notify Senators of the voting schedule as soon as possible.

I yield the floor, Mr. President.

The PRESIDENT pro tempore. The able Senator from Colorado is recognized.

Mr. CAMPBELL. I thank the Chair.

(The remarks of Mr. CAMPBELL pertaining to the introduction of S. 587, S. 588, S. 589, S. 590, and S. 591 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CAMPBELL. I thank the Chair and yield the floor. I note the absence of a quorum.

The PRESIDING OFFICER (Mr. ALLARD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMAS. I would also like to ask unanimous consent I be allowed to speak in morning business for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FUTURE OF THE NATIONAL PARK SERVICE SYSTEM: A PLAN FOR LEADERSHIP

Mr. THOMAS. Mr. President, I want to talk about a subject that is very important and close to my heart, and that is national parks, for at least two reasons. One is I grew up right outside of Yellowstone Park in Wyoming. We have Teton Park in Wyoming as well.

I am also chairman of the Subcommittee on National Parks. We have had a series of two hearings on the future of the National Park System, and, as chairman, I am committed to the formulation of a proparks agenda which will allow us to enrich parks well into the next century.

Before speaking on the issue of the future, however, let me briefly discuss the current status of the system and some of the real problems that do confront us. Today's National Park System is comprised of 375 park units and is visited each year by millions of visitors. The parks are immensely popular destinations, of course, intended to protect and commemorate this country's most significant natural, historical, and culture resources.

According to recent testimony from our hearings, this diverse collection of units stimulates over $10 billion annually in revenue to local economies and supports 230,000 tourism-related jobs. Each year, 12 million foreign visitors are drawn to our parks, contributing significantly to a $22 billion international travel trade surplus. So, in addition to protecting our most precious resources, they are also an economic stimulus, of course.

The Park Service is currently authorized to employ 20,342 full-time workers. This system includes approximately 80.2 million acres. The 1997 budget is authorized at roughly $1.4 billion.

This relatively small agency, managing a large land base enjoying unparalleled popularity and generating significant tax and business revenues, faces a pressing dilemma. At a time when the American taxpayers are serious about smaller Government and lower taxes, Americans have also demonstrated an equally serious interest in their parks. Unfortunately, their interest has not, as yet, been translated into a serious and long-range plan nor commitment for the care of parks. The result is a legacy of critical problems plaguing the National Park Service.

Today, we face an overwhelming inventory of unfunded National Park Service programs. Over the years, the National Park Service has been pulled in a wide variety of directions. Each change, each new direction, each new responsibility has caused an adverse effect in the system.

The Park Service has proven beyond a reasonable doubt that you can do more with less. But, in adding new areas and new responsibilities, the agency is forced into a scenario of doing less with less in terms of service and protection. As a result of decisions made by the Congress and the administration, we face an unbelievable backlog of unfunded Park Service programs. The budget shortfall is staggering. Let me touch briefly on some of the problems.

Within the 375 units of the Park Service we have approximately $1.4 billion of authorized land acquisitions. These are private lands that are authorized within authorized park boundaries, but these lands have never been acquired. There are 823 billion dollars worth of national resource management projects which have gone unfunded. It is almost impossible to make a sound management decision based on scientific evidence if we are lacking the basic information on the extent and the condition and the inventory of these valuable natural resources.

It is more than difficult to protect something if you do not have a clue as to what you are protecting.

In the area of cultural resource management projects, the unfunded backlog is $331 million. Again, these valuable cultural resources are not protected or stabilized.

There are 1.5 billion dollars worth of building-related projects for which there is no budget provision. For the benefit of my colleagues, I would like to point out that if Congress decided to fully fund this item, we would only provide needed repairs to existing deteriorating facilities. No new facilities would be constructed under this scenario.

There are $304 million of utility systems that are in advance states of disrepair throughout the system. Potable water and sewage systems that meet specifications are an absolute necessity if we want visitors to continue to come to our parks.

In the identified resource protection work that needs to be accomplished, $1.8 billion would begin to arrest the digression of natural resources of our parks before we lose those resources that we are committed to protect.

Mr. President, $2.2 billion is required for road and bridge repair and transportation systems. In my own State of Wyoming, the cost of road repair in Yellowstone Park exceeds $300 million. This cost will automatically increase if the road repairs are ignored.

I might add, in the last few years, something like $8 million has been committed to this $300 million deficit.

In many cases, employee housing is substandard. There are parks where the occupants of the National Park Service need not look outside to see if it is snowing. They only have to check the snow level in their living room. The pricetag to get employee housing to an acceptable standard is $442 million. If we cannot afford to take care of the caretakers, then there is something radically wrong.

The total unfunded backlog in maintenance, resource stabilization, infrastructure repair and employee housing is $8.7 billion. This price tag does not include the concessions which also need, of course, to keep pace.

Mr. President, $8.7 billion is a major problem. We need to take positive steps to correct this deficiency. Forward-thinking, new, innovative approaches will be required. It is a problem that cannot be resolved in the short term.

I am happy to report, however, that there is, I think, reason for optimism and a favorable prognosis. It is going to be difficult, but I think we can do it.

As a result of our hearings on the future of the parks, there are many ideas to be discussed and evaluated, but now is the time to address the long-term solutions and to reinvigorate the National Park Service so that our park system will stand as an example to the world well into the next century.

Most importantly, we need to ensure that we are conserving and protecting the resources, protecting the natural and historic objects and the wildlife, while at the same time ensuring that the parks will be visited and will be an enjoyable experience.

Within the next few weeks, we plan to circulate a strategic plan to our colleagues and to the administration which will chart a course to deal with this serious dilemma, a plan to serve as a foundation for a program to reinvigorate the parks by the year 2010.

The Thomas plan—we have not thought of a better name—will contain some proposals for legislative initiatives, as well as some concepts that the administration can implement. As a result of our hearings on the future, it became very apparent that we need to incorporate some of the best ideas.

Several financial concepts will, out of necessity, be discussed. As a start, the plan will include a bonding initiative. Many of our parks are essentially small villages or towns. In essence, they are towns that are required to have roads and utility systems and infrastructure. It seems to me we cannot expect to bring those up to operating condition out of annual operating funds. So the municipalities can show us the way. They have over the years bonded to do that. We do not have the money.

The process is relatively simple. We can establish a Federal corporate entity within the Department to administer the bonds. We need to establish a dependable system to pay off the bonds, and we can do that. There are additional options that ought to be considered.

I anticipate our plan would be built on the fine work of Senator GORTON in the last session making the fee demonstration permit and extending it to all units of the national parks, a proposal where the revenues collected in those parks stay where they are collected.

A number of our witnesses spoke about establishing a strict criteria for the establishment of new additions. When we are $8.7 billion behind, we need to be careful about the additional authorizations we make. This is not suggesting we should delete any of the units, but we ought to be careful about the new ones and, frankly, not make a political decision that a State park or local park be converted to a Federal park so the Feds will take over. The Park Service was never intended to be a redevelopment agency.

There are other programs, of course, that need help. Our plan will include a concession reform which turns away from the failed practice of trying to repair and refurbish the existing and inadequate law. We will take an innovative approach and, hopefully, there will be some higher fees paid to maintain the parks.

We should turn to the private sector for expertise in the management and operations of concessions. These are multimillion-dollar programs.

As a result, we ought to have an asset manager in the Park Service—it is a huge financial operation—someone who is experienced and who has a background and training in assets. We can do that.

On a different issue, our hearings revealed the need for better employee training. We can do that, largely with the use of universities and schools that are there.

We need to continue progress made in more cost-effective management, insisting on efficiency-oriented management goals, linked with the reduction of the size of the Washington office and put the folks in the parks where they really need to be. I am not suggesting a personnel reduction, but I am suggesting a reallocation.

Many of our parks are funding maintenance departments that would be the envy of small towns. There are ways to streamline this. There is no reason why the private sector cannot be contracted to do many of these things and do them more efficiently and save money.

Mr. President, the Park Service identifies backlogs and other problems. It is fine to do park planning, but the process and the content needs to be timely and realistic. Park general management plans have been sitting on the shelves for years. It is time to update, implement and really go forward.

This is an ambitious agenda, but, in my opinion, there are concepts that can be enacted. We can collectively achieve a great victory in the preservation of something that we all support.

My home State of Wyoming is now famous for its parks—Yellowstone, Tetons, Devils Tower. Like most Americans, I take great pride in those. So we want to set a standard for national parks for the 21st century. We have invited, of course, the administration to join with us. Among other things, I have sent a letter to the President asking that he appoint a park director. There is not one now. In order to have some plans and work together, we do need some leadership there.

I am suggesting and want my colleagues to know I am prepared to undertake this issue, and together we can cause something constructive to happen. We have a great opportunity. The time is now, the time is right, and I am willing to work any time with anyone to bring the National Park Service into the 21st century alive, vibrant, efficient, effective, and lasting, more importantly, an agency that would provide excellent service to visitors and provide excellent service to the resource. We can do that.

Mr. President, I thank you, and I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, let me thank my colleague from Wyoming for

his statement and his sincere commitment to our National Park System. As chairman of the Parks Subcommittee of the Energy and Natural Resources Committee, he offers this country tremendous leadership in the area of parks and park management. I am sure his statement this morning is well received and clearly demonstrates some of the difficulties our Park Service now experiences that this Congress ought to be actively and responsibly dealing with.

(The remarks of Mr. CRAIG pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

MINNESOTA FLOODS

Mr. GRAMS. Mr. President, I rise today to discuss my visit to Minnesota last week to see firsthand the floods that have ravaged my State, as well as North and South Dakota, and the damage left behind in the water's wake. For the many Minnesotans who live and work in counties devastated by these floods, this continues to be a very difficult and emotional time.

Let me say first that President Clinton has approved the request of Minnesota Governor Arne Carlson to declare an additional 25 counties a major disaster area. That would help to bring to 46 the total number of counties eligible to receive Federal disaster assistance.

As Governor Carlson said in making his request to the President, this assistance will help to get people back into their homes.

The worst may not be over for many Minnesotans, however, especially those in the Red River Valley. Upstream on the Red River at Breckenridge, over 400 people were evacuated yesterday from the southern section of the community. It appears that the river may have stopped rising, and efforts will continue today to try and save the rest of the city.

There is still the danger that the river might crest all at once from Wahpeton south of Fargo to Grand Forks on the north because of water created by melting snow.

Last Thursday, I traveled with Senators CONRAD and DORGAN of North Dakota, Senator WELLSTONE of Minnesota, and other members of the congressional delegation, along with James Lee Witt, the Director of the Federal Emergency Management Administration, to the cities of Ada, Moorhead, and many others. I traveled the next day with Vice President AL GORE to survey the damage in Breckenridge and elsewhere in western Minnesota.

On Saturday, I visited Red Cross and emergency service centers with Minnesota Lieutenant Governor Joanne Benson. At each stop over those 3 days, we witnessed widespread devastation and the strength of Minnesota's community spirit, as we spoke with many citizens whose lives have been turned upside down by the floods.

The disastrous flooding has severely disrupted the lives of many Minnesotans. Dreams of enjoying warm spring weather after a brutally long Minnesota winter has been replaced with efforts to ensure families and communities are safe and that adequate food, water, and shelter is available.

I am pleased that both State and Federal tax filing deadlines have been extended for those taxpayers living within the disaster areas.

Later this week, I will introduce legislation modeled after a bill I signed into law during the Midwest floods of 1993 to help ease lending regulations in those disaster-declared areas as well. This will make it easier for the restructuring of loans and prevent unnecessary foreclosures on farmers and other small businesses. The flooding—and the snow, the ice, and the cold that made relief efforts extremely difficult—has been an exhausting nightmare for those who are in it, and it has been agonizing for the rest of the Nation to watch. The Minnesotans I met with at the flood sites we traveled to have been tested time and time again.

The floods of 1997 are creating an agricultural disaster as well. While hard numbers do not exist yet, more than 2 million acres of Minnesota cropland are now under water, affecting thousands of farms, and all of Wilkin County's 400,000 acres of cropland are flooded. In Clay County, it is 200,000 acres under water.

It has been estimated that farmers who already lost more than $100 million due to the blizzards that caused the floods could now have flood losses totaling over $1 billion.

Dairy farmers have been hit especially hard, forcing them to dump hundreds of thousands of pounds of milk because milk trucks could not reach them. The biggest problem has been getting out to the farms that are surrounded by water.

Spring planting, which is normally just 2 weeks away, will be a problem in parts of southern Minnesota. Along the Red River Valley, more than 40 percent of the sugar beet crop is normally planted by the end of April. No one will be planting by then this year.

According to the National Weather Service, flood warnings remain in effect until April 20 along the Mississippi from St. Paul to Red Wing, as well as for portions of the St. Croix and the Minnesota rivers.

Red Cross volunteers have begun to close emergency shelters and are now distributing flood cleanup kits. By the end of last week, the Red Cross had served more than 55,000 meals to sandbaggers and those people in shelters.

While tough times are still ahead, I was moved by Minnesotans coming together for the common goal of protecting and cleaning up their communities.

In Ada, people are tense, weary from days of flood relief work, and still shaken by their losses. For those lucky enough to remain in their homes, the loss of heat and electricity were devastating in the harsh, winter-like conditions.

You may have read the story of Ada residents Warren and Colleen Goltz. Although the Goltzes lost electricity as water in a nearby drainage ditch began to rise, they decided to stay in their house. Four feet of water seeped into the basement, ruining many of their possessions.

They burned old newspapers in the fireplace to keep warm, but the temperature fell to 38 degrees. Finally, a friend arrived with a generator, another dropped off firewood, and another opened his house so they could use the phone.

As Rev. Earl Schmidt of the Zion Lutheran Church of Ada said, "It's going to make us much more caring for each other. I hope it makes us look to God more, obviously. And it's given us a quick lesson in survival."

We have been inspired once again by people of Minnesota, who have rallied together for their communities as they always do when tragedy strikes. It is during critical times such as these that we finally understand the importance of neighbor helping neighbor.

At a time when we rarely make the effort to get to know and appreciate our neighbors, Minnesotans in a great many of our communities have formed lasting bonds over this past week and found their civic spirit had been restored.

Mr. President, I was equally impressed with the efforts of Minnesota's young people. All too often we hear and read about young people who are not responsible, who do not care about their community.

Last week, I witnessed countless occasions when young and old worked together, filling and hauling sandbags, feeding those who had lost their homes, and finding them shelter. They set a remarkable example for the rest of the Nation.

Much work has been done, but the most difficult work is yet to be accomplished, and that will be the cleanup that takes place over the next few months, after the news crews have moved on, the TV cameras have been hauled away, and the spotlight has shifted to another part of the country.

I will be working with the Governor's office and with local officials to ensure that available Federal assistance will be distributed to those counties that so desperately need it.

Mr. President, last week I witnessed neighbor helping neighbor and volunteers working side by side to help save

their communities. It is this kind of determination that will lead people through these difficult times, as we deal with what one Minnesotan described as "a flood frozen in place."

Thank you very much, Mr. President. I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, we have reserved an hour, I believe, in morning business. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. Mr. President, a number of my colleagues will be on the floor presently. I would like to begin the hour and will be yielding time to some of my colleagues. But I do want to follow, in the first 5 minutes or so, the remarks of the Senator from Minnesota, Senator GRAMS, on the issue of flooding.

We intend, during this hour, to talk about the chemical weapons treaty and the critical vote that will be coming up on that in the Senate next week on that issue. I will get to that.

FLOODING IN THE NORTHERN GREAT PLAINS

Mr. DORGAN. Mr. President, first, let me respond to the issue of flooding. The Senator from Minnesota said it very well. I was with him as we toured part of the Red River Valley last week.

The Red River, which is one of the only rivers that I know of that flows north, flows into a watershed up north that is still frozen. The Red River often has problems with flooding. We often cope with the challenges of dealing with a flood in the Red River. But this is a flood of historic proportions, a century flood, on the heels of a winter in which we had five to seven blizzards, the last of which a week and a half ago put, in many cases, up to 20 inches of snow in our region.

A massive flood, the worst blizzard in 50 years, massive power outages all around the region, and then you understand a little about the challenges faced by people in the Northern Great Plains.

This has been very, very difficult. The Red River today has turned into a lake that is now 200 miles long. If you fly over it, it is almost inappropriate to characterize it as a river. It is a 200-mile lake that is held in by the heroic efforts of some people to fill bags with sand and stack them on top of each other and hope that that sandbagging will keep water from their homesteads, their farms or their houses.

Also, there are the heroic efforts of the Corps of Engineers, contracting with wonderful contractors to build emergency dikes. It is some effort in North Dakota, Minnesota, and South Dakota to watch the fight to stem the tide of this difficult flood.

Last weekend, I was in a shelter in Grafton, ND, where people had gone in order to seek refuge. They had been for days without any electricity in their homes. An 89-year-old woman living alone in her home had finally decided, "I must go to a shelter." I talked to her, and typical of the tough, gritty Norwegian and German stock in North Dakota, she said, well, it was not so bad, that, you know, she was getting through it—89 years old, no complaints, fighting the flood, fighting the elements, living in a shelter, but she knew that we would get through this. And that is the spirit that exists in our part of the country.

There was a woman in north Fargo named Sylvia Hove. Just before I left, to come back to the Senate here in DC for votes this week, I stopped by Sylvia's house. The amount of diking they had to do to keep the wall of water out from the back of her house and her backyard is truly extraordinary. Then, at 4 o'clock in the morning, with this very tall dike that they had built—and I helped pile some of the sandbags on that dike the week previous—the dike springs a leak.

Sylvia's son, who is there from out of State, hailed down a policeman. The policeman put out the alert on the radio. And at 4 o'clock in the morning there were four policemen there, just like that. The policemen routed their cars, stacking sandbags, dealing with the leak in the dike until others came.

It is the way that neighbors have helped neighbors, and, yes, in Minnesota, in Breckenridge, the North Dakota side, all up and down, especially the valley, the Red River Valley in North Dakota and Minnesota.

Unfortunately, this is a flood that comes and stays. Most floods we see on television are some raging river, completely out of control, taking houses with it down the middle of the stream. That is not the way the flood on the Red River occurs. It is a river that runs north; it runs very, very slow. It has a very insignificant grade, and the result is the crest comes but the flood will stay for a long, long while.

They will be fighting the flood in North Dakota and Minnesota yet for some weeks. It is truly a very significant challenge and a heroic effort on the part of mayors and city councils and young people and old folks and just ordinary folks who are doing extraordinary things to try to deal with this calamity.

I was at a sandbagging operation in Grand Forks. They put out a call for volunteers. I went into this giant area where they have two big sandbagging operations. There must have been 200 volunteers there ranging from 15 years old, I think, probably to 80 years old, all of them working hard piling sandbags on trucks. It really is quite an extraordinary thing to see.

There are a couple of outstanding issues. The head of the Corps of Engineers, Colonel Wonsik, called me last evening at home and gave me a description of where we are with respect to Wahpeton and Breckenridge, Fargo, Grand Forks, Grafton, Drayton, Pembina, all the way up and down the valley. He feels that they are making some progress, but it is an enormous challenge.

The mayor of Fargo called me about an hour ago. Again, it is an enormous challenge, but they are fighting a significant battle. All of the preparation they are doing is preventing the enormous damage that could have been done had we not had the diking that is now in place.

Some have asked the question about the emergency help that is going to be available on a 75 percent/25 percent ratio, 75 percent Federal, 25 percent State and local. The Governor had asked for a 90–10 ratio. I will just observe on that point the folks in FEMA and the administration have a formula: If the damage in a region goes above $40 million, then they go to a 90–10 formula. That will almost certainly occur in our region, probably has already occurred. That will be retroactive. So it is almost certain that our region will have this 90–10 formula in which the rest of the country reaches out in a disaster to say, we are here to help you, just as we have reached out on earthquakes and tornadoes and floods in other regions of our country. So that is something that is important.

Second, the Internal Revenue Service has been very helpful. As you know, there was a traffic jam in the District of Columbia last night; people at midnight trying to post their income tax returns on time. The Internal Revenue Service extended the date for filing to May 30 in the Dakotas and Minnesota where disaster has been declared. That is going to be helpful. They indicated they did not have authority to waive the interest charge during that 45-day extension.

I introduced a piece of legislation last evening in the Senate to waive that interest charge. It seems to me if the IRS says—and I appreciate the fact they have said it—that a tax return will be timely filed if it is filed by May 30, you ought not charge the interest on something you consider timely filed. So I would like to see that interest charge waived.

But we very much appreciate the cooperation of the Internal Revenue Service. People out there trying to man dikes and fill sandbags and so on are not able to get back to find their records to file a tax return if they had not already done it. They have been working on this flood and responding to it now for several weeks, so we appreciate the cooperation of the Internal Revenue Service.

I especially, as I conclude, want to echo the words of the Senator from Minnesota. The men and women in our

region of the country have had about as tough a time as you can have this winter and now this spring. I am enormously proud of what they are doing. I have been privileged to be there the last two weekends and most of the week previous to be a part of that. We will get through it. North Dakotans and Minnesotans and South Dakotans are tough people who have faced tough challenges in the past. We will get through it and rebuild and have better days ahead of us.

THE CHEMICAL WEAPONS TREATY

Mr. DORGAN. Mr. President, next week we will have an enormously important vote in the U.S. Senate.

There are days when people come to the floor of the Senate and debate almost nothing or find almost nothing to debate about. But, of course, almost nothing can provoke a debate in the Senate. We tend to get involved in discussions back and forth and find reasons to dispute each other over the smallest word or the smallest nuance in a piece of legislation. Sometimes that is a little frustrating, especially if you came here wanting to do some important things and some big things.

Next week we will do something important and tackle a big issue. It's the chemical weapons treaty. It is an attempt by a group of countries, hopefully including our country, to ban an entire class of weapons of mass destruction.

The negotiation on a Chemical Weapons Convention to ban chemical weapons was begun by President Ronald Reagan. President Bush was active as Vice President and as President in supporting the treaty. The treaty was the great achievement of the last month of his administration. Today, he very strongly supports ratification. President Clinton back in 1993 submitted the treaty to the Senate for ratification.

This treaty is the result of decades of negotiation and leadership by our country. The treaty which came from those negotiations needs to be ratified by the U.S. Senate, and it has been hanging around for some long while. It was supposed to be voted on last year, but it got caught up in Presidential politics. We need to ratify it by April 29 if we, as a country, are to be involved in the regime that sets up the monitoring and the processes by which this treaty is implemented.

We are told that next week we will vote on this treaty. We also understand that it is going to be a close vote. I want to tell you why I think this is important. We will have several other Members of the Senate here in the next hour to describe why it is important from their standpoint.

What are chemical weapons? Well, simply, they are poison gases, horrible weapons of war, highly toxic gases or liquids that can be used in bombs, rockets, missiles, artillery shells, mines, or grenades. This treaty says let us ban entirely poison gases, let us outlaw this class of weapons completely.

Some do not like any treaties on arms. Some in this Senate will stand up and say we should not have arms treaties. Some have opposed START I, START II, the nuclear arms treaties. They are inappropriate, they say.

Well, I held up on the floor of the Senate about a year ago a piece of metal about the size of my fist. The piece of metal came from a missile silo, a silo that housed a missile in Pervomaisk, Ukraine, a silo that held a missile with a nuclear warhead that was aimed at the United States of America.

I held up a piece of that silo in my hand because the silo has been destroyed, the missile has been destroyed, the warhead is gone, and where a missile once sat, aimed at the United States of America, is now a patch of dirt planted with sunflowers.

Why was a missile taken out, a silo destroyed, and sunflowers planted where there once was a missile aimed at the United States? Because the arms control treaties required it—required it—required that missiles be destroyed. We are destroying missiles on nuclear weapons. So is the former Soviet Union. The Ukraine is now nuclear free. The fact is, we have had success with arms control agreements. Are they perfect? No. Do they work? Yes. We have had success with arms control agreements. This is a treaty on arms control. We need to ratify it. We will vote on that next week.

Let me describe, again, what this is about. It is a treaty to try to ban a class of weapons of mass destruction. Not many people probably know what chemical weapons are. I really don't. I have obviously not seen chemical weapons used. Very few people have.

Let me read from a poet, Wilfred Owen, a famous poet from World War I, and the lines he wrote about a gas attack. Germany was the first nation in modern times to use chemical weapons, in the World War I battle at Ypres, a town in Belgium, April 22, 1915. It is said that a hissing sound came from German trenches as 6,000 cylinders spewed chlorine gas aimed at the allied lines. That is a gas that attacks the lungs, causes severe coughing and choking and death. It had a devastating effect on the allied soldiers, who were unprepared. Soldiers breathing that gas began to cough up blood, their faces turning purple, their bodies writhing in the trenches. There were 15,000 casualties that day, we are told. Chlorine gas, mustard gas, and blister gas caused a million casualties in World War I.

Wilfred Owen, the poet, wrote a description of a gas attack in the First World War. A company of exhausted soldiers is marching back from the front lines, when suddenly someone shouts:

"Gas! GAS! Quick, boys!"
An ecstasy of fumbling,
Fitting the clumsy helmets just in time;
But someone still was yelling out and stumbling;
And flound'ring like a man in fire or lime. . . .
Dim, through the misty panes and thick green light,
As under a green sea, I saw him drowning.
In all my dreams, before my helpless sight,
He plunges at me, guttering, choking, drowning.
If in some smothering dreams you too could pace
Behind the wagon we flung him in,
And watch the white eyes writhing in his face,
His hanging face, like a devil's sick of sin;
If you could hear, at every jolt, the blood
Come gargling from the froth-corrupted lungs,
Obscene as cancer, bitter as the cud
Of incurable sores on innocent tongues. . . .

That is Wilfred Owen describing a gas attack, an attack using chemical weapons.

Modern armies have the capability of protecting themselves in many circumstances against chemical weapons with protective devices and protective gear.

But of course civilians are the most vulnerable to chemical weapons. Perhaps the example that most of us remember was the attack at the Tokyo subway by a terrorist group, a cult headquartered in Japan but active in America. They used the nerve gas sarin in a terrorist attack. The cult released the gas on March 20, 1995, during the morning rush hour at a busy Tokyo subway station. In that attack, 12 were killed, over 5,000 were injured. We are told that it was very close to a circumstance in which thousands would have been killed from that attack. We all remember the frightening television images of people staggering up out of the subway with their handkerchiefs over their mouths and collapsing on the street. Not surprisingly, the Japanese Diet, or parliament, ratified the chemical weapons treaty within a month of the Tokyo subway attack.

This raises the question of why the Senate has yet to do the same.

Why would people come to the floor of the Senate and say this is an inappropriate treaty and they intend to oppose it with every fiber of their being? Let me go through some of the myths we will hear about the chemical weapons treaty.

Myth one: by ratifying the chemical weapons treaty the United States will surrender a vital deterrent to chemical attack. That is not true at all. This is not about our weapons. It is about other countries' weapons. President Reagan already made a decision back in the 1980's that we were going to get rid of our stock of chemical weapons. The question now is whether other

countries will similarly abandon their stock of chemical weapons and join us in an approach that will verify that other countries in the world are not producing chemical weapons.

Myth two: rogue states will refuse to join the treaty, so it will only tie our hands, not theirs. As I just indicated, we are not producing chemical weapons, we are destroying the stock of chemical weapons we now have. So it will not tie our hands. But the Chemical Weapons Convention will shrink the chemical weapon problem down to a few rogue states and help curb their ability to get the materials necessary to make chemical weapons.

Some say if you cannot prevent murder why should you have a law against murder. Common sense says murder is wrong, you have a law that provides penalties for murder. The production of chemical gasses ought to be wrong and we ought to have a convention that says we intend as a country to be part of an effort to ban it from the world. The fact we might have a few rogue nations wanting to produce them does not mean we ought not decide to ratify this treaty. What we ought to do is join all of our friends around the world who feel similarly and go after the rogue nations to demand and make certain that they are not producing chemical weapons.

The treaty is unverifiable, people say. Well, no treaty is perfectly verifiable. We should not be making the perfect the enemy of the good. We will be able to adequately verify this treaty.

The military use of chemical weapons requires significant testing and equipping or training of forces that will be difficult to hide in the face of the kind of investigation that will occur if this treaty is approved.

I will intend to proceed further with the myths that we will hear on the floor of the Senate about the Chemical Weapons Convention, but let me do that at another time, because I intend to come to the floor on a number of additional occasions and talk about this subject. But other Senators are joining me on the floor to speak about this. Senator LEVIN from the State of Michigan is here. He has been one of the most eloquent spokesman on this issue in the U.S. Senate and feels passionately about it. I am pleased he has joined me. Senator BINGAMAN is also coming to the floor, as are a couple of others.

I yield such time as he may consume to the Senator from Michigan, Senator LEVIN.

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senator from Michigan.

Mr. LEVIN. I thank the Chair, and I thank my good friend from North Dakota. His eloquent voice is indeed critical to the ratification of this convention.

It is long overdue, Mr. President, that the Senate take up the Chemical Weapons Convention and that we promptly provide our advice and our consent to its ratification so that the United States can join the convention as an original party.

I will focus just for a few moments this morning on the military issues and the military implications as they relate to the Chemical Weapons Convention from my perspective as the ranking member on the Armed Services Committee.

Under the 1985 treaty which was signed by President Reagan, we are already unilaterally destroying our stockpile of unitary chemical weapons. We are doing this without a treaty, without being required to do so, because of our own decision as to their limited military usefulness. This process is scheduled to be completed by the year 2004. This is a point which Secretary Cohen makes very, very effectively.

This is not an issue of saying we will give up our chemical weapons if the other guys do the same thing. We are already unilaterally destroying our chemical weapons. The question now is whether we will join a convention where other countries are going to do what we are already doing unilaterally. So the destruction of our chemical weapons will take place whether or not the Senate ratifies this convention. It will require other nations to do what we are already doing and will reduce the risk of chemical attacks against our troops and our country in the process.

This convention will enter into force on April 29, with or without the United States being a party. So the question before the Senate is not whether the Chemical Weapons Convention is a perfect treaty. It is whether or not we want the United States to have a role in overseeing and implementing this convention so that it greatly enhances our security. Our military and our civilian defense leadership give a resounding yes to the question of whether or not the United States should ratify this convention.

First, here is the testimony of General Shalikashvili, the Chairman of our Joint Chiefs of Staff, before the Foreign Relations Committee, last March 28, 1996. This is what General Shalikashvili said:

From a military perspective, the Chemical Weapons Convention is clearly in our national interest. The Convention's advantages outweigh its shortcomings. The United States and all other CW capable state parties incur the same obligation to destroy their chemical weapon stockpile. While less than perfect, the verification regime allows for intrusive inspections while protecting national security concerns. The nonproliferation aspects of the convention will retard the spread of chemical weapons and, in so doing, reduce the probability that U.S. forces may encounter chemical weapons in a regional conflict. Finally, while foregoing the ability to retaliate in kind, the U.S. military retains the wherewithal to deter and defend against a chemical weapons attack. I strongly support this convention and respectfully request your consent to ratification.

General Shalikashvili told this to the Foreign Relations Committee a year ago.

Then he said in another point in his testimony to the Armed Services Committee last month that all of the chiefs of staff and the commanders in chief of our combatant commanders support the Chemical Weapons Convention. He told the Senate Armed Services Committee, "I fully support early ratification of the Chemical Weapons Convention and in that respect I reflect the views of the Joint Chiefs and the combatant commanders."

Now, this is really quite an important point, I believe, for the U.S. Senate. We have the Chairman of our Joint Chiefs, we have all of the Chiefs, all of our combatant commanders urging us to ratify the Chemical Weapons Convention because our troops will be safer with the convention in effect than if it is not in effect. That ought to count heavily with the U.S. Senate. It is not always true that you have that kind of a unified position on the part of our uniformed military. It is not always true that the Chairman of the Joint Chiefs can say that all of the Chiefs, all of the combatant commanders, agree that a certain course of action ought to be taken in the U.S. Senate. But it is true in this case.

As I mentioned, Secretary Cohen, when he was still the Secretary-designate for his current position, testified as follows, before the Armed Services Committee, when asked whether or not he supports the ratification of the convention prior to the April 29 deadline, and this, basically, is his answer:

Yes. The CWC, as both a disarmament and a nonproliferation treaty, is very much in our national security interest because it:

No. 1, establishes an international mandate for the destruction of chemical weapons stockpiles;

No. 2, prohibits the development, retention, storage, preparations for use, and use of chemical weapons;

No. 3, increases the probability of detecting militarily significant violations of the CWC; and

No. 4, hinders the development of clandestine CW stockpiles.

Mr. President, I ask unanimous consent that the detailed explanation of Secretary Cohen for each of those conclusions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Establishes an international mandate for the destruction of chemical weapons (CW) stockpiles. Congress has mandated that the Army, as executive agent for CW destruction, eliminate its unitary CW, which constitute the bulk of its CW stockpile, by 31 December 2004. That destruction process is

well under way at the CW destruction facilities at Johnston Atoll and Tooele, UT. The CWC mandates that state parties destroy, under a strict verification regime, their entire CW stockpiles within 10 years after the Convention enters into force (April 2007). Given that the U.S. does not need CW for its security, and given that we are currently legally committed to eliminating unilaterally the vast majority of our CW stockpile, common sense suggests that it would be preferable to secure a commitment from other nations to do the same.

Prohibits the development, retention, storage, preparations for use, and use of CW. These expansive prohibitions establish a broadly accepted international norm that will form a basis for international action against those states parties that violate the CWC. Unlike the 1925 Geneva Protocol, which only bans the use of CW in war, the CWC: includes a verification regime; restricts the export of certain dual-use CW precursor chemicals to non-state parties; prohibits assisting other states, organizations, or personnel in acquiring CW; and requires state parties to implement legislation prohibiting its citizens and organizations from engaging in activities prohibited by the Convention. The CWC also contains mechanisms for recommending multilateral sanctions, including recourse to the UN Security Council.

Increases the probability of detecting militarily significant violations of the CWC. While no treaty is 100% verifiable, the CWC contains complementary and overlapping declaration and inspection requirements. These requirements increase the probability of detecting militarily significant violations of the Convention. While detecting illicit production of small quantities of CW will be extremely difficult, it is easier to detect large scale production, filling and stockpiling of chemical weapons. Over time, through declaration, routine inspections, fact-finding, consultation, and challenge inspection mechanisms, the CWC's verification regime should prove effective in providing information on significant CW programs that would not otherwise be available.

Hinders the development of clandestine CW stockpiles. Through systematic on-site verification, routine declarations and trade restrictions, the Convention makes it more difficult for would-be proliferators to acquire, from CWC state parties precursor chemicals required for developing chemical weapons. The mutually supportive trade restrictions and verification provisions of the Convention increase the transparency of CW-relevant activities. These provisions will provide the U.S. with otherwise unavailable information that will facilitate U.S. detection and monitoring of illicit CW activities.

Mr. LEVIN. Secretary Cohen concluded by saying the following:

I strongly support the Chemical Weapons Convention and the goal of U.S. ratification of the convention by April 29, 1997 . . . U.S. ratification of the Convention prior to this date will ensure that the U.S. receives one of the 41 seats on the Executive Council of the Organization for the Prohibition of Chemical Weapons (OPCW), the international organization that will oversee CWC implementation. Early ratification will also ensure that U.S. citizens will fill key positions within the OPCW and act as inspectors for the Organization. Direct U.S. involvement and leadership will ensure the efficacy and efficiency of the OPCW during the critical early stages of the Convention's implementation. The U.S., upon ratification and implementation of the CWC, will also receive CW-related information from other state parties. As a state party and a member of the Executive Council, the U.S. will be in the best position to assure the effective implementation of the Convention's verification provisions.

Now, that is our former colleague, Bill Cohen. It is an exceptionally clear and cogent statement of why the CWC is in our international interest. Defense Secretary Perry before him, said the following before the Senate Foreign Relations Committee, on March 28, 1996:

In conclusion, the Department of Defense considers the Chemical Weapons Convention a well-balanced treaty that, in conjunction with our other efforts against CW proliferation, a robust chemical protection program and maintenance of a range of nonchemical response capabilities, will serve the best interests of the United States and the world community. The Department of Defense strongly supports the Convention. I respectfully request that the Senate give its advice and consent to ratification this spring.

Mr. President, our military, today, enjoys a high level of protection against chemical weapons. The treaty specifically permits that level of protection and any additional level of protection to continue. We spend about $500 million a year on chemical and biological defenses. The Senate should help assure that our forces maintain an effective capability to defend themselves. We plan on doing just that in the budget that we will be submitting to the Senate.

But by not ratifying the Chemical Weapons Convention, we would be giving other nations an excuse for delaying or rejecting ratification, while taking the pressure off of pariah states to join the treaty.

General Schwarzkopf, retired now, recently testified as follows:

I am very, very much in favor of the ratification of that treaty. We don't need chemical weapons to fight our future warfares. And, frankly, by not ratifying that treaty, we align ourselves with nations like Libya and North Korea, and I'd just as soon not be associated with those thugs in this particular matter. So I am very, very much in favor of ratification of that particular treaty.

Admiral Zumwalt, now retired, said the following relative to this treaty. He was the Chief of Naval operations in the early 1970's. He said:

If we refuse to ratify, some governments will use our refusal as an excuse to keep their chemical weapons. Worldwide availability of chemical weapons will be higher, and we will know less about other countries' chemical activities. The diplomatic credibility of our threat of retaliation against anyone who uses chemical weapons on our troops will be undermined by our lack of "clean hands."

Admiral Zumwalt, who, in this article I am quoting from in the Washington Post of January 6, 1997, pointed out that he is not a dove. As a matter of fact, he said he helped lead the opposition to the SALT II treaty because he was convinced that it would give the Soviet Union a strategic advantage. This is someone who has a history of being skeptical in terms of arms control agreements. Admiral Zumwalt in the Washington Post that day added the following:

At the bottom line, our failure to ratify will substantially increase the risk of a chemical attack against American service personnel.

I ask unanimous consent that Admiral Zumwalt's entire article in the Washington Post of January 6, 1997, be printed in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 6, 1997]

A NEEDLESS RISK FOR U.S. TROOPS

(By E.R. Zumwalt Jr.)

It has been more than 80 years since poison gas was first used in modern warfare—in April 1915 during the first year of World War I. It is long past time to do something about such weapons.

I am not a dove. As a young naval officer in 1945, I supported the use of nuclear weapons against Japan. As chief of naval operations two decades ago, I pressed for substantially higher military spending than the nation's political leadership was willing to grant. After retiring from the Navy, I helped lead the opposition to the SALT II treaty because I was convinced it would give the Soviet Union strategic advantage.

Now the Senate is considering whether to approve the Chemical Weapons Convention. This is a worldwide treaty, negotiated by the Reagan administration and signed by the Bush administration. It bans the development, production, possession, transfer and use of chemical weapons. Senate opposition to ratification is led by some with whom I often agree. But in this case, I believe they do a grave disservice to America's men and women in uniform.

To a Third World leader indifferent to the health of his own troops and seeking to cause large-scale pain and death for its own sake, chemical weapons have a certain attraction. They don't require the advanced technology needed to build nuclear weapons. Nor do they require the educated populace needed to crate a modern conventional military. But they cannot give an inferior force a war-winning capability. In the Persian Gulf war, the threat of our uncompromising retaliation with convention weapons deterred Saddam Hussein from using his chemical arsenal against us.

Next time, our adversary may be more berserk than Saddam, and deterrence may fail. If that happens, our retaliation will be decisive, devastating—and no help to the young American men and women coming home dead or bearing grevious chemical injuries. What will help is a treaty removing huge quanities of chemical weapons that could otherwise be used against us.

Militarily, this treaty will make us stronger. During the Bush administration, our nation's military and political leadership decided to retire our chemical weapons. This wise move was not made because of treaties. Rather, it was based on the fact that chemical weapons are not useful for us.

Politically and diplomatically, the barriers against their use by a First World country are massive. Militarily, they are risky and unpredictable to use, difficult and dangerous to store. They serve no purpose that can't be met by our overwhelming convention at forces.

So the United States has no deployed chemical weapons today and will have none in the future. But the same is not true of our potential adversaries. More than a score of nations now seeks or possesses chemical weapons. Some are rogue states which we may some day clash.

This treaty is entirely about eliminating other people's weapons—weapons that may some day be used against Americans. For the American military, U.S. ratification of the Chemical Weapons Convention is high gain and low or no pain. In that light, I find it astonishing that any American opposes ratification.

Opponents argue that the treaty isn't perfect: Verification isn't absolute, forms must be filled out, not every nation will join at first and so forth. This is unpersuasive. Nothing in the real world is perfect. If the U.S. Navy had refused to buy any weapon unless it worked perfectly every time, we would have bought nothing and now would be disarmed. The question is not how this treaty compares with perfection. The question is how U.S. ratification compares with its absence.

If we refuse to ratify, some governments will use our refusal as an excuse to keep their chemical weapons. Worldwide availability of chemical weapons will be higher, and we will know less about other countries' chemical activities. The diplomatic credibility of our threat of retaliation against anyone who uses chemical weapons on our troops will be undermined by our lack of "clean hands." At the bottom line, our failure to ratify will substantially increase the risk of a chemical attack against American service personnel.

If such an attack occurs, the news reports of its victims in our military hospitals will of course produce rapid ratification of the treaty and rapid replacement of senators who enabled the horror by opposing ratification. But for the victims, it will be too late.

Every man and woman who puts on a U.S. military uniform faces possible injury or death in the national interest. They don't complain; risk is part of their job description. But it is also part of the job description of every U.S. senator to see that this risk not be increased unnecessarily.

Mr. LEVIN. Finally, Mr. President, I ask unanimous consent that a letter written by a very distinguished group of retired four-star generals and admirals who support the Chemical Weapons Convention be printed in the RECORD at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 3, 1997.

Hon. WILLIAM J. CLINTON,
The White House, 1600 Pennsylvania Avenue, N.W., Washington, DC.

DEAR MR. PRESIDENT: As former members of the United States Armed Forces, we write to express our strong support for Senate ratification of the Chemical Weapons Convention (CWC). This landmark treaty serves the national security interests of the United States.

Each of us can point to decades of military experience in command positions. We have all trained and commanded troops to prepare for the wartime use of chemical weapons and for defenses against them. We all recognize the limited military utility of these weapons, and supported President Bush's decision to renounce the use of an offensive chemical weapons capability and to unilaterally destroy U.S. stockpiles. The CWC simply mandates that other countries follow our lead. This is the primary contribution of the CWC: to destroy militarily-significant stockpiles of chemical weapons around the globe.

We recognize that the proliferation of weapons of mass destruction, including chemical agents, presents a major national security threat to the U.S. The CWC cannot eliminate this threat, as terrorists and rogue states may still be able to evade the treaty's strict controls. However, the treaty does destroy existing stockpiles and improves our abilities to gather intelligence on emerging threats. These new intelligence tools deserve the Senate's support.

On its own, the CWC cannot guarantee complete security against chemical weapons. We must continue to support robust defense capabilities, and remain willing to respond—through the CWC or by unilateral action—to violators of the Convention. Our focus is not on the treaty's limitations, but instead on its many strengths. The CWC destroys stockpiles that could threaten our troops; it significantly improves our intelligence capabilities; and it creates new international sanctions to punish those states who remain outside of the treaty. For these reasons, we strongly support the CWC.

Stanley R. Arthur, Admiral, USN (Ret); Michael Dugan, General, USAF (Ret); Charles A. Horner, General, USAF (Ret); David Jones, General, USAF (Ret); Wesley L. McDonald, Admiral, USN (Ret); Merrill A. McPeak, General, USAF (Ret); Carl E. Mundy, Jr., General, USMC (Ret); William A. Owens, Admiral, USN (Ret); Colin L. Powell, General, USA (Ret); Robert RisCassi, General, USA (Ret); H. Norman Schwartzkopf, General, USA (Ret); Gordon R. Sullivan, General, USA (Ret); Richard H. Truly, Vice Admiral, USN (Ret); Stansfield Turner, Admiral, USN (Ret); John W. Vessey, General, USA (Ret); Fred F. Woerner, General, USA (Ret); Admiral E.R. Zumwalt, Jr., Admiral, USN (Ret).

Mr. LEVIN. Mr. President, one paragraph from that letter says the following:

On its own, the CWC cannot guarantee complete security against chemical weapons. We must continue to support robust defense capabilities, and remain willing to respond—through the CWC or by unilateral action—to violators of the Convention. Our focus is not on the treaty's limitations, but instead on its many strengths. The CWC destroys stockpiles that could threaten our troops; it significantly improves our intelligence capabilities, and it creates new international sanctions to punish those states who remain outside of the treaty. For these reasons, we strongly support the CWC.

Former Secretary of State, Jim Baker, spoke out very strongly in support of the CWC the other day and said:

If we fail to ratify the convention, we will imperil our leadership in the entire area of nonproliferation, perhaps the most vital security issue of the post-cold war era.

Mr. President, before we have a chance to vote on the CWC, we will be voting on a bill introduced by Senator KYL, S. 495. It is a 70-page bill that effects our efforts relative to chemical and biological weapons. The contrast between the lack of analysis of that bill, the contrast between the absence of hearings on that bill and the thoroughness with which the Chemical Weapons Convention has been analyzed, is enormous. We have had about 18 hearings on the Chemical Weapons Convention. We have had dozens of briefings for Senators and our staffs. We have had 1,500 pages of information on the CWC, which has been provided to the Senate by the administration: 300 pages of testimony; 500 pages of answers to letters and reports; 400 pages of answers to questions for the record; 300 pages of other documentation. That is what we have had in the 3½ years that the Chemical Weapons Convention has been before us. The bill introduced by Senator KYL has been in front of us for a few weeks.

So we have had the convention before us for 3½ years, with 18 hearings, hundreds of pages of documents, answers, et cetera, a thorough and complete and exhaustive analysis of this convention. It is long, long overdue that it come before the Senate. Hopefully, we are going to ratify it and not be deterred from ratification in any way by a bill recently introduced, just a few weeks ago, with 70 pages of complicated text relative to the same subject, but which doesn't affect anybody else's weapons, only our own.

Mr. President, I want, again, to thank the Senator from North Dakota for his leadership in this area. It is important to this Nation's position and posture in the world as a leader that a convention that was designed by us, negotiated by Presidents Reagan and Bush, supported by them, a bipartisan convention, be finally brought before the Senate for debate and ratification.

I thank the Chair and my friend from North Dakota for yielding me some time.

I yield the floor.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. How much time remains?

The PRESIDING OFFICER. There are 25 minutes remaining.

Mr. BINGAMAN. I thank the Chair. Mr. President, let me, first of all, compliment my colleague from Michigan on his excellent statement. I agree with each of his points. It is past time for the Senate to bring this issue to the floor for debate, to debate it seriously, to make whatever modifications or changes or conditions the Senate believes is appropriate, if any, and to get on with ratifying the Chemical Weapons Convention.

Mr. President, one of the challenges in discussing the Chemical Weapons Convention is to figure out how to bring this home to the average American that this is an issue and a concern that is important to them. Many people say, well, this is long term, this is international, this doesn't relate to me right here in River City, or Santa Fe, NM, or Silver City, NM, or wherever

their hometown happens to be. But, in fact, the convention intends to reduce the likelihood that any of our troops or any American civilians in the future will be injured or killed as a result of chemical weapons.

The history of the use of chemical weapons is better known by others than by me. My understanding is that the first time there was significant use of chemical weapons was in the First World War. There have been instances since then. We have heard much in the news recently, for example, about the injuries that some of our personnel in the gulf war encountered by virtue of the accidental destruction of Iraqi chemical weapons by some of our own military actions.

So the issue is real, and the question is, what can we do as a nation? What can we do as a Senate to lessen the risk that chemical weapons will, in fact, injure Americans in the future? I think ratifying this treaty at this time is clearly the most important thing we can do.

I hope very much that we go ahead and enter into a unanimous-consent agreement today and begin formal debate of the treaty. We are not in formal debate as of yet because we have been unable to get agreement among all Senators to bring the treaty to the floor. We need to get that agreement and bring it to the floor, and we need to go ahead with the debate. The reason that it is time-sensitive, Mr. President, is that the treaty goes into effect on the 29th of this month. Now, some say it doesn't matter whether we are part of it at the time it goes into effect or whether we are not part of it. They say we can come along later. The problem is that international agreements have been made for the treaty to go into effect. American experts have been working with experts from other countries in putting together protocols and plans for implementing this treaty and the inspections that would be made under the treaty. All of that has been ongoing. If we are not part of the initial group of ratifying nations—it's a very large group; I think 161 nations have signed this treaty. If we are not part of that group when the treaty goes into effect, then the experts from our country that have been involved in establishing protocols and plans for inspection will be excluded from management and inspection teams and others will be put in their place. Perhaps at a later date we could join, but, clearly, it is not in our interest to have an international treaty of this importance begin without us being a part of it.

I also point out an obvious point, which I am sure has been made many times in this debate. The sanctions called for in this treaty against countries that are not party to the treaty will be imposed on our own chemical companies. Many of the objections that have been raised about the treaty are, in fact, in my view, groundless for the simple reason that our own chemical manufacturers in this country have come out in strong support of the treaty. They want to be part of this. They understand the inspections that will be taking place. They readily subject themselves to those inspections, and they do not want sanctions imposed upon them that keep them from selling chemicals that can be used for chemical weapons, but can also have commercial uses at the same time. They would like to continue to be major participants in the world market in chemicals. They estimate that the loss to our chemical manufacturers could be around $600 million per year if we don't ratify the treaty and if sanctions are imposed on us because we are outside the treaty.

Mr. President, there are various objections that have been raised. In my opinion, I have never seen a treaty where there has been more effort to accommodate very groundless objections. We have some objections which are not groundless—I will acknowledge that—and concerns that are valid and need to be considered and addressed. We are doing that. But many of the objections that have been raised, in my opinion, are really grasping at straws by people who are trying to find some basis upon which to oppose this treaty.

The context in which this needs to be considered—this, again, has been said many times here, and I have said it myself—is that we passed a law while President Reagan was in the White House that renounced the use of chemical weapons by this country and which put us on a path to destroy our own chemical weapons capability. President Reagan signed that law. That has been the policy of our Government through the Reagan administration, through the Bush administration, through the Clinton administration, and now into the second Clinton administration.

We have unilaterally made the decision that we do not need chemical weapons in order to look out for national security concerns. We have many other ways to deal with countries that would use chemical weapons.

By signing this agreement, by going ahead and ratifying the Chemical Weapons Convention, we are not giving up any of the other arrows in our quiver, so to speak. We have the ability to retaliate against the use of chemical weapons in any way we determine to retaliate, whether we are a signatory or not. So we do not lose anything by ratifying it and becoming part of this convention. We gain, however, a substantial amount. For that reason, I think the treaty should go forward.

Since we have unilaterally decided not to have chemical weapons, not to produce chemical weapons, not to maintain a stockpile of chemical weapons, and not to use chemical weapons in the future, how can it not be in our interest to try to ensure that other countries make that same decision? How can it not be in our interest to join with international inspection groups to investigate and ascertain that the countries that are signatories to this treaty do not in fact violate the convention?

As I indicated before, our manufacturers agree. If you want to inspect us, come on in. We are glad to have you come in and inspect our plants. We are not going to have chemical weapons, we are not going to stockpile chemical weapons, and, therefore, come on in and investigate us.

If we ratify this treaty, we can be part of the inspection teams that go to other countries to make the same determination. Some people say, "Well, the problem with it is that not all nations are going to sign onto the treaty." That is true. Not all nations are. That is very, very true. To deal with that circumstance, the treaty calls for sanctions against those countries that don't ratify the treaty. We cannot enforce the treaty against countries that don't ratify the treaty, but we can impose sanctions upon their ability to purchase or to sell chemicals that have dual use—that can be used in chemical weapons as well as in commercial purposes. That is a significant tool that this convention will give us.

I do not know of another circumstance—at least in the time I have been here in the Senate—where we have made the unilateral decision to take action that a treaty calls for us to take. For us to now say, "OK, we have already decided to take the actions that the treaty calls for us to take, but we do not know whether we want to go ahead and ratify the treaty so that others also will take those same actions" is nonsensical to me. We need to recognize that in the large scheme of things, this country needs to provide leadership in the world. That leadership includes ratifying this treaty and going forward with putting the protocols for its enforcement in place and participating in the inspection teams required for its implementation. That is exactly what is required. There have been endless negotiations within the Foreign Relations Committee in an effort to accommodate concerns that have been raised. I was not party to those negotiations. I have seen the results of them. Quite frankly, I am amazed at the extent of the conditions that we have agreed should be adopted to allay concerns of different Members. I think that is fine. I have no problem with any of the conditions. I also support whatever is acceptable to the administration, which has primary authority in this area and primary responsibility to enforce the treaty. If they believe these conditions are acceptable, then fine, they are acceptable to me as well. But we do need to get on with ratifying the treaty. We need to get on with providing the additional confidence we can

to the American public and to assure them that their security concerns are being dealt with responsibly.

I believe very strongly that this treaty is in the best interest of our country and the best interest of the people of my State. I think it would be a travesty for us to fail to ratify it, and particularly it would be a travesty if we failed to even bring it before the Senate for a vote. That has not happened. I understand the majority leader has worked very diligently to bring that about, and I believe he is on the verge of doing so. I commend him for that. But the reality of the situation is very straightforward—this treaty needs to be ratified. It needs to be ratified soon. The clock is ticking. Our leadership position in the world is at stake, and the security of future generations is also at stake.

I see that we have both Senators from Massachusetts ready to speak. I do not want to delay them. I ask if either of them wishes to speak on the treaty at this point.

How much time remains on the treaty?

The PRESIDING OFFICER. There remain 11 minutes 50 seconds.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I ask unanimous consent that I be permitted to speak for 15 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, we have had a long history in the world of attempts to rid the planet of the scourge of chemical weapons. That effort began after World War I, as a result of the searing experiences of troops in Europe during that war near the beginning of this century when chemical weapons were used for the first time in a general way in warfare. Those efforts in the early part of the century resulted, in 1925, in the negotiation in Geneva of an accord that bans the use of chemical weapons.

Since that time, the world's more powerful nations have not used them in war, including World War II. There are a couple of rogue states that have used them. Iraq's use against the Kurds and in its war with Iran is the instance most often cited. But despite the progress in seeking to eliminate the use of chemical weapons, the fact is that efforts to ban the manufacture and storage of poisonous gas has hit one brick wall after another over the years.

In the past 25 years a substantial effort has been made to achieve an international agreement to ban manufacture and storage of chemical weapons. The Nixon and Ford administrations—both of whom, of course, were Republicans—worked toward this objective, albeit without success. The administration of Republican President Ronald Reagan reinvigorated international efforts to achieve such an agreement during the early 1980's. When Vice President Bush was elected President, his administration assumed the responsibility for continuing those negotiations that were handed off by the predecessor administration in which he had served as Vice President, and I believe most people ultimately will judge that President Bush and his administration's negotiators acquitted themselves well in this regard.

After intense and lengthy negotiations, initial success was achieved in 1992 when the Chemical Weapons Convention was completed in Geneva and was approved by the United Nations. In early 1993, shortly before leaving office, the Bush administration, representing the United States, joined with 129 other nations to sign the convention, and the process of ratification of the treaty began. On November 23 of that year, the Clinton administration submitted the convention formally to the Senate for its advice and consent.

So here we are now, 4 years from the time when the convention became available for ratification, finally about to exercise our constitutional responsibility in the Senate.

I wish that we had acted sooner. But it is my understanding that we now are going to act—that the majority leader has made a commitment to bring up the resolution of ratification on the Senate floor next week so that we can act prior to the critical day of April 29.

Let me digress to address the subject of the importance of April 29 to this treaty. April 29, less than 2 weeks from today, is the day on which the convention takes effect. Some Members and others have suggested in hearings and elsewhere that this is not a critical date; that we somehow have an extraordinary power to unilaterally dictate the United States can impose changes in the convention beyond that date. The fact is that April 29 is the date on which all the nations that have ratified the convention expect the convention to take effect, per its terms to which all signatory nations including the United States agreed. They believe they have a right to expect that others will have lived by the same rules by which they have lived.

There is a certain contradiction in suggesting that you are going to take the leadership in drafting and seeking support for a treaty which is designed to become international law, and which establishes a set of rules that you and others propose to follow, and before it even takes effect you unilaterally decide you are going to break the first rule it contains which is the date by which you must agree to be a full supporter and participant in order to have a part in setting up on the ongoing procedures and regulations that will apply its terms to all participants. I think those who suggest the United States can simply ignore this deadline—while still seeking international support for some treaty to address the chemical weapons concern, a treaty they believe should be altered in various ways from the treaty that is now before the Senate—are evidencing a kind of arrogance on behalf of our country that often gets us in trouble with our allies and friends and with nations we would like to have as allies and friends.

Even more troubling, Mr. President, is the fact that there are some in the Senate, some Members of the Republican Party, who seem to have a deep-seated aversion to any kind of arms control treaty. As we draw close to the point where the Senate will exercise its constitutional role of advise and consent, we are seeing a desperate effort launched to grab onto any kind of straw to suggest that this treaty is not good for the United States of America. We are seeing a host of problems conjured up, and I do mean literally conjured up, to prevent the assembly of a two-thirds majority of the Senate to approve the resolution of ratification.

I only have a brief amount of time in the Chamber today, but I want to address some of the principal arguments that are being advanced as a rationale for suggesting that this treaty is not in the best interests of the United States. I have spoken previously at some length in this Chamber about the convention, and I will speak again as we formally take up the debate, but today I want to address briefly several of the claims made by opponents.

First, opponents say that the convention could jeopardize confidential business information through frivolous so-called challenge inspections that the critics claim would provide international inspectors with extraordinary access to files, data, and equipment of U.S. chemical companies, and that the inspectors themselves could be spies for adversary nations or for nations whose chemical industries compete with our own. These critics, in effect, are anointing themselves the great protectors of the U.S. chemical industry from an espionage threat they perceive.

Mr. President, I do not believe there is a person in this Chamber that does not want to take all needed steps to thwart espionage, but let me note the facts. The Chemical Manufacturers Association strongly supports the Chemical Weapons Convention. Its representatives helped write the rules contained in the convention pertaining to treatment of confidential business information. Not surprisingly, protecting trade secrets was at the very top of their priority list during the treaty negotiations.

Further, the CMA conducted seven full-fledged trial inspections of chemical facilities just as would be conducted under the treaty's terms, to

make certain that the protections against industrial espionage were strong. The Chemical Manufacturers Association is satisfied that those protections are sufficient to safeguard U.S. trade secrets. Furthermore, the treaty gives our Government the right to reject ahead of time for any reason whatsoever any inspectors that we believe would try to spy at U.S. facilities.

Second, Mr. President, opponents say that the convention inspection requirements may involve unreasonable search and seizure which would violate the fourth amendment to the Constitution.

Again, they are wrong. The facts are that at the insistence of our own negotiators who were fully cognizant of issues of search and seizure, the Chemical Weapons Convention explicitly allows party nations to take into account their own constitutional obligations when providing access for a challenge inspection. Constitutional rights in the United States have not been weakened or relinquished. Both the CWC and its draft implementing legislation fully protect U.S. citizens, including businesses, from unreasonable search and seizure. In addition, the treaty allows sensitive equipment information or areas of an inspected facility not related to chemical production or storage that are the subjects of the inspection to be protected during any challenge inspection by adhering to approved managed access techniques.

Further, treaty proponents are prepared to accept, and Senator BIDEN has negotiated with Senator HELMS, a condition of ratification which will provide that search warrants will be obtained through the normal process for all challenge inspections.

A third issue: Opponents say that adherence to the convention's provisions by party nations cannot be perfectly verified. What is occurring here is that the opponents are trying to make the perfect the enemy of the good. I can say that, in the 12 years I have been in the Senate as a member of the Foreign Relations Committee and deeply involved in work on a number of arms control agreements, I do not think I have ever seen an arms control agreement that is absolutely, perfectly, 100 percent verifiable. I do not think anybody who negotiates arms control agreements believes such perfection is attainable.

Perfection is not the standard by which we should make a judgment as to whether we have a good or bad treaty. Both our national defense leadership and intelligence community leadership have testified repeatedly that this treaty will provide them with additional tools that they do not have today which will help them gain more and better knowledge about what is happening in the world regarding chemical weapons and their precursors.

So the test is not can you perfectly verify compliance with the Convention's requirements; the test is do you enhance the security and intelligence interests of your country beyond where they would be without the treaty. Our defense and intelligence community leaders answer a resounding yes to that question.

Fourth, opponents say that the nations about whose chemical activities we are most greatly concerned, the rogue nations like Iraq and Libya and North Korea, will not become parties to the treaty and, if they are not parties to the treaty, it will not give us enough protection from chemical weapons to warrant our being a party to it.

This is a red herring of enormous proportions for the following reasons. As I stand in the Chamber today and the Presiding Officer sits on the dais, there is absolutely nothing to prevent those rogue nations from doing exactly what people say they fear. There is not even an international regime in place that makes manufacture and storage of chemical weapons illegal, or that provides a way to track the movement of such chemicals and their precursors so that there is a greater likelihood the world will know when rogues are engaging in conduct we believe should not occur, or that gives the world a way in which to hold such nations accountable.

I pose a simple question: Is the United States in a stronger position if it is a party to an international treaty in force, to which most nations of the world are trying to adhere, when a nation not a party to the treaty is seen to be engaging in behavior violating the treaty's terms, or is the United States better off with every nation just going about its own business without any protocol at all, without any international standard, without any means to obtain accountability when a nation violates a standard of behavior to which the great majority of the world's nations have formally decreed they believe all nations should adhere.

I think most people would say that if the United States ratifies this Convention, our circumstance relative to rogue nations is in no way worse than it is now. We give up nothing, but we gain important advantages. What are they?

First, under present circumstances, the manufacture and storage of chemical weapons is not illegal under international law or custom. The Convention will provide that law and custom. It will then be possible to focus international opprobrium on nations violating its standards, be they participant or nonparticipant nations.

Moreover, with 72 nations already having ratified, and others certain to follow, especially if the United States ratifies before April 29, there will be a quantum leap forward in the capacity to track the manufacture and sale of chemicals that can be used as weapons, or precursor chemicals, and this enhanced capacity will help us determine what nations might be acting in a way that ultimately could do injury to our country.

It is important for everyone to remember that this treaty will greatly assist our efforts to impede the production and storage of chemical weapons. Therefore, it will make it less likely that our troops or our civilians will ever be put in harm's way by being subjected to an attack by chemical weapons.

I might remind my colleagues that, no matter what we do with respect to this treaty, we are not going to be manufacturing chemical weapons in the United States. That is the track we are on under our current law. The logic seems unassailable to me that the United States will be a lot better off if we bring the family of nations into a regimen which helps us guard against trafficking in those chemicals and which requires party nations to dispose of their own stocks of chemical weapons and not manufacture others.

Fifth, opponents say that participating in the chemical weapons treaty will make the United States less vigilant about the risks of chemical attacks by organized armies or by terrorists and about the need to maintain defenses against those threats. Well, shame on us if that were to be true. I do not think anybody who is supportive of this treaty wants—and I know I do not want—to let down our guard with respect to the possibility of another nation, rogue or otherwise, creating a chemical weapon and using it against us. I absolutely believe it is vital that we have a robust defense which will protect us in the event that someone were to try to break out and do that. But I think this is a tactic of desperation, because if you follow the logic of this criticism to its conclusion, we ought to make certain that our adversaries have chemical weapons to be sure we have sufficient incentive to defend against them, if that is what it takes in order to build our defenses.

I emphasize two points here. First, there is nothing whatsoever that any arms control agreement does that necessarily lessens our resolve to defend against the threat that the agreement is intended to reduce. And, second, neither the Clinton administration nor this Congress is going to play ostrich on this issue. The Clinton administration's budget calls for $225 million in increases in the Defense Department's funding for chemical and biological defense over the next 6 years. A $225 million increase hardly equates to a notion that we are being lulled to sleep or into some kind of complacency. I am willing to bet with any Member of this body that the ratification of the CWC will not result in a reduction of our chemical weapons defense efforts.

Mr. President, in the next few days we will face a debate which I hope will be conducted on the facts. I devoutly hope that we do not waste time debating the question of whether this treaty is a perfect treaty—of course it is not. Instead, I hope we squarely face and debate the question of whether the security of the United States of America and of the entire world is improved by United States ratification of the Chemical Weapons Convention.

I respectfully submit to my colleagues that when they look at the facts, when they measure what the U.S. chemical industry has done to protect itself, when they measure what we are doing to strengthen our defenses against chemical weapons, when they measure what being a party nation to the Convention will provide us in terms of intelligence and information, when they measure what this does in terms of the ability to track chemicals throughout the rest of the world, when they measure the importance to the United States of our being part of this effort before the Convention takes effect on April 29, I believe our colleagues will decide that the answer to the question of whether the Convention improves the security of the United States is an unequivocal yes, and that they will respond by voting to approve the resolution of ratification and against any debilitating amendments that any treaty opponents offer to it.

I yield back any remaining time.

A NATIONAL AGENDA FOR YOUNG CHILDREN

Mr. KENNEDY. Mr. President, tomorrow, the White House is hosting an extraordinary conference on "Early Childhood Development and Learning: What the newest research on the brain tells us about our youngest children." It is the first time a President has focused national attention on this issue. Experts from across America will explore the implications of new scientific research on the intellectual development of young children. In their early years, children have an ability to assimilate far more knowledge than at any other time in their lives. If a child's curiosity is encouraged and his or her mind regularly stimulated, the capacity to learn can be substantially expanded.

If, conversely, a child receives little interaction and stimulation, that capacity declines just as an unexercised muscle atrophies. These findings dramatically reinforce the urgency of programs which will provide parents with the support they need to enrich their children's early years.

There is no more important responsibility which we in the Senate have than to provide a secure foundation on which America's children can build their futures. Now that we have a far greater understanding of the significance of the early childhood years in an individual's development, we know the extraordinary impact which the quality of care and nurturing in those years can have on a child's intellectual and emotional growth. Does a child have access to good preventive medical care? Are parents able to spend time with their child or are they unable to leave work? Do the hours spent in child care provide a real learning experience?

Does the child have access to a quality preschool education program? The answers to questions like these will have a substantial effect on a child's long-term ability to reach his or her full potential. The opportunity lost cannot be recaptured. Making these basic opportunities the birthright of every child should be our national agenda for young children. It should be our highest priority.

Congressional action this year could bring the essential elements of sound early childhood development within the reach of every child. Such an agenda for young children has four key elements: First, providing affordable child health insurance coverage for working families. The Hatch-Kennedy bill will make health care more accessible for the 10 million children whose families cannot afford insurance. Many of these children currently see a doctor only when they are acutely ill. They never receive the preventive health care which is so essential to proper growth and development.

Second, extending the Family and Medical Leave Act to 13 million more employees so that they have the same opportunity to spend precious time with a newborn child or to care for a seriously ill child. Giving each employee 24 hours of leave a year to accompany their child to a school event or on a visit to the pediatrician would also strengthen parental involvement.

Third, improving the quality of child care for infants and toddlers by providing incentive grants to States to make child care programs early learning opportunities. Programs that encourage a child's curiosity and stimulate communication skills can enhance long-term educational development.

Fourth, fully funding Head Start and expanding the Early Start initiative for younger children.

This program is widely recognized for its success in providing children from low-income families with a firm educational foundation. Yet, funding levels currently limit access to only 40 percent of the eligible 4- and 5-year-olds and a much smaller percentage of young children.

In the words of the Carnegie Task Force on Meeting the Needs of Young Children: "The earliest years of a child's life * * * lay the foundation for all that follows." It calls for a comprehensive strategy to "move the nation toward the goal of giving all children the early experiences they need to reach their full potential."

Collectively, these four legislative initiatives will provide all parents with the tools they require to enrich their children's early years.

Each element—medical care, parental involvement, quality child care, and early learning opportunity—is essential to maximizing a child's potential. Let me explain how each of these programs would work:

CHILDREN'S HEALTH CARE

Today, more than 10.5 million children have no health insurance. That is 1 child in every 7. The number has been increasing in recent years. Every day, 3,000 more children are dropped from private health insurance. If the total continues to rise at the current rate, 12.6 million children will have no medical coverage by the year 2000.

Ninety percent of these children are members of working families. Two-thirds are in two-parent families. Most of these families have incomes above the Medicaid eligibility line, but well below the income it takes to afford private health insurance today.

Too many young children are not receiving the preventive medical care they need. Uninsured children are twice as likely to go without medical care for conditions such as asthma, sore throats, ear infections, and injuries. One child in four is not receiving basic childhood vaccines on a timely basis. Periodic physical exams are out of reach for millions of children, even though such exams can identify and correct conditions that can cause a lifetime of pain and disability. Preventive care is not only the key to a healthy child, it also is an investment for society. Every dollar in childhood immunizations, for example, saves $10 in hospital and other treatment costs.

Every American child deserves an opportunity for a healthy start in life. No family should have to fear that the loss of a job or a hike in their insurance premium will leave their children without health care.

Children and adolescents are so inexpensive to cover. That's why we can and will cover them this year—in this Congress. The cost is affordable—and the positive benefits for children are undeniable.

The legislation that Senator HATCH and I have introduced will make health insurance coverage more affordable for every working family with uninsured children. It does so without imposing new Government mandates. It encourages family responsibility, by offering parents the help they need to purchase affordable health insurance for their children.

Under our plan, $20 billion over the next 5 years will be available to expand health insurance coverage to children. When fully phased in, it will provide direct financial assistance to as many as 5 million children annually. Millions

more will benefit because their families will be able to buy good quality coverage for their children.

The plan will be administered by the States, under Federal guidelines to guarantee that the coverage is adequate and meets the special needs of children, including good preventive care and good prenatal care. States will contract with private insurance companies to provide child-only health coverage to families not eligible for Medicaid. Eligible families will receive a subsidy through their State to help pay the cost of private insurance coverage for their children. Funding will also be available to help provide prenatal services to uninsured pregnant women.

For the youngest children, this medical care is the most vital. It can prevent serious illnesses and long-term developmental problems.

It is the first priority if we are to help children grow to their full potential.

FAMILY AND MEDICAL LEAVE

Passage of the Family and Medical Leave Act in 1993 was a true landmark for America's families. For the first time, millions of working men and women were freed from the threat of job loss if they needed time off for the birth of a child or to care for a sick family member.

The act has worked well—for employees and for their employers. Employees are now able to take a leave of absence to be with their children or with a sick relative at a crucial time for the family, so that they can provide the special care and compassion which are the glue that binds a family together. In the 4 years since its enactment, it has already helped millions of families.

In more and more American homes today, both parents must have jobs in order to support their families. A substantial majority of children live in families where neither parent is at home during the day because of their jobs. If we value families—if we are serious about helping parents meet the needs of their children—then family medical leave is essential.

The Family and Medical Leave Act currently applies to businesses which employ 50 people or more. It is time to extend the benefits of this landmark law to an additional 13 million people who work for firms with between 25 and 50 employees. Their families face the same crises. Their children deserve the same attention. I concur wholeheartedly with Senator DODD, the original architect of the Family and Medical Leave Act, who has proposed this expansion.

There is another very important leave issue for working families—the need for a brief break in the workday to meet the more routine, but still very important, demands of raising children. Every working parent has experienced the strain of being torn between the demands of their job and the needs of their children. Taking a child to the pediatrician, dealing with a child care crisis or meeting with a teacher to discuss a problem at school, accompanying a child to a preschool or school event—all of these often require time off from work. No parent should have to choose between alienating the boss and neglecting the child.

Many employers understand this, and allow their workers to take time for family responsibilities. But many other companies refuse to accommodate their workers in this way.

The ability of parents to meet these family obligations should not be dependent on the whim of their employer. In a society that genuinely values families, it should be a matter of right.

Under legislation already proposed by Senator MURRAY, working parents would be entitled to 24 hours of leave a year to participate in their child's school activities. I would add time for a parent to take a child to the doctor. Employers would have to receive at least 7 days advance notice of each absence, so that employers will have ample opportunity to arrange work schedules around the brief absence of the employee.

Clearly, this legislation is needed. A recent survey of 30,000 PTA leaders found that 89 percent of parents cannot be as involved in their children's education as the would like because of job demands.

A Radcliffe Public Policy Institute study completed last year found that the total time that parents spend with their children has dropped by a third in the past 30 years. This disturbing trend must be reversed.

Greater involvement of parents in their children's education can make a vital difference in their learning experience. A big part of that involvement is more regular contact between parent and teacher, and more regular participation by parents in their children's school activities. Many of those meetings and activities are scheduled during the work day. As a result, millions of parents are unable to participate because their employers refuse to allow time off. Permitting a modest adjustment in a parent's work day can greatly enrich a child's school day. All children will benefit from this kind of parental support and encouragement, and so will the country.

QUALITY CHILD CARE

Child care for infants and young children is essential for the majority of mothers who work outside the home. However, quality child care for these youngsters is often hard to find. A 1995 GAO study found a shortage of infant care in both inner city and rural areas.

Even where facilities are available, they often do not provide the type of care which would be an enriching experience for young children. A majority of children in child care spend 30 hours or more per week. Their well being requires more than merely a safe and clean place to stay while their parents are at work—though even this is currently out of reach for far too many families. Young children—even infants and toddlers—need regular interaction with attentive caregivers to stimulate their curiosity and expand their minds.

This requires a much lower staff to child ratio than most providers can afford and it requires a level of training, supervision, and compensation which is seldom present. The early years are too precious—their potential too great—for children to spend them in custodial rather than educational care. Yet according to the Work And Family Institute, only one in seven child care centers offers quality care and only 9 percent of family child care homes are found to be of high quality.

To say this is not to criticize those currently providing care. Most work hard to create the best atmosphere for children they can given the current level of resources. However, a simple comparison with the kind of support required under the Military Child Care Act demonstrates how much better we could be doing with the civilian child care system.

Under the military statute, each child care provider participates in an individualized training program and receives salary increases based on their training. Each child care center is monitored at least four times a year and has an on-site teacher mentor. In addition, the military has established family child care networks designed to serve infants and toddlers where similar supports are provided. As a result of these provisions, provider salaries have dramatically increased when compared to civilian child care and staff turnover is negligible. Staff to child ratios have been reduced and individualized care and attention increased. The quality of the services provided reflects these changes. The children of working families deserve no less.

I am proposing that we provide incentive grants to States to model their child programs after the high quality services offered by the military.

This would include lower ratios as well as better training, supervision, salaries, and support. In this way, those who regularly care for our youngest children would be able to provide them with the nurturing and individualized attention they need and deserve. The time spent by children in child care would then become a valuable learning experience for them.

HEAD START

Head Start is widely recognized for its success in providing children from low income families with a solid developmental foundation. It focuses on the complete child—education, emotional growth, physical, and mental health, and nutrition. It strongly encourages parental involvement. Most importantly, it allows at-risk youngsters to

enter school ready to learn. Head Start works extremely well for those it serves.

However, even with recent funding increases, it serves only 40 percent of eligible children. There are few legislative initiatives which make more sense than fully funding Head Start. It could truly change the lives of many of those children currently excluded.

In 1994, we established a new Early Head Start initiative for infants and toddlers. HHS has awarded 142 grants nationwide for programs to provide basic early education, nutritional and health services for children under 3 years of age from low income families. This pilot program has proven very successful. The scientific research I alluded to earlier makes a compelling case for services directed to children in their earliest years. If we are seriously concerned about helping children expand their learning capacity, the Senate should fund a major expansion of Early Start.

DISABLED CHILDREN

As we make these reforms for the benefit of all children, we must not forget to provide for the special needs of disabled children. Despite their disabilities, these children hold great potential. With adequate support and assistance from us that potential can be realized. We cannot in good conscience leave the families of these children to face such enormous challenges alone.

CONCLUSION

The national agenda for young children which I have outlined today will give children—regardless of their family's income—a fair chance to reach their full potential. What occurs during a child's earliest years will make a lifetime of difference.

We know how important preventive health care, parental involvement, quality child care, and early learning opportunity during those years are to that child's later development. How can we fail to act? These issues are compelling and they deserve a strong bipartisan response. I urge my colleagues on both sides of the aisle to make this agenda for young children a high priority for Congress in 1997.

Mr. CONRAD. Mr. President, if the Chair would alert me when I have 1 minute remaining, I would appreciate that.

The PRESIDING OFFICER (Mr. THOMAS). The Senator has 10 minutes.

NORTH DAKOTA—THE IMPACT OF BLIZZARD HANNAH ON UTILITIES AND ELECTRIC CUSTOMERS

Mr. CONRAD. Mr. President, I rise to give my third report on the disaster that is still developing in North Dakota after the most severe winter storm in 50 years on top of the most heavy snowfall of any winter in our history on top of the worst flooding in 150 years. Last night, late yesterday, we had a serious situation develop because the main dike protecting Fargo, ND, which is the largest city in my State, sprang a leak. I talked last night to both the mayor and the head of the Corps of Engineers for our area, Colonel Wonzik. They told me they intended to build a second dike inside of the main dike to contain any burst that might occur.

I am pleased to report this morning that that effort is well underway and that the leaking has been contained at this point. But all of us understand that this is an extraordinary situation. These dikes are expected to stand up for much longer than would usually be the case because the flood conditions are so unusual. We have now been told that the crest may last for as long as a week, and that puts enormous pressure, not only on the dikes that were constructed by the Corps of Engineers, but on the dikes that were constructed by literally hundreds of individual homeowners who, in some cases, built walls of sandbags 15 feet high to protect their homes and neighborhoods.

I brought with me today some photographs that show the extent of the damage that has been done by this extraordinary storm. This first chart shows power lines. I do not know if people are able to see it, but it shows about 3 inches of ice that line the power line. Of course, what has happened is first we had a massive ice storm and then 70-mile-an-hour winds. The result was the power poles came down. They snapped like they were toothpicks. It is really extraordinary.

I drove into one town, and coming from the north side there was power pole after power pole just snapped off. This is a condition that led to over 80,000 people being without power. Thankfully, most of those people's power is now restored, although power for some still is not, and this is from a week ago Saturday. Can you imagine being without power for that extended period of time when conditions outside were, at their worst, 40 below wind chill and no heat? We have reports of one fellow who started burning fence posts in his house to keep warm. Others who were using propane heaters, putting them in one room and the family gathering around the propane heater in order to keep warm.

This picture shows a string of power poles, all knocked down by these extraordinary conditions. Let me just say, if I can, that there has been an extraordinary response. We want to say thank you to the power companies that supply North Dakota for flying in extra crews from around the country to help out. I want to take this moment to especially thank our neighbors to the north, because the Governor informed me last Monday that we were faced with a situation in which Manitoba Hydro wanted to send in crews to help us restore power lines, but they were being held up at the border by the Immigration and Naturalization Service. We called them and they immediately gave us a 2-week waiver on all of their requirements at the border, and Manitoba Hydro sent in over 100 people, crews, to help rebuild power lines in North Dakota—I think just an extraordinary act of neighborliness by our neighbors to the north in Canada. We deeply appreciate their action.

This shows the conditions and the power of this storm. You see this picture shows this power pole just snapped, again, like a toothpick. It is absolutely shattered by the force of these ice storms followed by extraordinarily high winds.

This photo shows the difficult conditions that the workers had to contend with in trying to rebuild these lines. Again, 80,000 people without power, most of them for 4 or 5 days. Here they are, working in these very difficult conditions, trying to rebuild lines.

This photo shows, on a farmstead, the kind of heavy equipment that was needed just to get an opening to get through to where the power poles were down. We had in parts of our State 24 inches of snow in this last storm. The people at the University of North Dakota tell me this was the most powerful winter storm in 50 years, and in North Dakota we have had some powerful winter storms. This year alone we have had eight blizzards and six winter storms that put over 100 inches of snow on the ground before this storm. And this storm, of course, was extraordinary by anyone's measure.

This picture shows, again, the extraordinarily difficult conditions the workmen were facing trying to rebuild lines. Jobs that would normally take 2 or 3 hours were taking 10 to 12 hours in order to rebuild these facilities and get power back to people so they could have heat.

Can you imagine being without power? We have all gotten so used to having electricity that I think we sometimes forget how important and central it is to our lives. Just heat alone in our part of the country is absolutely critical. Can you imagine being without any heat in your home for a week when it is extremely cold outside? And not having electricity for any of the conveniences of modern life? This is what these people have been contending with.

I must say, we have seen really heroic actions. I remember being in one town and the mayor described how one of the underground tunnels that carried water was blocked. They called in the fire department that had a man who was a diver. They asked him—remember, this is 40-below wind chill—they asked him to dive down in 6 or 7 feet of water to open up that valve so the water could flow. That takes courage. That young fellow did not hesitate. He went down and unblocked that

line that otherwise would have led to far greater flooding. These kinds of heroic efforts have been repeated over and over.

We have had Coast Guard crews in North Dakota. Some people must be wondering, Coast Guard in North Dakota? North Dakota is landlocked. Why would we be having Coast Guard crews in a State like North Dakota?

Very simply, those Coast Guard crews have background and experience and training in water rescue. They can tell some harrowing tales of going out and rescuing people who were in automobiles or were in homes that were surrounded by water. One of the things members of these rescue crews said to me is: Senator, we have never worked in a situation in which we were blocked by ice. We are used to dealing with water, but we are not used to dealing with ice on top of the water and having to break through ice in order to get through to people to save them.

Obviously, not all of the stories have had happy endings. We had a terrible tragedy of a young woman and her 3-year-old daughter who were in a car that went off the road. Water filled it. They were able to escape somehow and then tried to walk to a home that they knew about that was out in the country, a farmstead. Unfortunately, the rivers in this part of the State wind in a very unpredictable way and what they encountered, as they were walking in the bitterly cold weather, soaking wet, was, once again, the river. That young woman and her child died in a field south of Fargo, ND.

There are many other stories, tragic stories, and stories of extraordinary heroism, where people were able to make a difference in saving lives and saving property.

I will just conclude by saying I hope we move the disaster supplemental bill with dispatch. I hope we move that legislation in a way that will provide sufficient funding to be able to manage this latest crisis.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized for up to 30 minutes.

PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask unanimous consent that the privilege of the floor be extended to Jason Zotalis, an intern in my office, for the remainder of today's morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

(The remarks of Mr. HOLLINGS pertaining to the introduction of S. 592 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 593 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SPECTER. I yield the floor and, in the absence of any other Senator on the floor, suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

Mr. BYRD. Mr. President, what is the order?

The PRESIDING OFFICER. We are in morning business until 1 o'clock. Senators have 5 minutes to speak.

Mr. BYRD. Mr. President, I ask unanimous consent I may speak not to exceed 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask that the time for routine morning business, accordingly, be adjusted.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRAYER IN SCHOOL

Mr. BYRD. Mr. President, I introduced a joint resolution on February 6 to amend the Constitution in order to clarify that document's intent with regard to prayer in our public schools. Senators LOTT, HOLLINGS, FORD, and SMITH of New Hampshire have indicated a desire to have their names added as cosponsors. At the conclusion of my remarks I will ask that be done.

Mr. President, my proposed amendment is short, but it constitutionalizes what the Supreme Court has upheld on a number of occasions; namely, that the Founding Fathers did not intend for Government and the schools to be opponents of religion but rather that they should be neutral and impartial in allowing the practice of all religious beliefs by American citizens and by even the schoolchildren of our Nation.

I have long been concerned by the trends in our schools and in our courts to overzealously eliminate all references—all references—to religion and religious practices. It is now uncommon and rare to see any acknowledgment of the religious underpinnings of major holidays. The unfortunate effect of this misguided overzealousness has been to send the subtle but powerful message to our children that religious faith and practice is something unsanctioned, unimportant, and unsophisticated—something that only small handfuls of people practice, and usually then only on weekends. Indeed, this exorcism of religion from the school day and from most of American life has reached even into the recitation of the Pledge of Allegiance and other important American documents.

I was here on June 7, 1954, when the House of Representatives, of which I was then a Member, added the words "under God" to the Pledge of Allegiance. The next day, on June 8, the Senate likewise added the words "under God" to the Pledge of Allegiance. I think it was on June 20 of that year, 1954, that the President signed the additional language into law.

I understand the thinking of the Founding Fathers when they drafted a Constitution that specifically forbade the establishment of a state religion and that intended to—and does—protect the freedom of all religions to observe the rituals and the tenets of their faith. The Founding Fathers and many of the earlier settlers of this country had fled from nations where State-sanctioned religions had resulted in exclusion from Government participation or even persecution of believers in non-sanctioned faiths. They were generally—talking about the founders of this Nation, the framers of the Constitution, the Founding Fathers, those who voted in the various conventions for the new Constitution—they were generally religious men, as the number of plaques in local churches here attest, proclaiming proudly, for example, that "George Washington attended church here." The freedom to worship was important to them, and they sought at all cost to prohibit the Government of our Republic—the Government of our Republic, not our democracy; our Republic—from assuming the dictatorial powers of a king. Indeed, the Federalist Papers 59, in discussing the differences between the President and a king, specifically observes that the President has "no particle of spiritual jurisdiction." There would be no "Church of America," permitted by the Constitution.

But in discussing the qualifications of elected officials and electoral college members, the authors are clear in encouraging participation by members of all faiths, and they pointedly note that religious belief is not a bar to election or selection. So whether you are a Catholic or whether you are a

Jew or whether you are a Baptist or Methodist, Episcopalian is not something that will bar one from election. In Federalist 57, James Madison writes: "Who are the objects of popular choice? Every citizen whose merit may recommend him to the esteem and confidence of his country. No qualification of wealth, of birth, of religious faith, or of civil profession is permitted to fetter the judgment or disappoint the inclination of the people." But, seeking to keep the Government from dictating a particular religion certainly did not mean that all public professions of faith must be banned, and the courts have sustained that view.

Chief Justice Warren Burger, writing for the Court in Lynch v. Donnelly emphasized what he called "an unbroken history of official acknowledgment by all three branches of government of the role of religion in American life from at least 1789."

Now, Mr. President, the words "In God we trust," those words appear on our Nation's currency. Proclamations of days of thanksgiving and prayer, legislative chaplains, the invocation "God save the United States and this Honorable Court" at the opening of judicial proceedings—all these and more reinforce what Chief Justice Burger was asserting when he wrote that the Constitution does not require "complete separation of church and state . . . (but) affirmatively mandates accommodation . . . of all religions, and forbids hostility toward any."

An acknowledgment that faith is, and should be, a part of the everyday life of those who desire it, not just an occasional weekend or holiday exercise, is a message that our children need to absorb. Schools, principals, and administrators should not react in dismay when a student-initiated religious group seeks to meet in a classroom after school. What is wrong with that? That sort of extracurricular activity should be encouraged, not frowned upon. We need not sanctimoniously strike a Christmas carol from the euphemistically named "Winter Concert," nor tiptoe around the observance of a daily "moment of silence" for reflection, meditation, or even, if the child wishes, prayer. And it certainly must be permissible to discuss the role that various religious faiths have played in world history and in the history of our own Nation. Actually, it is imperative to the study of history.

Especially in these troubled days, it is important, in these very significant ways, to send a positive message to children about private faith and religious practice. They spend 6 or more hours a day in school, 180 days or more each year. More and more, in a society where both parents work, schools are where children absorb much of their "life instruction" and develop behavioral and social attitudes, in addition to academic knowledge. School is one of the few places besides church where clean and positive messages are, or should be, instilled in our children, counterbalancing the pervasive violence and seamy morals of television. We put a premium on the diversity of education that they receive in literature, history, geography, science, and mathematics; yet, most public schools are a spiritual dead zone—a spiritual dead zone—completely devoid of even the unspoken understanding that religious faith ought to play a part, perhaps a major part, in people's lives. For fear of offending the sensibilities of the few—we are living in this age of so-called "political correctness." I don't know what that means, and I don't care and don't intend to change my ways and attitudes to be in accordance with "political correctness." For fear of offending the sensibilities of the few, we have denied the needs of the many. A climate of openness and an acknowledgment that many people, including children, can profess and practice different faiths, are needed in our schools, which should not be a spiritual wasteland where even the mere recognition of any spiritual faith is banned.

Mr. President, I am normally and naturally reluctant to amend the Constitution. But I am not one who would say never, never amend the Constitution. Regarding amendments to require a balanced budget, or to provide the President with the line-item veto, I have been vociferously and adamantly opposed. These amendments would fundamentally alter the checks and balances established in the Constitution. But on the financing of political campaigns, I have been willing to seek a constitutional remedy to that scourge of public trust, a scourge that no legislation has ever been able to control. And on this issue of openly acknowledging and accepting the role that prayer and religion can and ought to play in our lives, I believe that an amendment to reaffirm the appropriate neutrality of the Constitution toward prayer and religious activity in school is necessary to swing the pendulum back toward the middle, toward the neutral middle, away from both the existing pole, where the state seems, at least, to have become inimical toward the exercise of religious freedom, and away from the opposite and clearly unconstitutional pole of dictating one religious profession of faith over any other. We do not have to completely discourage any recognition of a Supreme Being in order to avoid favoring one religious faith over another. And to do so is, in effect, a form of religious discrimination which the Founding Fathers would never have sanctioned.

The sum total of this collective effort to bend over backwards to avoid any recognition of a Supreme Being in our schools has had the extremely damaging effect of making any expression of such a belief appear to be undesirable, unfashionable, and even something to be studiously avoided. If one mentions a Supreme Being in some circles, he is considered to be unsophisticated. Children pick up on such messages quickly. And as a result, we have produced several generations of young people largely devoid of spiritual values in their daily lives. Everywhere they turn, they meet the subtle, and perhaps not so subtle, putting down of spiritual values.

Recently, I noted an article in the Washington Post which proclaimed that only 40 percent of U.S. scientists believe in God. Although this is precisely the same percentage as was revealed in a similar survey in 1916—and I am glad it hasn't deteriorated or gotten worse in the meantime, and that is almost worthy of some amazement that it hasn't—I find such a result personally unfathomable.

Who, more than a man or a woman of science, should be more acutely aware that the wonders of the universe could not have just happened? Who, more than an astronomer or a mathematician, or a physicist, or a biologist, intimately familiar with the laws of probability, could better understand the impossibility of the wonders of the universe and all creation occurring simply as a byproduct of fortunate accident?

I wonder how many of these scientists who answered the poll, which indicated that only 40 percent of the scientists believe in a Supreme Being, have read Charles Darwin? Well, no less a pioneering scientific intellect than Charles Darwin, the originator of the theory of natural selection—I have the book here in my hand—refused to rule out a Divine Creator; and he even refers to a Divine Creator in his book, "The Origin of Species."

Darwin asks a very penetrating question, and I'm reading from page 193 of Charles Darwin's volume of "The Origin of Species." Here is the question that he asks: "Have we any right to assume that the Creator works by intellectual powers like those of man?" Now, that is an incisive question because I think we are prone to think of God's intellect in the context of what we think to be or know to be our own intellectual processes, our own intellects. But Darwin asks the question: "Have we any right to assume that the Creator works by intellectual powers like those of man?" That is a great question.

Darwin continues the dovetailing of his scientific theory with the works of the Creator when he writes this on page 194: "Let this process go on . . ."—he is talking about the process of natural selection—"Let this process go on for millions of years; and during each year on millions of individuals of many kinds; and may we not believe that a living optical instrument . . .

might thus be formed as superior to one of glass. . . ." He speaks of a living optical instrument—in other words, the eye, which can adjust itself to light and to distance, and so on, automatically and virtually immediately; whereas, the best camera that the Presiding Officer, PAT ROBERTS, has will have to be adjusted a little bit for light and distance, and he will have to look through it a little bit and adjust this and adjust that. Well, that is what Darwin is talking about when he says: "Let this process go on for millions of years; and during each year on millions of individuals of many kinds; and may we not believe that a living optical instrument (the eye) might thus be formed as superior to one of glass, as the works of the Creator are to those of man?"

So Charles Darwin himself is not backward about speaking of a Creator. "Let this process"—the process of natural selection—"go on for millions of years; and during each year on millions of individuals of many kinds; and may we not believe that a living optical instrument (the eye) might thus be formed as superior to one of glass, as the works of the Creator are to those of man?"

So it is clear that even such a scientific genius as Darwin did not think it to be unsophisticated to believe in a Creator, or make reference to a Creator, a Supreme Being.

I have read and reread many times, Mr. President, the account of creation as set forth in the Book of Genesis in the Holy Bible. I thought it well to read Darwin's theory of "Natural Selection" also. And I have done that. As a matter of fact, when I first read that book some years ago, and it made reference to the Creator in Darwin's "Origin of Species," I was somewhat amazed. I never thought that, after hearing about Darwin's theory—the theory of evolution, and so on—I didn't think he would be so unsophisticated as to make any reference to a Supreme Being, to a Creator. But I found differently.

So it is clear that such a scientific genius as Darwin did not feel the need to rule the Creator out of creation just because man in his limited, narrow, finite intelligence might be arrogant enough to do so. It may just be that such surveys reveal only the desire of some in the scientific field to avoid appearing unsophisticated to their colleagues. For in the minds of many misguided people, to be truly intelligent one must avoid any alignment with the alleged superstition and naivete of religion. What poppycock! For any serious student of science not to express wonder at the mystery of life and the universe and to claim instead that it is all purely a result of an accidental natural physics or chemical reaction is surely an admission of true ignorance and arrogance.

This is not something I know a great deal about, Mr. President. I don't profess such. But I can tell you one thing. There is a hunger in this Nation for a return to spiritual values. It can be seen in the misguided tragedy of the Heaven's Gate cult, looking for a space ship lurking in the tail of a comet to take them to Heaven and away from this miserable, material world. It can be seen in the political strength of the religious right.

Mr. President, I am not of the religious right. I am not of the religious left. I just plainly believe in the old-time religion which I saw exemplified and practiced by two humble parents—foster parents of mine—over the years that I lived with them. It can be seen in the need for our children to focus on something beyond material things in which to anchor their perceptions about right and wrong and good and evil.

In today's turned-around, upside-down society with its diminished values and its emphasis on easy money, casual sex, violence, material goods, instant gratification and escape through drugs and alcohol, our young people need to know that it is OK to have spiritual values, it is OK to follow one's own personal religious guideposts, it is OK to pray, it is OK to recognize and then to do morally the right thing, it is OK to go against the crowd, OK to read the Bible, and OK to read Darwin's theory of natural selection—who knows? This may have been God's way of creating man—and that such activities are not strange, or uncool, or stupid, or unsophisticated.

The language of my amendment is as follows: "Nothing in this Constitution, or amendments thereto, shall be construed to prohibit or require voluntary prayer in public schools or to prohibit or require voluntary prayer at public school extracurricular activities."

I will not take the time today. But one day I want to take the floor, and I want to quote from every President's inaugural speech—every President's, from Washington down to Clinton's—to show that every President was unsophisticated enough to make reference to the Supreme Being in his inaugural speech. All we need to do is travel around this city and see the inscriptions on the walls of the Senate and on the walls of public buildings and museums and monuments to understand that the framers of the Constitution, the founders of this Republic, believed in a higher power. They believed in a Supreme Being. Isn't it folly to claim that the schoolchildren of this Nation should not say a prayer, not be allowed to say a prayer in an extracurricular exercise, at a graduation exercise, if the students want to have a prayer? Who would claim that the framers of the Constitution would be against that?

So my amendment is simple language. It mandates nothing and it prohibits nothing. It simply allows voluntary prayer in our schools and at school functions for those who wish it. Such a course correction is needed to restore balance to a raft of court decisions in the past several years that sometimes in their eagerness to maintain the "wall of separation" in church/state relations have seemingly ruled against the freedom of a large majority of believing Americans to publicly affirm their faiths.

Such a situation is not right, it is not fair, it is not wise, and it certainly is not what the framers had in mind. Their intent was the freedom to practice one's individual faith as one saw fit. Somehow we have gone far, far afield from that original and very sound conception to a point where any public religious practice is actually discouraged. That is certainly the wrong track for a nation founded largely on moral and spiritual principles, and any serious scrutiny of the state of American culture today clearly demonstrates just how badly off track we have wandered.

So I urge all Senators to carefully consider my amendment, and it is my hope that the Committee on the Judiciary will hold hearings this year. This is an urgent matter—an urgent matter for the future of our children and for the future of our country. There is nothing political about it. It doesn't need to be.

Mr. President, I ask unanimous consent that Mr. LOTT, Mr. HOLLINGS, Mr. FORD, and Mr. SMITH of New Hampshire be added as cosponsors of my resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks time?

Mr. ASHCROFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ASSISTED SUICIDE FUNDING RESTRICTION ACT OF 1997

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 1003 relating to assisted suicide.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1003) to clarify Federal law with respect to restricting the use of Federal funds in support of assisted suicide.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, rarely do we see a showing of bipartisan agreement similar to the one we witnessed last Thursday when the House of Representatives voted 398 to 16 to pass H.R. 1003, the Assisted Suicide Funding Restriction Act. I look forward to the same showing of bipartisanship today as the Senate considers identical legislation. Except for a minimum of differences, H.R. 1003 is substantively the same as S. 304, which Senators DORGAN, NICKLES, and I introduced in February; 33 Senators are now cosponsors of this bill, which simply says and directs that Federal tax dollars shall not be used to pay for or to promote assisted suicide.

This bill is urgently needed to preserve the intent of our Founding Fathers. The integrity of our Federal programs serving the elderly and seriously ill are at stake without this measure. These are programs which were intended to support and enhance health and human life, not to promote their destruction. Government's role in our culture should be to call us to our highest and our best. Government has no place in hastening Americans to their graves. However, our court system is on the brink of allowing Federal taxpayer funding for assisted suicide.

On February 27, the Court of Appeals for the Ninth Circuit reinstated Oregon's law known as Measure 16. It was the first law in America to authorize the dispensation or the giving of lethal drugs to terminally ill patients to assist in their suicide. Oregon's previous Medicaid director and its Health Services Commission chair have both said independently that once assisted suicide is legal—in other words, when the legal obstacles have been cleared away—assisted suicide would be covered by the State's Medicaid plan, which is paid for in part by Federal taxpayers, individuals from all across America. According to the Oregon authorities, the procedure will be listed on Medicaid reimbursement forms under what I consider to be a misleading but grotesque euphemism. The administration of lethal chemicals to end the lives of individuals will be listed as comfort care.

Although the ninth circuit ruling is subject to further appeals, Oregon may soon begin drawing down Federal taxpayer funds to pay for assisted suicide unless we, the representatives of the people, take action to pass the Assisted Suicide Funding Restriction Act.

Additionally, a Florida court recently found a right to assisted suicide in the State's constitution on the right to privacy. If upheld by the Florida State Supreme Court, this decision would raise the question of State funding for assisted suicide. Such actions would implicate Federal funding in matching programs, just as would the situation in Oregon, programs such as Medicaid. And they would raise questions about the permissibility of assisted suicide in federally owned health care institutions in that State.

So action in Congress is needed at this time to preempt and proactively prevent this imminent Federal funding of assisted suicide which effectively may take place at any moment in the event that the courts clear the way in regard to the situation in Oregon and in Florida.

It is important to note that there was overwhelming approval for this measure in the House of Representatives. As I stated earlier, the House passed this measure by a resounding vote of 398 to 16. Shortly after that vote, the White House issued a policy statement saying, "The President has made it clear that he does not support assisted suicides. The Administration, therefore, does not oppose enactment of H.R. 1003, which would reaffirm current Federal policy prohibiting the use of Federal funds to pay for assisted suicides and euthanasia." In light of these events, the Senate should act swiftly to pass this legislation so that it will become the law of the land.

I would like to give the legislative history for the Assisted Suicide Funding Restriction Act in order to respond to some people who might say that the Senate is taking up this legislation too quickly.

The Assisted Suicide Funding Restriction Act is not new. It has received more than adequate consideration. It was introduced in both Houses in the last session of Congress. On April 29 of last year the House held hearings. On February 12, 1997, the Senate introduced its bill. On March 6, the House held hearings on the topic of "Assisted Suicide: Legal, Medical, Ethical and Social Issues." On March 11, 1997, the House introduced legislation. On March 13, the House Commerce Committee Subcommittee on Health and Environment met in open markup session and approved H.R. 1003 for full committee consideration. On March 18 the bill was ordered favorably reported by the Ways and Means Subcommittee to the full committee by a voice vote. Because he found the legislation to be noncontroversial, Chairman ARCHER decided that a markup in the full Ways and Means Committee was unnecessary, and he turned out to be a prophet in suggesting its lack of controversy when in fact on April 10 the House of Representatives passed the measure by a vote of 398 to 16.

Of course, the House legislation is virtually identical to S. 304, and the intention of the bill simply is to say that we do not think it appropriate that funds which were gathered and taxed in order to provide medical assistance to individuals to enhance their lives should be used to end their lives.

It is important also, though, to take a look and clearly develop an understanding of what this bill does not do. While it is clear that the Assisted Suicide Funding Restriction Act prevents Federal funding and Federal payment for or promotion of assisted suicide, it is also just as important to understand there are things this bill is not designed to do. This is a proposal that is very limited and very modest.

No. 1, it does not in any way forbid a State to legalize assisted suicide or even to provide its own funds for assisted suicide. It simply says Federal resources are not to be used to promote or conduct assisted suicides. After passage of this bill, States might choose to legalize or fund assisted suicide, but they would not be able to draw on Federal resources normally drawn upon in joint efforts between the State and the Federal Government for the provision of health services.

No. 2, this bill also does not attempt to resolve the constitutional issue that the Supreme Court considered in January when it heard the cases of Washington versus Glucksberg and Vacco versus Quill. Those cases involved the question of whether there is a right to assisted suicide or whether there is a right to euthanasia.

This bill does not try to answer that complex question. This bill simply says the Federal Government should not be involved in funding or paying for assisted suicides or paying for the promotion of assisted suicide.

As the bill's rule of construction clearly provides as well, it does not affect abortion. It is not designed to deal with the question of abortion. Members of this body have a widely divergent set of views on that important issue, as I do personally, but this bill is not designed to affect that issue. It does not affect complex issues such as the withholding or withdrawing life-sustaining treatment, even of nutrition and hydration. Those issues are not affected by this measure.

Nor does this legislation affect the dispensation of large doses of drugs that are designed to ease the pain of terminal illness. We know that virtually all medical procedures have some risk of not achieving the therapeutic impact desired but as a matter of fact may impair the health of an individual. This bill is not designed for those situations and instances. This bill is designed to prohibit Federal funding of the administration of lethal doses of drugs and other methods used for the purposes of assisting in suicide or for using Federal funding to promote such assisted suicide.

It is with that in mind that we believe there should be a broad bipartisan consensus which will support this bill and we hope will carry it forward in a

way similar to the way in which the House of Representatives has so done. This legislation has wide support from the public and important organizations as well and has wide support in the Senate.

It is crystal clear to me and I think to most around us that the American people do not want their tax dollars spent on dispensing toxic drugs with the sole intent of assisting suicide. Recently, a national Wirthlin poll showed that 87 percent of the public opposed such a use of public funds. We would be derelict in our duty were we to allow a few officials in one or two States to command the taxpayers of all the other jurisdictions in America to subsidize the practice of assisted suicide, especially when that practice is against the intention of the individuals in those other States.

The Assisted Suicide Funding Restriction Act has been endorsed by such groups as the American Medical Association and the National Conference of Catholic Bishops, both of which have submitted letters of support to the Congress.

I ask unanimous consent that these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN MEDICAL ASSOCIATION,
Chicago, IL, April 15, 1997.

Hon. TRENT LOTT,
U.S. Senate, Washington, DC.

DEAR SENATOR LOTT: The American Medical Association (AMA) is pleased to support H.R. 1003, the "Assisted Suicide Funding Restriction Act of 1997," as passed overwhelmingly by the House of Representatives on April 10th, and the companion bill, S. 304, sponsored by Senators Ashcroft and Dorgan. We believe that the prohibition of federal funding for any act that supports "assisted suicide" sends a strong message from our elected officials that such acts are not to be encouraged or condoned.

The power to assist in intentionally taking the life of a patient is antithetical to the central mission of healing that guides physicians. While some patients today regrettably do not receive adequate treatment for pain or depression, the proper response is an increased effort to educate both physicians and their patients as to available palliative measures and multidisciplinary interventions. The AMA's Ethics Institute is currently designing just such a far-reaching, comprehensive education effort in conjunction with the Robert Wood Johnson Foundation (see attached materials).

The AMA is particularly pleased to note that H.R. 1003 acknowledges—in its "Rules of Construction" section—the appropriate role for physicians and other caregivers in end-of-life patient care. The Rules properly distinguish the passive intervention of withholding or withdrawing medical treatment or care (including nutrition and hydration) from the active role of providing the direct means to kill someone. Most important to the educational challenge cited above is the Rule of Construction which recognizes the medical principle of "secondary effect," that is, the provision of adequate palliative treatment, even though the palliative agent may also foreseeably hasten death. This provision assures patients and physicians alike that legislation opposing assisted suicide will not chill appropriate palliative and end-of-life care. Such a chilling effect would, in fact, have the perverse result of increasing patients' perceived desire for a "quick way out."

We are fully supportive of the amendment to H.R. 1003, adopted by the House Commerce Committee, which would provide for further opportunity to explore and educate physicians and patients on avenues for delivering improved palliative and end-of-life care. We caution, however, against any amendment that may be offered during the bill's Senate consideration which might have the effect of mandating specific medical education curriculum in this area. The AMA has a long standing policy against federal mandates being placed on medical school education.

The AMA continues to stand by its ethical principle that physician-assisted suicide is fundamentally incompatible with the physician's role as healer, and that physicians must, instead, aggressively respond to the needs of patients at the end of life. We are pleased to support this carefully crafted legislative effort, and offer our continuing assistance in educating patients, physicians and elected officials alike as to the alternatives available at the end of life.

Sincerely,

P. JOHN SEWARD, MD.

NATIONAL CONFERENCE OF CATHOLIC BISHOPS, SECRETARIAT FOR PRO-LIFE ACTIVITIES,
Washington, DC, April 15, 1997.

DEAR SENATOR: Having been approved 42-to-2 by the House Commerce Committee and 398-to-16 by the full House of Representatives, the Assisted Suicide Funding Restriction Act (H.R. 1003) will soon be considered on the Senate floor. I write to urge your support for this important legislation.

While no federal funds are being used for assisted suicide at present, federal programs generally lack a written policy on the issue; those few programs which address it do so only in program manuals or interpretive memoranda. Current efforts to legalize assisted suicide by referendum (Oregon) or interpretation of state constitutions (Florida) have raised questions about the use of federal funds and health facilities with a new intensity. In our view, this fundamental issue deserves and demands clear policy guidance from Congress.

This bill will prevent the use of federal funds and health programs to support and facilitate assisted suicide, even if the practice becomes legal in one or more states. It will not prevent a state from legalizing assisted suicide or supporting it with state funds. The bill also clearly states that it will have no effect on distinct issues such as abortion, withdrawal of medical treatment, or the use of drugs needed to alleviate pain even when life may be shortened as an unintended side-effect. Due to its clear and limited scope, H.R. 1003 has received strong bipartisan support and been endorsed by religious, medical and disability rights leaders who may differ on other issues.

Section 12 of H.R. 1003 encourages the Department of Health and Human Services to fund demonstration projects for improved care for persons with disabilities and terminal illness. This section also urges HHS to emphasize palliative care in its programs and to study the adequacy of current medical school curricula on pain management. Information gathered through these modest efforts will, we hope, lead to more extensive and carefully formulated improvements in care for these vulnerable populations in the future.

No one should see H.R. 1003 as a complete response to the inadequacies of our health system in its treatment of disability and terminal illness. The bill's central goal is both modest and urgently necessary: ensuring that the federal government will play no part in legitimizing and institutionalizing assisted suicide as a response to health problems. As acting Solicitor General Walter Dellinger recently said in opposing the idea of a "right" to assisted suicide, "the least costly treatment for any illness is lethal medication." In a health care system too often driven by cost pressures, Congress should say loud and clear that it does not hold human life to be so cheap.

Sincerely,

RICHARD M. DOERFLINGER,
Associate Director for Policy Development.

Mr. ASHCROFT. Additionally, groups such as the National Right to Life, the American Geriatrics Society, Family Research Council and Physicians for Compassionate Care have endorsed this legislation, and nearly one-third of the Senate has signed on as cosponsoring the Assisted Suicide Funding Restriction Act, 33 Senators from both sides of the aisle. I am confident that our vote later today will prove that an even greater number of Senators will support and do support this measure.

This is not just something which I feel should be prohibited because most Americans are against it. I feel it is wrong for Kevorkian's house calls to be paid for by Federal tax dollars. The next time Kevorkian decides to end a life, we should not foot the bill. And unless we take action, that can happen.

I feel it is wrong and would argue against allowing for assisted suicide altogether. In cultures where the focus is on assisted suicide, there is not much emphasis on how to ease pain or how to help people confront those life-ending illnesses through hospice programs. There are some dramatic differences among European countries that have differing policies on assisted suicide. England, which prohibits assisted suicide, has a substantial effort directed at helping people in the terminal stages of disease, while the Netherlands, which allows assisted suicide, has not made such efforts.

So public policy in this arena does make a difference, and it makes a difference on moral grounds. Really, we are focused on very narrow grounds in this particular instance. We are focused on the idea of whether or not tax resources of the Federal Government should be used to assist in suicide.

Obviously, there are practical reasons not to allow Federal funding for assisted suicide. There are cases, many of them in the literature, where there was an improper diagnosis, so that it appeared there was a terminal disease but when someone's autopsy was conducted after an assisted suicide, it was found it was not a terminal disease.

That is a mistake which is irreversible. I believe that for us to fund assisted suicides is to be involved in an extremely risky business; it is to deny the will of the people of the United States; it is to engage in the ending of life rather than the enrichment of life, which is what these medical programs were all about when they were created and funded in the Congress.

I believe it is clear we should signal our intention, an intention consistent with the President of the United States, who has basically endorsed this measure after its passage by the House, consistent with the American Medical Association and a wide variety of other groups that indicate that Federal funding of assisted suicide would be inappropriate.

Our Government's role should be to protect and preserve human life. Federal health programs such as Medicare and Medicaid should provide a means to care for and protect our citizens, not become vehicles for their destruction. The Assisted Suicide Funding Restriction Act will ensure that our policy in this area will continue.

Today, the Senate has an opportunity to act proactively, to take the right steps in advance of these threats which are imminent but are not quite upon us, the threat that these legal obstacles might be cleared away and we would be called upon to participate in the funding of assisted suicide under something as misleading and grotesque as the concept of "comfort care" in the State of Oregon.

Today, the Senate has an opportunity to act responsibly before the situation arises in which Federal health care dollars would be used to end the lives of citizens of this country. I urge my colleagues to join together to pass the Assisted Suicide Funding Restriction Act.

We should not hook up Dr. Kevorkian to the U.S. Treasury, especially when he tries to sever the lifeline to individuals who are in distress. The next time Dr. Kevorkian makes a house call, taxpayers should not foot the bill. It is time for us to respond to what we know the American people's desire to be. It is time for us to say we will not allow the use of Federal funds to assist in suicide.

Mr. BOND. Mr. President, today, I rise in strong support of the Assisted Suicide Funding Restriction Act, which would prevent Federal funds and Federal programs from promoting and paying for the practice of assisted suicide.

We must send a clear signal that Federal tax dollars should not be used for a practice which is neither universally permitted nor accepted, and one which is clearly immoral and unethical.

Many people may be wondering, "Why do we need Federal legislation to prohibit the use of Federal funds for such an abhorrent practice?" Let me take a few moments to lay out the reasons.

Both the Second Circuit Court of Appeals in New York and the Ninth Circuit Court in San Francisco have struck down State laws that criminalized assisted suicide in the States of New York and Washington on the grounds that the laws violate the due process clause and the equal protection clause of the U.S. Constitution.

In January of this year, the U.S. Supreme Court entered this emotional debate by hearing oral arguments on the aforementioned cases. A highly anticipated decision is expected within the next couple of months.

The plaintiffs are contending they have a constitutional right to physician assisted suicide. If these circuit court decisions are upheld, then there would be a nationwide constitutional right to assisted suicide, euthanasia, and mercy killing and the issue of whether Federal funding, under Medicare, Medicaid, title XX, and other programs, for such an action would immediately be at hand.

Moreover, Oregon has passed the Oregon Death with Dignity Act, which makes it legal for physicians to prescribe lethal doses of drugs in certain circumstances. Although a preliminary injunction blocking the law's enactment has been granted, Oregon's Medicaid director and Health Services Commission chair have both said that once assisted suicide is legal, the State would begin subsidizing the practice under Oregon's Medicaid plan.

The Health Care Financing Administration has said that killing patients is not a proper form of treatment and therefore should not be covered under Medicare. I am, of course, pleased that we have those administrative interpretations out there.

But there are others who are prepared to go to court to fight for a different interpretation. A March 6 Reuters newswire story quotes Hemlock Society spokeswoman Dori Zook as saying, "Obviously, we feel that Medicaid and Medicare should be used for assisting suicide."

All it takes is for one district court judge to concur with that belief. Federal law uses broad language in determining what Federal programs will and will not pay for. For instance, Medicare pays for services that are "reasonable and necessary for the diagnosis and treatment of illness or injury." If just one judge agrees with the Hemlock Society and believes that assisted suicide is appropriate medical treatment, then Federal tax dollars could fund assisted suicide in a State where the practice is legal.

If the Supreme Court were to rule that there is a constitutional right to assisted suicide, euthanasia advocates will certainly bring suit for it to be considered just another medical treatment option that must be eligible for funding under Medicare, Medicaid, and other Federal programs.

We need this legislation to prevent this from happening.

And it is not too soon to do so. Far too often, Congress reacts to problems. Today, however, we have an excellent opportunity to be pro-active, not simply reactive. We do not want to wait until the money is already flowing and then try to stop it. We want to stop it before it even starts.

On a related note, it is imperative that we focus this debate on how we, as a decent society, can support and comfort life instead of promoting destructive practices such as euthanasia and assisted suicide. We must work together to ensure the provision of compassionate care for dying persons and their families. We must practice effective pain management, encourage patient self-determination through the use of advance directives, promote the utilization of hospice and home care, and offer emotional and spiritual support when necessary.

Five Catholic health care systems and the Catholic Health Association of the United States have set out to achieve these goals and have formed Supportive Care of the Dying: A Coalition for Compassionate Care. The coalition, including Carondelet Health System, Daughters of Charity, Franciscan Health System, PeaceHealth, Providence Health System, and CHA, is developing comprehensive delivery models, practice guidelines, and educational programs—all with the goal of promoting appropriate and compassionate care of persons with life-threatening illnesses and their families.

These are the goals our Nation must strive for and support. We must promote death with dignity and respect, and not death by the draconian means of assisted suicide.

Let me close with a quotation from an eminent bioethicist at Georgetown University who believes that assisted suicide, and therefore the funding of assisted suicide, tears down the moral structure of our society. He has written that rules against killing "are not isolated moral principles, but pieces of a web of rules that form a moral code. The more threads one removes then the weaker the fabric becomes."

And indeed, assisted suicide is a form of killing, and if we allow for the federal funding of this horrific act, then we risk minimizing the importance of life.

Mr. ENZI addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Thank you, Mr. President. I appreciate and am impressed with the thoroughness with which the two Senators from Missouri have covered this particular issue, but I do have a few additional comments I would like to add.

I do rise in support of the Assisted Suicide Restriction Act of 1997, H.R.

1003. I am reminded of the story that I heard when I was very young, and it had an impression which has carried over the years.

It is a story of a kid out playing, and he saw his father carrying this large basket. He went over and asked his dad what it was all about.

He said, "Well, you know, your grandfather had not been very well, not doing well at all, not able to contribute anymore. We sensed he really did not enjoy life anymore. So he is in the basket, and I am taking him down to the river."

The little boy was not impacted much from that. The kid said, "What are you going to do with the basket when you are done?"

He said, "Why are you so concerned about the basket?"

He said, "Because some day I am going to need it for you."

It is important that we as a Congress reaffirm our commitment to the sanctity of human life in all its stages. This is one of the primary duties of the U.S. Senate and as members of a civilized society. The sanctity of human life was clearly articulated in our Nation's charter. The Declaration of Independence counts the right to life as one of the self-evident and unalienable rights with which we have all been endowed by our Creator.

By safeguarding the right to life, our Government fulfills its most fundamental duty to the American people. By violating that right to life, we violate our sacred trust with our Nation's citizens and the families of our country and the legacy that we will leave to those not yet born.

The legislation now before us takes an important step in restoring our Nation's commitment to the importance of the lives of all Americans, especially those who suffer from serious illnesses. This bill would prohibit the direct or indirect use of any Federal funds for the purpose of causing the death of a human being by assisted suicide. It would assure the American people that their hard-earned tax dollars would not be used to fund a principle that they do not believe in—suicide. It would also help Federal dollars to be provided in the form of grants to public and private organizations to help people with chronic or serious illnesses who may be considering suicide.

This legislation would not affect individual States' living will statutes regarding the withholding or withdrawing of medical treatment or medical care. It simply prohibits the Federal Government from directly, or indirectly, funding assisted suicides. We, as a society, must demonstrate our respect for the life of all Americans, especially those who are sick and needy.

Mr. President, when I ran for office, I campaigned on the pledge that I would fight for all life. I was elected on that pledge and sent to Washington where I took an oath to uphold and defend the Constitution of the United States. Physicians also take on the rigors of a campaign to become doctors. Although they are not voted into office, they work just as hard to fulfill their commitments and receive their degrees. Upon graduation, all physicians are intimately familiar with the Hippocratic Oath and its basic premise: First, do no harm. If I might quote from that oath specifically, it says:

> I will use treatment to help the sick according to my ability and judgment, but I will never use it to injure or wrong them. I will not give poison to anyone though asked to do so, nor will I suggest such a plan.

Those powerful words reflect a great insight and wisdom into the human condition. Though they were written so many years ago, they still resonate today. I share them with my colleagues as I urge their support for this legislation. It is our future, too.

I yield back the remainder of my time.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I am pleased today to rise to join my colleague from Missouri, Senator ASHCROFT, in support of this legislation. This piece of legislation was passed by our colleagues in the U.S. House with overwhelming and bipartisan support last Thursday, April 10. The Senate version of this legislation was introduced on February 12 by Senator ASHCROFT and myself, and we had 33 bipartisan cosponsors for that version.

This is not the first time this bill has been introduced in the Senate. Senator ASHCROFT and I also introduced this legislation in the last Congress, but that Congress was not able to take up this legislation, so we reintroduced it earlier this year. I am pleased the Senate is today considering this legislation as it has been passed by the House of Representatives.

This legislation is very, very simple. It will ensure that Federal tax dollars are not used to pay for the costs associated with assisted suicides. Mr. President, I do not know about all of the anguish, the torment and difficulties that are faced by terminally ill individuals toward the end of life who must make critical decisions. I recall before my father's death sitting in the hospital one evening in North Dakota and hearing the cries of pain suffered by someone in a room down the hall, someone who mercifully died the next morning.

I thought that evening about some of these issues, and I do not know what I or others might do in a similar circumstance. I am not here to make judgments about those types of decisions. The decision about whether assisted suicide is protected by the Constitution will be made across the street by the Supreme Court. We do not attempt in this legislation to address the question of whether someone has a right to end one's life. This bill does not address that at all, and I do not stand here today making judgments about it.

Rather, the decision we are faced with today in the Senate, about whether Federal funding should pay for this practice, is a decision that was really presented to us by an action one State has taken. The State of Oregon has decided it will sanction and pay for physician-assisted suicides through its Medicaid program, which is paid for with matching Federal dollars. As a result of these decisions by the State of Oregon, Federal health care dollars may soon be used to pay for those physician-assisted suicides without Congress ever having made an affirmative decision to allow that.

When Oregon's referendum to legalize assisted suicide passed by a narrow margin, it was contested in the courts, and its implementation has been held in abeyance since then. However, the Ninth Circuit Court of Appeals dismissed the challenge to Oregon's law on a technicality in late February. That decision is being challenged by opponents of Oregon's law, but this action means that Federal funding for assisted suicide in Oregon could soon be a reality.

What Senator ASHCROFT and I and others are saying is that we do not want Federal tax dollars, through the Medicaid Program or any other program, to ever be used to help pay for physician-assisted suicides. We do not believe that is what American taxpayers ever intended should be done with their tax dollars that come to Washington, DC. Tax dollars used for health care purposes ought to be used to enhance life, not end life. So again, our legislation very simply says that we will prohibit the use of Federal funding to assist in suicides.

I have told you what this legislation does. Now let me tell you what it does not do. First of all, this legislation says that the ability of terminally ill patients to decide to withhold or withdraw medical treatment or nutrition or hydration is not limited for those who have decided they do not want their life sustained by medical technology. In other words, this legislation does not address this issue at all. The withdrawal of medical treatment or services, which is already legal in our country and which patients in conjunction with their families and doctors decide they want to do, is not prohibited at all by our legislation. Our legislation does not speak to this issue. Our legislation speaks to the narrow, but important, issue of Federal funding for physician-assisted suicides.

Our legislation also does not put limits on using Federal funding for health care or services that are intended to alleviate a patient's pain or discomfort,

even if the use of this pain control ultimately hastens the patient's death.

Finally, our legislation does not prohibit a State or other entity from using its own dollars to assist a suicide. We are not saying what a State may or may not do. We are only saying that a State may not use Federal money to pay for assisted suicide. We have raised and appropriated money at the Federal level to do certain things in our Federal system. One of these important purposes is to help pay for health care, and I am convinced that our constituents want this funding to be used to extend life, not to end life. This legislation is important because it reaffirms the principle that Federal health care dollars should be used to improve and prolong life. This bill will reaffirm that all people are equal and deserving of protection, no matter how ill or disabled or elderly or depressed a person may be.

Some might say, "Well, you have come to the Congress with a bill that is premature, because there is not now Federal funding for assisted suicide." That is correct for now but that situation may soon change. The law already exists in one State that forms the basis for requiring Federal funding of assisted suicides if Congress does not act. Therefore, the Congress must intervene to say that is not our intention that Federal money be used for that purpose. So this is not premature at all.

Those who say, "Federal funding of assisted suicide is not happening, therefore, you need do nothing," do not understand that if we do not act, we effectively allow the use of Federal funds for use in assisted suicides. I think we speak for the vast majority of the American people when we say that tax money should not be used to facilitate assisted suicides.

Let me end where I began by saying that this is not legislation that intends to make legal of moral judgments about assisted suicide. For States and citizens around our country, this is a very difficult and wrenching issue, and it has gotten a lot of press because of one doctor who facilitates assisted suicides.

I expect behind all of those news reports are patients and families who are faced with these very difficult decisions about pain they believe cannot be controlled, life they think is not worth living. I have seen too many circumstances in which I feel really unqualified to pass judgment on the decisions of others. But I do stand here with a great deal of certainty about what uses we ought to be sanctioning for limited tax dollars. When we raise precious tax dollars to spend in pursuit of public health care, I am convinced that the vast majority of the American people do not believe those dollars ought to be spent in the pursuit of assisted suicides. And that is what our legislation reaffirms simply and plainly.

I am pleased to have worked with the Senator from Missouri, Senator ASHCROFT, who has done a substantial amount of work in this area. I hope and expect we will enact our legislation here today in the Senate and send this bill to the President. When we pass this bill later this afternoon, we will have done something that is worthy and has great merit.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER (Mr. GREGG). The Senator from Missouri.

Mr. ASHCROFT. Likewise, I would like to extend my thanks and the thanks, I believe, of the American people, to Senator DORGAN for taking this important step and for having the foresight to do it in advance of some commitment of the Treasury. We are perilously close to having Federal funds used in this respect. A court decision stands between us and that potential. But having the foresight to prepare in advance is appropriate, and I thank him for his excellent work.

I am pleased to note that there are others who want to speak on this issue. I look forward to hearing Senator HUTCHINSON's remarks.

I would just say that one of the reasons I am not eager to see Federal funding provide the resource for assisted suicide is that in so many cases that I have known, the diagnosis was missed. It seems to me particularly tragic to think you would seek to fund a suicide on one set of facts and to find out that it was not the case.

I am reminded of a case reported in the Washington Post—and I make reference to it and will submit it for inclusion in the RECORD—from July 29, 1996.

A twice-divorced, 39 year-old mother of two from California, allegedly suffering from multiple sclerosis, checked into a Quality Inn and received a lethal injection—becoming the most recent person to die with Dr. Kevorkian's help. Though her death warranted little notice nationwide, authorities at least had one major question.

According to the doctor who autopsied her body—"She doesn't have any evidence of medical disease." The county medical examiner said in an interview, "I can show you every slice from her brain and spinal cord," obviously, from the pathology reports, "and she doesn't have a bit of MS. She looked robust, fairly healthy. Everything else is in order. Except she's dead."

From the Washington Times, Tuesday, October 1, 1996, another individual, Richard Faw, who reportedly suffered from terminal colon cancer.

The medical examiner wrote: "There was some residual cancer in the colon but none present in the kidney, lungs or liver. . ." He went on to say, "He could have lived another 10 years, at least."

It seems to me it would be particularly ironic to be forced to spend resources that we have committed to protecting and preserving health if we were to be committing those resources unduly and inappropriately based on mistaken diagnoses to destroy individuals.

Mr. President, I ask unanimous consent that these two articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From The Washington Post, Monday, July 29, 1996]

JUST HOW SICK WAS REBECCA BADGER?; JACK KEVORKIAN HELPED END HER LIFE, AND THAT'S WHEN THE QUESTIONS BEGAN

(By Richard Leiby)

There's no question that Rebecca Badger wanted to die. At 39, she was using a wheelchair, losing bowel and bladder control, and enduring what she called "excruciating" pain. Multiple sclerosis, her doctors said—a debilitating disease that can be treated but not cured.

There's also no question that Badger suffered from episodes of depression, as many MS patients do. In her misery, she turned to the man she considered her only hope for release: Jack Kevorkian, the retired pathologist widely known as "Dr. Death."

On July 9, the twice-divorced mother of two from California checked into a Quality Inn here and received a lethal injection—becoming the most recent person to die with Kevorkian's help, No. 33 for those keeping track.

Though her death warranted little notice nationwide, for authorities here at least one major question persists: Was Badger actually sick?

Not according to the doctor who autopsied her body. "She doesn't have any evidence of medical disease," L.J. Dragovic, the county medical examiner, said in an interview last week. "I can show you every slice from her brain and spinal cord, and she doesn't have a bit of MS. She looked robust, fairly healthy. Everything else is in order. Except she's dead."

If Dragovic's findings are accurate, the Badger case presents an intriguing medical mystery amid an ongoing debate over how to ensure that people who choose euthanasia are mentally competent and not hastening their deaths because of depression.

Kevorkian's screening methods were examined in three criminal trials involving five deaths, and he was acquitted each time. Those cases included a 58-year-old woman with a history of psychiatric problems who suffered from severe pelvic pain for which doctors could find no physical cause.

Multiple sclerosis, which afflicts an estimated 350,000 Americans, is a disease of the central nervous system that tends to strike young adults. It is often difficult to diagnose and sometimes cannot be confirmed until the patient has died and the brain and spinal tissue can be examined.

Attorneys for Kevorkian would not make their client available for comment. One of them called the medical examiner "a liar," insisting that "hundreds" of medical records proved that Badger had an advanced case of multiple sclerosis. Christy Nichols, Badger's 22-year-old daughter, who held her mother's hand as she died, said: "All I know is that her pain was insurmountable. I would not want to inflict that on anyone."

"She was constantly hospitalized with constant and crippling MS," said lawyer Geoffrey Fieger, who has represented Kevorkian

for six years. Fieger petitioned the U.S. Supreme Court last week to end Michigan's ban on Kevorkian's work. Today they will appear at the National Press Club in Washington as part of their crusade to legalize what Kevorkian calls "medicide."

That crusade has gathered increasing support since Kevorkian's first assisted suicide six years ago. Earlier this year, federal appeals courts struck down laws against physician-assisted suicide in the states of Washington and New York, ruling that mentally competent, terminally ill adults have a constitutional right to assistance in ending their lives.

Even proponents of euthanasia say the ambiguities of some of the Kevorkian cases point to the need for tight regulation. An Oregon law, approved by voters in 1994 but blocked by a federal judge, forbids a doctor to write a lethal prescription for a terminally ill patient if the doctor suspects that the person suffers from depression.

"The Badger case is clearly worrying," said Derek Humphry, founder of the pro-euthanasia Hemlock Society and author of the million-selling book "Final Exit." "There must be the most careful evaluation of such cases. We need a sound, broad law which permits hastened death in justifiable cases, and we need very thoughtful guidelines that the medical profession can work with."

Interviews with Badger's doctors and daughter leave several questions unresolved: Most important, what was the cause of her illness? Also, how severe were her psychological problems? Were her California physicians properly consulted by Kevorkian's advisers? And could Badger's suffering have been solely the result of a psychiatric disorder—a possibility not discounted by one of her doctors?

"Would a competent psychiatrist have been better than a lethal injection? I understand the question—I've been asking it myself," said Johanna Meyer-Mitchell, a family practitioner in Concord, Calif., who treated Badger for nearly 11 years. "There never was any objective evidence as to why she was in as much pain as she said she was in."

Meyer-Mitchell said she was unaware that her patient was seeking the services of Kevorkian when Badger recently requested that her medical records be sent to two Michigan doctors. "If I had known this is what she was planning or thinking of, I would have tried to intervene to get her psychiatric help," Meyer-Mitchell said.

Badger didn't want to take antidepressants and was displeased with the outcome of an earlier consultation she'd had with a psychiatrist, according to Meyer-Mitchell. "She said, 'They think this is all in my head.'"

Fieger released some of Badger's medical records to the Washington Post, saying they would prove that Dragovic's autopsy results were false. But the records—which included case summaries from Badger's two primary physicians—and interviews with other experts left open the possibility that Badger did not have MS.

A case summary by Meyer-Mitchell states there was "fairly minimal" evidence that Badger had the disease. Badger's doctors said her brain scans were inconclusive, and spinal fluid tests suggested MS but were not definitive. In such cases doctors render a diagnosis of "possible MS" because nothing else explains the patient's symptoms.

"She didn't have the nice, well-wrapped-up package of MS symptoms that many other patients have," said neurologist Michael Stein, of Walnut Creek, Calif. Stein said he made the diagnosis of possible MS in 1988 and said his confidence increased because of progressive symptoms that included limb weakness—Badger limped and also used a walker—and bladder and bowel dysfunction. By June 24, when he wrote a note to accompany Badger's medical records, his diagnosis was unqualified: "She has multiple sclerosis."

But in a interview Friday, Stein said he was never absolutely sure. "There was concern, and there was a question about it. That an autopsy didn't find it, I'm surprised, is all I can say."

Stein also stated in the June 24 note that Badger never suffered from depression "to my knowledge." In an interview, he said, "I concerned myself with MS." But he acknowledged that Badger followed the typical pattern of what is called "relapsing, remitting" MS, during which symptoms—and spells of depression—come and go.

Meyer-Mitchell's records explicitly state a diagnosis of depression. And a May 20, 1996, record of Badger's visit to Meyer-Mitchell's office shows that the patient herself checked off "depression," "confusion" and "trouble concentrating" among her problems.

Badger also was "a survivor of sexual abuse as a child," Meyer-Mitchell wrote, and had "a history of chemical dependency and alcoholism."

On July 2, Stein said, he received a fax from Georges Reding of Galesburg, Mich., who identified himself as a "psychiatric consultant" to Kevorkian and stated that Badger was a candidate for physical-assisted suicide.

According to Stein, Reding inquired about putting Badger on Demerol for pain control. Stein said he faxed back a note saying that Reding should contact Meyer-Mitchell. Reding never contacted her, Meyer-Mitchell said.

"The next thing I hear [on the radio eight days later] is that she's an assisted suicide," recalled Stein. "I said, 'What!?' * * * I presumed they would talk her out of it. I was dead wrong."

Reding, who in May signed a death certificate in another Kevorkian-assisted suicide of an MS patient, did not respond to a request for comment.

Since that May 6 suicide, Kevorkian has been advised by a small group of doctors calling itself Physicians for Mercy. The group, which since then apparently has been involved in six assisted suicides, has developed guidelines that promise a thorough review of a patient's medical records, a consultation with a "specialist dealing with the patient's specific affliction" and an evaluation by a psychiatrist "in EVERY case."

"If there is any doubt about it—the slightest doubt—the patient will be turned down," said internist Mohamed El Nachef of Flint, Mich., a member of the group. He added that patients approved for doctor-assisted suicide "are making rational decisions. They are not depressed and they are not lunatics, and their requests are very reasonable. You cannot deny them their request to stop suffering."

El Nachef would not comment on whether he medically evaluated Badger or was present at her death but said, "I don't think there is any doubt about the extent of her disability or about her diagnosis."

A HARD LIFE

Badger's adult life, by several accounts, was one of disappointment, recurring medical woes and financial worries. Married at 17, divorced by 19, she raised two girls largely on her own in Contra Costa County, east of Oakland. In 1985 she was diagnosed with cancer and rarely was able to work after that.

Badger had a hysterectomy to remove the cancer and surgeons later removed her ovaries. She was free of cancer, Meyer-Mitchell said, but the MS symptoms and other maladies persisted.

Doctors prescribed Badger morphine and Demerol for pain and Valium for spasms. But according to Nichols, her elder daughter, some physicians also believed her mother might have been abusing drugs.

"She lost total faith in the system," Nichols said.

Badger's second marriage, in the early '90s, broke up after only a year. Her symptoms worsened steadily after that, she grew despondent, and by 1994 she mentioned to Nichols that she might want to seek out Kevorkian. In January, Badger moved south to live with her daughter near Santa Barbara.

Nichols said it's "ridiculous" for anyone to conclude that her mother did not have a major physical disease. "I would literally have to drag her to the restroom. She would have her arms wrapped around my neck—who wants a life like that?

"She was sick. Do you think I would let my mother go [to Michigan] and I would hold her hand while she was dying if it wasn't true?"

Nichols and her mother flew to Detroit on July 8, a Monday. About 8 the next morning, Kevorkian and three others joined Badger and her daughter in a suburban hotel room.

Nichols said Kevorkian asked her not to discuss in detail what happened that night, or identify any other participants. But they included a psychiatrist who had talked with her mother on the telephone "numerous times" in the past, she said.

The psychiatrist's on-site assessment lasted about a half-hour, Nichols said. The result?

"He told my mother she was more sane than he was."

Badger signed forms and some of the proceedings were videotaped, as is Kevorkian's custom. He often asked Badger, "Are you sure this is what you want?" and told her she could "stop the process at any time." Nichols recalled.

Badger's right arm had a dime-size bruise consistent with an injection, autopsy photos show. In previous deaths, Kevorkian has used a so-called "suicide machine" that delivers a heart-stopping dose of potassium chloride, and also allows the patients to press the button that delivers the poison.

Nichols doesn't recall her mother's exact last words. "She said she loved me, repeatedly."

Kevorkian wheeled Badger's body into the emergency room at Pontiac Osteopathic Hospital around 11:45 p.m. He was accompanied by another doctor whose identity has not been released.

Departing this life, Badger wore dark leggings and a loose T-shirt advertising "Time Warner Interactive." In the coroner's snapshots, her brown hair was unkempt and her face bereft of makeup.

THE AUTOPSY DISPUTE

Dragovic, the medical examiner, said it was still unclear what killed Badger. Her blood contained morphine and it was "highly likely that potassium chloride was part of the combination," he said. Police have filed no charges.

Fieger, Kevorkian's attorney, has often publicly criticized Dragovic, whose office has performed autopsies in 26 of the 33 cases Kevorkian has been involved with since 1990.

Fieger once offered to wager $1 million that the pathologist's findings were wrong in

the autopsy of a woman whose breast had been removed because of cancer. Dragovic said his examination showed no invasion of the cancer to vital organs, but Fieger insisted that her body was ravaged by the disease.

"Dr. Dragovic is a liar," Fieger said last week about the Badger case, again offering a bet: "I will put up a million dollars that Rebecca Badger had severe and crippling MS."

"Could he double the stakes?" Dragovic responded, laughing. "With $2 million, we could improve the building here. She did not have MS, and that's the end of it."

Two multiple sclerosis experts contacted by The Post agreed that symptoms of severe MS are almost certain to show up in a properly conducted autopsy.

"It's inconceivable to me that the autopsy wouldn't pick it up. I would be very skeptical as to whether this woman had MS," said Aaron Miller of Maimonides Medical Center in New York, who chairs the professional education committee for the National Multiple Sclerosis Society.

Miller said certain characteristics of Badger's cerebral-spinal fluid, cited as evidence of MS in her medical records, "don't make the diagnosis." Those signs could be indicative of Lyme disease, syphilis or other inflammatory diseases, he said. "And it might be seen where the patient has no clinical disease."

"The very best confirmatory test for MS" is the autopsy, said Fred Lublin, a professor of neurology at Thomas Jefferson University in Philadelphia. "At death, that's how one proves it."

Kevorkian's "patients" have included six persons with MS diagnoses. Spokesmen for the National Multiple Sclerosis Society point out that the disease is not terminal and that most patients do not develop cases that result in disabling paralysis.

The group recently issued a statement on suicide that says in part, "Although we respect our clients' right to self-determination, we as a Society affirm life."

In an interview with a Santa Barbara television station two days before she died, Badger made a different kind of declaration. She cried out in agony and said, "The pain that I live with is excruciating.

"I know what the future holds," she added. "I know finally there is a man out there with a heart of gold who will help me." Asked about Kevorkian's "Dr. Death" nickname, Badger said: "I hate when he's called that. He's just the opposite."

Meyer-Mitchell, who knew Badger better than any other doctor did, has no ready answers to the questions surrounding her patient's death. She only wishes that the Michigan doctors who received her June 24 letter had paid more attention to the last line:

"I hope you are able to assist this unfortunate woman to have a more comfortable life."

[From the Washington Times, Oct. 1, 1996]

TERMINAL ILLNESS ABSENT IN KEVORKIAN SUICIDE

PONTIAC, MICH.—A medical examiner said yesterday an autopsy reveals a North Carolina psychiatrist who took his life with Dr. Jack Kevorkian's help was not terminally ill.

Dr. Richard Faw, 71, who reportedly suffered from terminal colon cancer, took his life Sunday, becoming Dr. Kevorkian's 41st known assisted suicide.

"There was some residual cancer in the colon but none present in the Kidney, lungs or liver—none of the vital organs," said Medical Examiner Ljubisa Dragovic. "There could be some cancer in the bone which could have caused pain, but this man was not terminal. He could have lived another 10 years, at least."

Mr. ASHCROFT. I am pleased to note the presence of Senator HUTCHINSON from Arkansas. I look forward to his remarks.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I rise to express my strong support for H.R. 1003. I want to commend the Senator from Missouri for his outstanding leadership on this issue, his willingness to be proactive about an issue that is very important to the future of our Nation, and also the Senator from North Dakota for his support of this measure as well.

H.R. 1003 will prohibit Federal funding and promotion of assisted suicide and euthanasia. It is critically important that the Federal Government not appear to sanction suicide as a form of medical treatment in our varied Federal health care programs. Without this bill, that would be the very message we could be sending as we would potentially find ourselves funding and covering so-called mercy killing with Federal tax dollars.

It should be mentioned that this bill passed overwhelmingly in the House of Representatives by a vote of 398 to 16. It enjoys obvious overwhelming bipartisan support. It involves only a prohibition of funding and does not affect the legality of assisted suicide or euthanasia. The bill simply says that the Federal Government will not be a part of the practice of assisted suicide and will not force all taxpayers to be a part of that practice.

The Clinton administration should also be able to support this bill. When asked in the 1992 campaign about legislation to allow assisted suicide, President Clinton said, "I certainly would do what I could to oppose it."

On November 12, 1996, the Clinton administration filed a friend-of-the-court brief with the Supreme Court in opposition to physician-assisted suicide. In the brief for the administration, Solicitor General Walter Dellinger wrote:

[T]here is an important and commonsense distinction between withdrawing artificial supports so that a disease will progress to its inevitable end, and providing chemicals to be used to kill someone.

Given these statements, the President should be able to sign legislation that has the very modest effect of simply not funding assisted suicide.

I agree with the statement of Walter Dellinger, Solicitor General. A patient may always decline or discontinue medical treatment even if that may incidentally lead to the patient's death. But that is a far cry from administering a lethal injection or providing lethal drugs to that patient. The former is a longstanding and recognized medical practice; the latter is medicalized killing. The Federal Government must not make all taxpayers be involved in such killing.

Some may object that neither suicide nor the attempt at suicide are illegal. If people have a legal right to kill themselves, they continue, then it makes no sense to deny them the help of a physician in doing so, or to cut off the payment for doing that as this bill does. That is the logic.

But it is incorrect to say that people have a right to kill themselves simply because we do not throw them in jail if they attempt to do so.

Think of the following. We have a first amendment right to protest and denounce the policy choices of our elected officials in, say, a public park. If a supporter of that politician tried to physically restrain such speech, that person would be subject to criminal charges of assault and battery.

On the other hand, suppose someone else tries physically to restrain another from committing suicide. As the Minnesota Supreme Court said in a 1975 case:

[T]here can be no doubt that a bona fide attempt to prevent a suicide is not a crime in any jurisdiction, even where it involves the detention, against her will, of the person planning to kill herself.

In fact, if public authorities detect someone in the act of attempting to commit suicide, they will typically not only interfere, but also place the person in the custody of mental health authorities. And posing a danger to oneself is a basis for involuntary commitment for mental health treatment.

In short, it is not accurate to say that at present people have the legal liberty to commit suicide because they can be, and frequently are, legally restrained from doing so.

Others may suggest that this is only for suicide attempts by the healthy. Everyone deplores the suicide of young, healthy people. But they contend some suicides are rational, like those of terminally ill patients.

Contrary to the assumptions of many in the public, a scientific study of people with terminal illness published in the American Journal of Psychiatry found that fewer than one in four with terminal illness expressed a wish to die, and of those who did, every single one suffered from a clinically diagnosable depression. We must remember that it is the depression, not the terminal illness, that prompts a desire to die or to commit suicide. And that depression is treatable in the sick, the terminally ill, as well as in the healthy.

Psychologist Joseph Richman, former president of the American Association of Suicidologists, the professional group for experts who treat the suicidal, points out that "[E]ffective

psychotherapeutic treatment is possible with the terminally ill, and only irrational prejudices prevent the greater resort to such measures."

Dr. David C. Clark, a suicidologist, observes that depressive episodes in the seriously ill "are not less responsive to medication" than depression in others.

So the solution for those among the terminally ill who are suicidal is to treat them for their depression, not pay to send them to Dr. Kevorkian.

This bill sends us on the way to just that: not paying for patient killing so that we can focus on real medical treatment for the patients who need it.

So I am glad to urge my colleagues to join me in supporting H.R. 1003, and in so doing, to send a very important message to the people of our Nation and to the culture of our country.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMITH of Oregon. I ask to be recognized for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMITH of Oregon. I appreciate this opportunity to speak briefly on this issue before the Senate. I begin by thanking my colleagues, Senator ASHCROFT and Senator DORGAN, and their staffs for their leadership on this issue.

As yet, only one State, the State of Oregon, my State, has passed legislation to allow assisted suicide. In 1994, Oregon voters approved ballot measure 16, called the Death With Dignity Act, which exempts from criminal and civil liability physicians who assist their patients in committing suicide. Since its approval, a ruling in March by the Ninth Circuit Court of Appeals has prevented the law from taking effect, leaving the ultimate decision to the Supreme Court of the United States.

However, I believe it is our responsibility to address this issue before other States, including New York and Washington, have to face the dilemma that now confronts Oregon. Oregon has taken the initiative in meeting the health care needs of our most needy and vulnerable citizens. Through the implementation of the Oregon health plan, I was a legislator who helped to enact and to pass and to fund that act. However, ballot measure 16 threatens the lives of those we have worked so hard to help.

The Oregon health plan rations medicine in an honest way. What it does is rank the procedures that promote and provide preventive medicine. I am concerned, as an Oregonian, as an American, as a taxpayer, that this system that has been enacted with the very best of motives will provide a slippery slope that will make the right to die into a duty to die. In a time when we have few health care dollars and so many of those dollars are expended late in life, I fear the financial incentive that is built into the system if soon the right to die becomes, under financial extremis, a duty to die.

Now, lest you think that I am exaggerating in my fears, the Oregon Medicaid director has recently publicly stated that once the legal issues have been resolved, Oregon will begin subsidizing physician-assisted suicide through the Oregon health plan. As one of Oregon's Senators, I cannot, on ethical, moral and other grounds, allow this to happen when I have the opportunity to prevent it.

H.R. 1300 and Senate 304 is legislation that is not an attempt to circumvent the Supreme Court. Rather, this legislation is to determine whether we should require the American taxpayer to pay for these services through Medicare, Medicaid, the Federal Employees Health Benefit Program, health care services provided to Federal prisoners under the military health care system.

The potential legal practice of physician-assisted suicide sets a standard for our entire Nation. We should, instead of subsidizing a path to death, try to strengthen the quality of hospice and end of life care. Let's offer support, not suicide, as the acceptable and responsible, viable option.

Mr. President, my colleagues, it is with great concern and with a heavy heart that I ask your support in passing this important and timely legislation. Oregon is a beautiful State in which to live, to visit, to raise a family. I ask today that you do not help Oregon become a State where people now come to die.

As I have said to the people and press of Oregon, the only thing that we should be killing around here is Federal funding for assisted suicide. Mr. President, I thank my colleagues. I urge their support for this legislation.

I yield the floor and the remainder of my time.

Mr. ASHCROFT. Mr. President, some people have asked me whether this bill would create any new restrictions or limitations on such practices as the withholding or withdrawing of medical care; the withholding or withdrawing of nutrition or hydration, abortion, or the administration of drugs or other services furnished to alleviate pain or discomfort, even if the drugs or services increase the risk of death.

Mr. DORGAN. That is an important question, and one I want to clarify. H.R. 1003 would not create any new restrictions in those areas.

In fact, section 3(b) of the bill explicitly states that none of those practices or services would be affected by the bill. This means that we do not create any new limitations, and none of the practices and services you described would be prohibited or further restricted by this bill. I also want to make clear that this bill would not place any new restrictions on the provision of hospice care, which I strongly support.

Mr. ASHCROFT. I have also been asked about whether the bill would prohibit legal services lawyers or other legal advocates receiving Federal funds from talking to their clients about assisted suicide.

Mr. DORGAN. H.R. 1003 prohibits the use of Federal funds for legal or other assistance for the purpose of causing an assisted suicide; compelling any other person or institution from providing or funding services to cause an assisted suicide, or advocating a legal right to cause or assist in causing an assisted suicide.

However, the bill does not impose any kind of gag rule on legal services or other attorneys receiving Federal funding to provide legal services. An advocacy program could provide factual answers to a client's questions about a State law on assisting suicide, since that alone would not be providing assistance to facilitate an assisted suicide. Similarly, the bill does not prohibit such programs from counseling clients about alternatives to assisted suicide, such as pain management, mental health care, and community-based services for people with disabilities.

In addition, the bill is not intended to have the effect of defunding an entire program, such as a legal services program or other legal or advocacy program, simply because some State or privately funded portion of that program may advocate for or file suit to compel funding of services for assisted suicide. The bill is intended only to restrict Federal Funds from being used for such activities.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, inasmuch as there are no Members wishing to speak on the pending legislation, I ask unanimous consent to speak for 5 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

A MESSAGE TO THE FEDERAL RESERVE BOARD

Mr. DORGAN. Mr. President, I rise to ask if someone at the Federal Reserve Board might be willing to spend a quarter and buy the Washington Post and

read the article on the front page above the fold on the left side. If they are unwilling to do that, I will at least read the headline for them: "Consumer Prices Nearly Flat in March."

Why is this headline important? Because the most recent tax increase imposed in Washington, DC, was imposed by Mr. Greenspan, Chairman of the Federal Reserve Board, and his Board of Governors, who, meeting weeks ago, in a frenzy decided that the problem in our country is that our economy is growing too rapidly, there are too many people working and too few people unemployed and our economy is moving too rapidly. Their solution: Increase interest rates, impose a higher interest rate charge on every single American for every purpose. Of course, that is, in effect, imposing a tax on everybody, isn't it? The difference is, if somebody were to propose a new tax, it would have to be done here in the open, in debate. But in this dinosaur we call the Federal Reserve Board, it is done behind closed doors, in secret, outside of the view of the public, by a bunch of folks in gray suits, coming from their banking backgrounds, or as economists, peer through their glasses and try and see what the future holds. The future is no clearer to them than it was to the augurs in Roman times when practicing the rites called augury. These high priests would read the entrails of birds, the entrails of cattle, observe the flights of foul in order to portend the future.

Well, we now have economists who, of course, practice the study of economics. I sometimes refer to it as "psychology pumped up with a little helium." The economists now tell us what the future will hold. What does the future hold for us? The economists at the Federal Reserve Board, believed by the Board of Governors, say that our country is moving too fast. It is like that Simon and Garfunkel tune, "Feeling Groovy," although I doubt that they would play that there. It says, "Slow down, you're moving too fast * * *" The country is moving too fast, they say —2½, 3 percent economic growth. Lord, what is going to happen if we have 3 percent sustainable economic growth? You can't do that because the Fed wants to put the brakes on. They want people to pay higher interest rates to slow our country down.

You know, the Federal Reserve Board had told us forever that if unemployment dropped below 6 percent, what would happen? A new wave of inflation would come. Unemployment has been below 6 percent for 30 months; inflation is going down. The Consumer Price Index is nearly flat. In fact, Mr. Greenspan, Chairman of the Federal Reserve Board, says to us, "I think the Consumer Price Index overstates the rate of inflation by probably 1 full percent and maybe a percent and a half." If that's the case, there is no inflation in our country. If there is no inflation in our country, why did those folks go behind the closed doors, lock it up, do their banking business in secret, and come out and announce to us that they were imposing a new tax on every American in the form of a higher interest rate?

I ask the Fed today to buy a paper, read the story, convene a meeting and put interest rates where they ought to be. Your Federal funds rate is a full one-half of 1 percent, and now, after your last action, nearly three-quarters of 1 percent above where it ought to be, given the rate of inflation. What does that mean? It is a premium imposed on the American people—a tax in the form of higher interest. It is imposed on every American, without public debate.

I urge the Federal Reserve Board to meet again with the new information and understand what some of us have been talking about for some long while: Your models are wrong. The world has changed. We don't have upward pressures on wages in our country; we have downward pressures on wages in our country. That is why you don't see consumer prices spiking up. We now exist in a global economy in which American workers are asked to compete against workers elsewhere around the world. It is not unusual for American workers to produce a product, to go into a department store to compete against a product produced in a foreign country by a 14-year-old child being paid 14 cents an hour, working 14 hours a day in an unsafe factory. It is a global economy. Unfair? Yes. But it is a global economy that now puts downward pressure on American wages. That is why consumer prices are not spiking up. That is why the Federal Reserve Board is wrong.

The Federal Reserve Board ought to countenance more economic growth in this country. It can be done without reigniting the fires of inflation. It should be done by a Federal Reserve Board that cares more about all of the American people and economic growth and opportunity all across this country than it does about the interest of its constituents, the big money center banks.

I did not intend to speak about this today, but when I bought the paper and saw the story, it occurred to me that someone ought to stand up and say to the Federal Reserve Board: You were wrong a couple of weeks ago. You ought to admit it. We don't accept your remedy. The American people know you are wrong because they understand what is happening in our economy. Our economy isn't growing too fast. If anything, the economic growth is too slow. We need fewer people unemployed and more people employed. We need more economic growth and more opportunity. I hope one day the Federal Reserve Board will adopt policies that will understand that.

Now, we have a couple of vacancies coming at the Federal Reserve Board, and I expect that the Federal Reserve Board will fill the positions with people who essentially look the same, act the same, talk the same, and behave the same as all the other folks there. Take a look at who is at the Fed. In fact, I have brought for my colleagues to the floor a giant chart with pictures of the Board of Governors and regional Federal bank presidents, indicating where they are from, where they were educated, their salaries. I don't want them to be anonymous. I want the people to see who is making the decisions that affect all of their lives.

Now we will have a couple of new people appointed to the Fed. Congress will have a little something to say about that. But the fact is, the nominations will be sent to us. I have said, and I say again, that I would recommend my Uncle Joe. The reason I recommend Uncle Joe is the Federal Reserve Board doesn't have anybody serving on the board like my Uncle Joe. My Uncle Joe actually has made a lot of things in his life. He fixed generators and starters on cars. He has a lot of common sense, understands what it is to start a business, borrow some money, make a product, sell a product. So I recommended my Uncle Joe. I have been doing that for a number of years and Joe hasn't gotten a call yet. So I expect that the Federal Reserve Board will not be blessed by the membership of my Uncle Joe.

I say this because I would like to see some new blood at the Fed, some new energy and new direction that doesn't just buy into this mantra that what we need is more unemployment and slower economic growth, and somehow that represents the future of our country. The Fed is wrong. The numbers demonstrate that the Fed is wrong. I hope as we go down the road talking about this, as well as filling the positions at the Fed that are going to be open, we can have a broader discussion. I wanted to at least acknowledge today that this new information exists. I encourage the Fed to buy the morning paper.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ASSISTED SUICIDE FUNDING RESTRICTION ACT OF 1997

The Senate continued with the consideration of the bill.

Mr. NICKLES. Mr. President, I rise in support of the legislation pending before us, a bill to prohibit Federal funds being used to assist in suicides.

I wish to compliment my colleague, Senator ASHCROFT, and also my colleague, Senator DORGAN, for their leadership. I am happy to cosponsor this legislation. I think it is important that we pass this legislation today. I am pleased that the House passed it overwhelmingly by a vote of 398 to 16. It is not often that we find such an overwhelming vote.

Frankly, I can't see how anyone would vote against this legislation. This legislation makes sense. It is needed. Some may ask, "Why is it needed?"

You might be aware of the fact that the Supreme Court held hearings earlier this year on whether or not there is a legal right for assisted suicide. I have read the Constitution many times. I don't find that right in there. That doesn't mean the Supreme Court might not, nor does it mean that some other judge might say yes, you have a constitutional right for assisted suicide, and someone else say yes, that is a constitutional right; therefore, it should be covered by Medicare or Medicaid, and, therefore, be paid for by the Federal Government.

So maybe this is a preemptive strike. It is unfortunate to think it might even be needed. But it is needed. We want to make sure it doesn't happen. We want to make sure that we don't have more Dr. Kevorkians running around the country saying, "You have a legal right to kill yourself, and therefore, we will help you; and, oh, yes, we want the taxpayers to pay for it." We don't want the taxpayers to pay for it. We want to send a signal to Dr. Kevorkian that we don't agree with him.

Dr. Kevorkian made a statement which was reported in the New York Times on April 5 talking about the fact that he publicly burned a cease and desist order from the State. He said, "If you want to stop something, pass a law."

That is what we are trying to do today. We are trying to make it very clear that the Congress of the United States overwhelmingly believes that you should not use Federal funds to assist in something like suicides, something that is as deadly as suicide.

This would clarify the law. If assisted suicide is legalized by the Supreme Court, or in any individual State, all it would take is one district court judge to rule that assisted suicide fits under the Medicare statute's guidelines. On January 8, 1997, the Supreme Court heard oral arguments in two cases in which the Federal courts of appeals have declared a constitutional right to assisted suicide.

Mr. President I think we want to send a very clear signal. I might mention that this Congress has already passed a ban. In 1995, I offered legislation banning the use of Medicaid and Medicare funds for assisted suicide in the balanced budget amendment which passed this Congress. Unfortunately, President Clinton vetoed the legislation. But he didn't veto the legislation because of this.

An amicus brief, filed by the American Medical Association, to the Supreme Court on November 12, 1996, contends that assisted suicide "will create profound danger for many ill persons with undiagnosed depression and inadequately treated pain for whom assisted suicide rather than good palliative care could become the norm. At greatest risk would be those with the least access to palliative care—the poor, the elderly, and members of minority groups."

Acting Solicitor Gen. Walter Dellinger recently said in opposing the idea of a right to assisted suicide, "The systemic dangers are dramatic . . . the least costly treatment for any illness is lethal medication." That is reported in the New York Times on January 9 of this year.

We are a Nation built on the principle that human life is sacred, to be honored and cherished. As public servants, we deal with issues that affect the lives of people every day. Caring for people is the underlying aspect of nearly every piece of legislation dealt with in this Senate.

Dr. Joanne Lynn, board member of the American Geriatrics Society, and director of the Center to Improve Care of the Dying at George Washington University, said, "No one needs to be alone or in pain or beg a doctor to put an end to misery. Good care is possible."

Cardinal Joseph Bernardin, while dying last November, took the time to write the Supreme Court on assisted suicide, saying,

> There can be no such thing as a "right to assisted suicide" because there can be no legal and moral order which tolerates the killing of innocent human life, even if the agent of death is self-administered. Creating a new "right" to assisted suicide will endanger society and send a false signal that a less than "perfect" life is not worth living.

There are a lot of groups and a lot of individuals who have endorsed this legislation.

The American Medical Association said,

> The power to assist in intentionally taking the life of a patient is antithetical to the central mission of healing that guides physicians. The AMA continues to stand by its ethical principle that physician-assisted suicide is fundamentally incompatible with the physician's role as healer and that physicians must instead aggressively respond to the needs of patients at the end of life.

That was signed by John Seward, executive vice president of the AMA, on April 15.

Mr. President, this legislation is endorsed by not only the American Medical Association but also the National Conference of Catholic Bishops, American Academy of Hospice and Palliative Medicine, American Geriatrics Society, Christian Coalition, Family Research Council, Free Congress, National Right to Life, Physicians for Compassionate Care, and the Traditional Values Coalition.

In addition, I ask unanimous consent that letters be printed in the RECORD at this point from the Catholic Health Association and also the Christian Coalition in support of this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHRISTIAN COALITION,
CAPITOL HILL OFFICE,
Washington, DC, April 16, 1997.

DEAR SENATOR: As of this morning, the Majority Leader was trying to work out an agreement to bring up the Assisted Suicide Funding Restriction Act for a vote this afternoon.

On behalf of the members and supporters of the Christian Coalition, we urge you to vote for the Assisted Suicide Funding Restriction Act. This legislation overwhelmingly passed the House of Representatives by a vote of 398–16.

The Assisted Suicide Funding Restriction Act restricts the use of tax dollars for the purpose of assisted suicide, euthanasia, or mercy killing. The overwhelming majority of American taxpayers oppose the use of tax dollars for assisted suicide and euthanasia, with 87 percent of Americans opposing the use of tax dollars for these purposes. This widespread support, as well as the moral grounds for opposing the funding of assisted suicide, compels passage of this legislation.

This is a carefully-crafted bill and we would like to see it pass in its present form. Please vote for H.R. 1003, the Assisted Suicide Funding Restriction Act. Thank you for your consideration of our views.

Sincerely,

BRIAN LOPINA,
Director, Governmental Affairs Office.

CATHOLIC HEALTH ASSOCIATION
OF THE UNITED STATES,
Washington, DC, April 16, 1997.

Senator TRENT LOTT,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR LOTT: I understand that H.R. 1003, the Assisted Suicide Funding Restriction Act, will soon be considered by the full Senate. On behalf of more than 1,200 health care facilities and organizations, the Catholic Health Association of the United States (CHA) urges the Senate to give this legislation swift and favorable consideration.

As health care providers, members of CHA reject physician-assisted suicide as antithetical to their religious beliefs and their mission as healers. Because assisted suicide offends the basic moral precepts of our culture and poses a grave danger to those at the margins of our society, state governments have consistently outlawed its practice. Unfortunately, a Florida state court and two federal Courts of Appeals recently have misconstrued the Constitution to "discover" a constitutionally protected liberty interest in physician-assisted suicide.

In response to the threat of these cases and a recent referendum in Oregon, Congress should establish the principle that federal tax dollars will not be expended for the purposeful taking of human life. While none are being used for this purpose today, judicial

activism threatens to undermine our long-established societal consensus against assisted suicide.

The legislative proposal before you properly distinguishes between the withholding or withdrawing of burdensome and ineffective medical treatment and the aiding of another in purposefully taking human life. Catholic teaching and common sense support this distinction.

The most important reason to pass this legislation is to send a signal to disabled persons, the elderly and other vulnerable people that they are valued members of the human community. They enrich rather than burden society. The late Joseph Cardinal Bernardin said it best in his letter to the Supreme Court: "There can be no such thing as a 'right to assisted suicide' because there can be no legal or moral order which tolerates the killing of innocent human life, even if the agent of death is self-administered. Creating a new 'right' to assisted suicide will endanger society and send a false signal that a less than 'perfect life' is not worth living."

CHA has a long and distinguished record of supporting the goal of universal health care coverage. In addition, we support meaningful efforts to improve care for the dying. Yet, we do not support the views of those opposing this bill on the grounds that it does not accomplish all of these worthy goals in one bill. Congress should pass this bill and then move on to legislation that increases health care coverage and helps to provide those at the end of life with the care and comfort that they deserve.

Sincerely,

WILLIAM J. COX,
Executive Vice President.

Mr. NICKLES. Mr. President, again, I wish to thank sponsors of this legislation. I have had the pleasure of working with both Senators from Missouri. Both Senators made outstanding statements in support of this legislation. In addition, Senator DORGAN—we appreciate his support for this legislation. It has bipartisan support. We have a lot of cosponsors on both sides of the aisle.

It is my hope that the Senate will pass the identical bill that the House passed and that we will send it to the President.

Also, I have a statement from the administration. The Clinton administration issued a statement of administration policy on April 10, 1997, which states, "The President made it clear that he does not support assisted suicide. The administration, therefore, does not oppose enactment of H.R. 1003."

Mr. President, there is no reason for us to amend this legislation. There is no reason for us to delay this legislation. Let's pass this legislation and send a message to Dr. Kevorkian and others that Federal funding will not be tolerated and that it will not be legal to assist in assisted suicide.

Mr. President, I yield the floor.

Mr. ASHCROFT. Mr. President, thank you.

Mr. President, I want to thank my colleague from Oklahoma for his excellent statement on this issue. I appreciate his leadership on this issue. When this legislation was initially filed last year, I was not aware of the fact that he had previously included it in other matters. But he has been a leader in respecting the will of the American people not to participate in the funding of assisted suicide.

Mr. President, I might add as well that while House bill 1003 is largely consistent and almost totally compatible with the bill that Senator DORGAN and I filed here in the U.S. Senate, the House added some provisions which I think improve the measure. Both bills were narrowly and tightly drawn and focused on the fact that we didn't believe there should be Federal funding for assisted suicide.

The House measure includes provisions designed to reduce the rate of suicide, including assisted suicide, among persons with disabilities or terminal or chronic illness, by furthering knowledge and practice of pain management, depression identification, palliative care, and other issues related to suicide prevention. The bill would amend the Public Health Service Act to use existing Federal funds to establish research, training, and demonstration projects intended to help achieve the goal of reducing the rate of suicide. That would also, of course, include reducing the rate of individuals interested in assisted suicide. It also includes a provision directing the General Accounting Office to analyze the effectiveness and achievements of the grant programs that are authorized by the Public Health Service Act.

So, resources now available to the public through the Public Health Service Act can be used in accordance with this measure to reduce the rate of suicide. It is important for us not just to be concerned about Federal funding for suicide, but where possible to help individuals understand the potential for hope in the situation rather than despair.

I might just also point out that assisted suicide and the potential for assisted suicide or funding for assisted suicide in a culture are not really conducive to the development of other therapies. It is interesting to note that Justice Breyer pointed out a number of important facts during the Supreme Court's recent oral arguments regarding the right to assisted suicide. He indicated that supportive services for vulnerable patients remain undeveloped once a society has accepted assisted suicide as a quick and easy solution for their problems. In particular, he noted that in England, which prohibits assisted suicide, there are over 180 hospices for people who are terminally ill; 180 facilities designed for compassionate care to help these people. In a sense, each of us is terminally ill. Each of us ultimately will die. In the Netherlands, on the other hand, which allows assisted suicide, rather than having 180 hospices, they have only 3.

It may be inappropriate to draw a conclusion here, but it seems to me that once a culture decides that the thing to do with terminally-ill patients is to help them die quickly, they neglect and otherwise refuse to develop the kinds of institutions which would help people who really ought to live and want to live and have many things to contribute.

It is with that in mind that I think it is peculiarly and singularly important that this Congress respond to the voice of the American people, which with near unanimity is calling for us to prohibit Federal funding of assisted suicide. It is with that in mind that I urge my colleagues to join by voting in favor of this proposal.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, Senator ASHCROFT has just outlined a provision that was included in the legislation enacted by the House of Representatives. Frankly, I think this addition improves the legislation that we introduced here in the Senate. The amendment that was accepted by the House and is in this legislation provides for the prevention of suicide, including assisted suicide. It provides authorization for the Secretary of Health and Human Services to fund research and demonstration projects using existing Public Health Service dollars to prevent suicide among people with disabilities or terminal or chronic illnesses. That amendment addresses an issue that is very significant and serious, and I think it adds to this legislation.

With this legislation, we are not only saying that we want to prevent Federal funding of assisted suicide, but also that we want to improve the availability of compassionate end-of-life care so that terminally or chronically ill individuals do not feel that assisted suicide is their only option for relief.

So I think this amendment is a good amendment, and I support it.

Mr. President, I hope we can move along to final passage on this legislation.

I don't know whether there are those who intend to offer amendments. I see Senator WELLSTONE from Minnesota is on the floor. My hope is that we can proceed on this noncontroversial piece of legislation and finish it today.

Mr. MCCONNELL. Mr. President, today the U.S. Senate considers H.R. 1003, the Assisted Suicide Funding Restriction Act of 1997. As an original cosponsor of S. 304, the Senate companion to H.R. 1003, I rise in support of this measure's reasonable and responsible action in prohibiting the use of Federal funds to support physician-assisted suicide.

Modern medical technology has made a significant difference in the health care challenges that patients and providers face today. While few Americans

fear death from scarlet fever or cholera, a growing number are concerned about the potential for a slow, painful death from cancer or a degenerative neurological disorder. Advocates for physician-assisted suicide package the concept as purely an issue of patient choice and personal liberty in seeking relief from suffering. Moreover, they argue that this choice harms no one. I respectfully but stringently disagree. Physician-assisted suicide condones the intentional killing of a human being as a valid method for relieving pain and suffering when other means are available to address a patient's critical medical needs.

Advocates for physician-assisted suicide point to secondary effect, the circumstance where a patient dies during treatment for pain, as a factor lending legitimacy to the legalization of euthanasia. Again, I disagree. A large number of Americans and a majority in the medical community identify the critical difference between the administration of pain medication and physician-assisted suicide. In the former, a physician makes a medical assessment and administers the level of medication necessary to relieve a patient's pain and suffering. Though the action is taken with the knowledge that the treatment could cause death, the physician's sole medical goal is helping the patient attain relief from suffering. In contrast, physician-assisted suicide is the intentional administration of a drug, not for pain relief, but to kill. H.R. 1003 recognizes the critical difference between secondary effect and physician-assisted suicide.

While patients' rights have been raised in the debate over physician-assisted suicide, I want to draw attention to the broader implications of this action on the health care community. The American Medical Association makes clear in its Code of Medical Ethics that the intentional act of killing a patient is antithetical to the central mission of healing that bonds the physician-patient relationship. The AMA fully endorses H.R. 1003's purpose to assure that the integrity of doctors working for Federal health care programs and in Federal health care facilities is not compromised by the act of physician-assisted suicide. Without H.R. 1003, doctors face a painful dilemma of whether they are expected to conduct assisted suicide as a form of medical treatment. The AMA rejects such a concept, and 87 percent of Americans agree that Federal tax dollars should not support such a questionable practice.

It is clear to all that patient concerns regarding the health care threats of degenerative and painful disease must be addressed. This critical need is one of the reasons why I and other Members of the U.S. Senate support Federal investment in medical research. The Federal Government should not invest in physician-assisted suicide as a legitimate option for pain control however. Medicine today is capable of managing physical pain, but patients are forced to endure pain and suffering because this information is not applied uniformly. For the welfare of patients and families, we should focus our energies on correcting these failures in medical care delivery, rather than diverting critical attention toward the questionable promotion of assisted suicide.

Mr. President, I support the right of Americans to decide whether or not to withdraw or withhold medical treatment. I also appreciate the difference between acts to relieve the pain of a dying patient and acts that intentionally produce pre-mature death. H.R. 1003 does the same. This measure makes clear that Federal funds do not and will not support physician-assisted suicide to the detriment of patients, families, and the medical community. I urge my colleagues to join in support of H.R. 1003's intent to ensure that this vital concern for millions of Americans is properly addressed.

Mr. COATS. Mr. President, I rise in support of H.R. 1003 and I urge my fellow Senators also to vote in favor of this legislation.

This bill simply prohibits the use of Federal funds for the controversial and immoral practice of assisted suicide. It rightly keeps the Federal Government out of the business of killing.

The bill prevents the use of funds to provide health care items or services "furnished for the purpose of causing * * * the death of any individual, such as by assisted suicide, euthanasia or mercy killing." Death of the individual has been included because proponents of assisted suicide, mercy killing, and euthanasia often use other terms to describe these activities, such as physician aid in dying. In fact, the Oregon Death with Dignity Act, which legalizes these actions under certain circumstances, specifically provides that "actions taken in accordance with [this law] shall not, for any purpose, constitute assisted suicide, mercy killing, or homicide"—even though the actions precisely are assisted suicide or mercy killing! The bill is very clear about the activity that should not receive Federal funds: an item or service furnished for the purpose of causing the death of any individual will not be funded by American taxpayers.

Close observers will note that this broad language is used in sections 3, 4, and 7 of the bill, while more narrow language is used in sections 2, 5, and 6, where funds are prohibited for "causing the suicide, euthanasia, or mercy killing of any individual. The broad language is used with regard to the general prohibition on health care funding (section 3), the prohibition on the use of funds under the Developmental Disabilities Assistance Act (section 4), and the Patient Self Determination Act (section 7) to ensure that the activities and actions intended not to receive Federal funds in fact do not receive them. The broad language is necessary because proponents often describe these activities in different terms; it is used without concern of unintended consequences because the programs covered in these instances are clearly and narrowly defined.

The narrow language is used in the bill's findings and purposes provisions (section 2, which does not have the force of law), restrictions on advocacy programs (section 5), and restrictions on funding for mercy killing, euthanasia, and assisted suicide in national defense and criminal justice programs (section 6) because broad language, if applied to these programs, could have unintended consequences. For example, if the broad language were used with respect to criminal justice enforcement, it may have the effect of prohibiting capital punishment. But this bill is only about funding for assisted suicide—mainly in Federal health care programs, because proponents of assisted suicide are successfully legitimizing assisted suicide—for some—as a form of health or medical care.

Assisted suicide is not health care. Or medical care. The Federal Government, supported by all American by all American tax payers, should not pay for this. This carefully crafted bill will ensure that that does not happen. It deserves our support.

Some questions have arisen as to whether H.R. 1003 applies to the provision or withholding or withdrawing of medical treatment, medical care, nutrition, or hydration. My reading of the bill indicates that the bill does not address such situations.

H.R. 1003 is a deliberately narrow piece of legislation. It deals with the issue of Federal subsidies for direct killing, as by a lethal injection or a lethal drug. It is not designed to address or affect in any way, positively or negatively, Federal funding for the withholding or withdrawal of medical treatment and medical care, nutrition or hydration. Nor is it designed to address affect in any way, positively or negatively, such withholding or withdrawal in veterans' hospitals, military hospitals, or other Federal facilities.

Therefore, Mr. President, no one should read into the adoption of this legislation any expression of blanket congressional approval for the practice of withholding or withdrawing of nutrition and hydration or, for that matter, of any lifesaving medical treatment. This Senator, for one, is convinced that causing a patient to die of starvation or dehydration is absolutely wrong. I, for one, would not have supported this bill as an original cosponsor if I believed that it authorized the use of Federal funds to withhold or withdraw nutrition and hydration from a patient.

Indeed, I am convinced that every Member of this body, and I dare say of the other body as well, can think of at least some circumstances in which he or she would agree that denial of medical treatment, or of food and fluids, is wrong and should not be subsidized with Federal tax dollars. Plainly, then in voting for this legislation we do not intend some broad sanction for denial of nutrition, hydration, medical treatment and care.

All we do in section 3(b) of H.R. 1003 is make clear the narrow scope of this bill: that it deals with direct killing only, and not with these other practices. Thus, section 3(b) should be read simply as a scope limitation for this legislation, and not as expressing a substantive policy position on withholding or withdrawing medical treatment, medical care, nutrition or hydration. That is a matter for another day.

In conclusion, Mr. President, I want to express my firm belief that ours is a Nation that should direct itself to expanding the scope of the human community; to ensuring that all its members enjoy full access to the protection of life, liberty, and happiness. Our culture is one that increasingly commits itself to death, to killing those that some do not consider to be part of the human family. For years some in this country have treated the preborn child as unworthy of that protection. Recently, the President has vetoed a ban on partial-birth abortions—has allowed the killing of a child just three inches and 3 seconds from full protection of the law. Now our culture is moving toward promoting the killing of the elderly, the handicapped, those who suffer desperately—instead of offering them support, resources, and hope.

I commend the Senator from Missouri for his excellent work on this bill and his steadfast efforts to prevent taxpayers from being forced to support a culture of death. His work reclaims some of our hope that America can again be a beacon of light in a culture of life.

Mr. ROCKEFELLER. Mr. President, I thought it would be helpful to share some thoughts about other important issues that I hope the Congress will address once action is taken on the bill before us to prohibit Federal funding for physician-assisted suicide.

Because of my involvement in health care issues and the Medicare Program specifically, I have spent some time in recent months taking another look at the concerns and dilemmas that face patients, their family members, and their physicians when confronted with death or the possibility of dying. In almost all such difficult situations, these people are not thinking about physician-assisted suicide. The needs and dilemmas that confront them have much more to do with the kind of care and information that are needed, sometimes desperately.

I am learning more and more about the importance of educating health care providers and the public that chronic, debilitating, terminal disease need not be associated with pain, major discomfort, and loss of control. We need to focus on the tremendous amount that can be done to control a wide range of symptoms associated with terminal illness, to assure that the highest level of comfort care is provided to those who are dying or have chronic, debilitating disease.

The tremendous advances in medicine and medical technology over the past 30 to 50 years have resulted in a greatly expanded life expectancy for Americans, as well as vastly improved functioning and quality of life for the elderly and those with chronic disease. Many of these advances have been made possible by federally financed health care programs, especially the Medicare Program that assured access to high quality health care for all elderly Americans, as well as funding much of the development of technology and a highly skilled physician work force through support of medical education and academic medical centers. These advances have also created major dilemmas in addressing terminal or potentially terminal disease, as well as a sense of loss of control by many with terminal illness.

I believe it's time for Medicare and other federally funded health care programs to assure that all elderly, chronically ill, and disabled individuals have access to compassionate, supportive, and pain-free care during prolonged illness and at the end of life. As we discuss restructuring Medicare during the present session of Congress, this will be one of my primary goals.

Much of the knowledge necessary to assure individuals appropriate end-of-life care already exists. Much needs to be done, however, to assure that all health care providers have the appropriate training to use what is known already about such supportive care. The public must also be educated and empowered to discuss these issues with family members as well as their own physicians so that each individual's wishes can be respected. More research is needed to develop appropriate measures of quality end-of-life care and incorporate these measures into medical practice in all health care settings. And finally, appropriate financial incentives must be present within Medicare, especially, to allow the elderly and disabled their choice of appropriate care at the end of life.

I will soon be introducing legislation that addresses the need to develop appropriate quality measures for end-of-life care, to develop models of compassionate care within the Medicare Program and to encourage individuals to have open communication with family members and health care providers concerning preferences for end-of-life care. These are the issues that truly need to be addressed by Congress and encouraged through Federal financing programs for health care, and I am very committed to promoting the action that Americans and their physicians are looking to us to help them with. By addressing end-of-life issues in this manner, there may be a day when the divisive debate over physician-assisted suicide will become unnecessary.

Mr. FRIST. Mr. President, I rise today to address the legislation before us which would further codify and clarify existing Federal law, practice, and policy on the prohibition of the use of Federal funds, whether directly or indirectly, for physician-assisted suicide. This proposal has received broad bipartisan support within the Congress, within the administration, and in the medical community.

This is an issue that supersedes the politics of the present, and cuts to the heart of our concept of respect for life. As a physician, I took an oath, like physicians for centuries before me, to "first do no harm." While there are times when the best in medical technology and expertise cannot save or prolong life, we should never turn those tools into instruments to take life, and we must preserve the sacred trust between physician and patient.

I am pleased that this bill is tightly focused and disciplined in its approach to this controversial issue. However, I am concerned that the most important issue may be obscured by this debate. Physicians have a responsibility to ensure that patients are both comfortable and comforted during their last precious days on Earth. As legislators responsible for policy decisions impacting the federally funded health care programs, we also have a responsibility. We must continue to look for ways to support efforts to provide palliative care, as well as to support efforts to educate physicians, patients, and families about end-of-life issues.

We have made enormous progress in treating and managing illness at the end of life. Over the last 50 years, life expectancy has risen dramatically as we have learned to manage the complications of illnesses which were previously considered terminal. The issue of physician-assisted suicide is an indication of our need to focus on other ways of relieving suffering, while maintaining the dignity of the terminally ill and their families.

While I do not believe that it is the role of the Government to intrude upon the relationship between a physician and patient, I do believe that policymakers have an obligation to create an environment which supports the quality of care in this country. Therefore, our votes in support of this bill must also be seen as our decision to take up a new challenge—that of finding new ways to facilitate the compassionate care of the dying.

Mr. HELMS. Mr. President, when the able Senators ASHCROFT and DORGAN invited me to cosponsor S. 304, a bill to prohibit the use of Federal funds for assisted suicide, I unhesitatingly accepted. Now today, I do hope the Senate will promptly approve H.R. 1003, now pending which is nearly identical to S. 304 and which was passed overwhelmingly by the House this past Thursday.

The Supreme Court's tragic Roe versus Wade decision in 1973 established that human beings—unborn children—at one end of the age spectrum are expendable for reasons of convenience and social policy; euthanasia is now the next step. Many, including this Senator who in 1973 had just been sworn in, argued that if we can justify in our own minds the destruction of the lives of those whose productive years are yet to come, what is to prevent our destroying or agreeing to end the lives of men and women who can no longer pull their own weight in society?

That day may arrive as early as this summer. The Supreme Court is currently reviewing two circuit courts of appeals decisions which, if upheld, will affirm the constitutional right of individuals to terminate their own lives with the assistance of Dr. Kevorkian or other like-minded physicians. But inevitably, those who demand that this become an acceptable right are also expecting the taxpayers to furnish the money for it.

At a minimum, Mr. President, surely the Senate will reject the notion that tax funded programs, such as Medicaid and Medicare, should be used to terminate the lives of human beings. Despite anybody's looking with favor on euthanasia, it is absurd to suggest that the American people must sponsor it with their already-high taxes.

The American people emphatically reject this idea. A poll conducted last year by Wirthlin Worldwide revealed that 87 percent of people oppose Federal funding of assisted suicide.

So, Mr. President, the bill under consideration will not outlaw euthanasia. But it will forbid the use of Federal tax dollars to fund assisted suicides. And more importantly, the Senate will heed the American people's belief that paying for such a morally objectionable procedure is just going too far.

Mr. DOMENICI. Mr. President, I rise today in support of the Physician Assisted Suicide Funding Restriction Act of 1997. This bill would maintain current Federal policy to prevent the use of Federal funds and facilities to provide and promote assisted suicide. It would not nullify any decision by a State to legalize assisted suicide, nor restrict State or privately financed assisted suicide; nor will it affect any living will statutes or any limitation relating to the withdrawal or withholding of medical treatment or care.

The bill is urgently needed to protect Federal programs which have traditionally been designed to protect the health and welfare of our citizens. The ninth circuit recently reinstated an Oregon statute which provided for physician-assisted suicide through the State's Medicaid Program. This program is funded in part with Federal tax dollars. Unless we enact this statute, Federal dollars will be used to fund physician-assisted suicide. There is an immediate and pressing need for the Senate to act on this matter now. Our Nation has always been committed to the preservation of the lives of its citizens. The American people expect that tradition to continue.

Last week, the House of Representatives acted in a decisive vote of 398 to 16 to ban the use of Federal funds to support physician-assisted suicide and the President has indicated that he does not oppose this legislation. Mr. President, the American people do not want their tax dollars spent to assist individuals to commit suicide.

This legislation simply prohibits the use of Federal funds for assisted suicide. It does not address the issue that is currently before the Supreme Court in Washington versus Glucksburg. The issue in that case is whether there is a liberty interest in committing suicide, and if so, whether that interest extends to obtaining the assistance of a doctor to do the same. Mr. President, nothing in this legislation will affect the decision that the Supreme Court will announce later this summer. What this bill does is maintain the longstanding Federal policy of preventing Federal funds from being used for this purpose. The American taxpayer shouldn't be forced to pay for the activities of Dr. Kevorkian and other physicians who may be engaged in assisting suicide.

Mr. President, we are not acting prematurely by passing this legislation. The State of Oregon already has decided that physician-assisted suicide is legal and that State Medicaid funds may be used for that purpose. The long-standing policy against the use of Federal tax dollars is now in jeopardy, and congressional action is now needed. Tax dollars ought to be used to extend life, not cause death.

Finally, I am pleased to see that this legislation contains a provision to allow for research into ways we can reduce the rate of suicide among individuals with disabilities and chronic illnesses. Modern pain management techniques are improving rapidly, and it is my hope that this research will reduce the demand for assisted suicide, whether legal or illegal, in the future. We need to continue pain research, and make resources available to ensure that health care professionals are capable of administering these new treatments as they develop. This is a forward-looking approach and we should encourage this sort of research—it will improve the quality of life for those with debilitating diseases.

Mr. President, I think I speak for the vast majority of the American people when I say that their Federal tax dollars should not be used to fund physician-assisted suicide. I am very pleased to support this bill. I commend Senator ASHCROFT for bringing this issue to the attention of the Senate. I hope my colleagues will support the bill, and I yield the floor.

Mr. BIDEN. Mr. President, I wish we were not here debating this legislation today—not because I don't think it is right; I do, and I am a cosponsor of the bill; but because I wish there was no need to take up a bill like this in the first place.

Unfortunately, our hands have been forced, largely by the courts.

In March of last year, the Ninth Circuit Court of Appeals ruled that a Washington State law prohibiting physician-assisted suicide was unconstitutional under the constitutional right of privacy.

Then, a month later, the Second Circuit Court of Appeals struck down a similar New York State law, arguing that the equal protection clause of the Constitution gives the terminally ill the same rights to hasten their own death through drugs as other patients have to refuse artificial life support.

Although implementation has been delayed by the courts, in 1994, Oregon voters approved a referendum making physician-assisted suicide legal in that State.

The Supreme Court has heard oral arguments on the matter—and it is expected to rule before the end of this term.

Now, if physician-assisted suicide does become legal—through the courts or through State referendums or by some other means—there will be no doubt an attempt made to have the Federal Government pay for this.

I can hear the arguments already. People will demand that Medicare or Medicaid reimburse physicians who help people commit suicide. Mr. President, this is not such a farfetched notion.

After the voters approved the Oregon referendum in 1994, Oregon officials actually admitted they would seek Medicaid reimbursement if the law were to go into effect.

Now, truth in advertising here, Mr. President. I am opposed to physician-assisted suicide becoming legal in this country, period. So I don't want to hide under some false cloak here. I am one of those who does not support abortion, but I acknowledge that my personal religious view should not be imposed upon the rest of the world because, for me, it is hard to determine and insist that my view on when there is a human life in being is more accurate than someone who is equally as religious as me, but might have a different view. But a suicide is a different story. There is no question that there is a human

life in being. Physician-assisted suicide is the most dangerous slippery slope, in my view, that a nation can embark upon.

So I make it clear that this has nothing to do with whether physician-assisted suicide should be allowed. I don't think it should be. But that is beside the point today. What is at issue is—if it becomes legal in one State, several States, or all States—is the Federal Government going to have to pay for it?

To that, I hope we will emphatically say "no," regardless of what each of us thinks about the legality or constitutionality of physician-assisted suicide.

No matter where you are on the issue, under no circumstances should the Federal Government be paying physicians to help people kill themselves.

Let me say what else this debate today is not about. It is not about refusing to accept medical treatment. The Supreme Court has already ruled that individuals have a right to refuse unwanted medical treatment. I am not sure how a physician or a hospital would bill Medicare or Medicaid for not providing a treatment that the patient did not want. But, regardless of that, this bill explicitly states that the funding prohibition does not apply in such circumstances and does not apply to drugs given to alleviate pain.

What we are talking about is when physicians specifically give a patient a drug to kill them—when there is a proactive attempt to kill a patient. That is what we are talking about—no Federal dollars allowed.

I commend Senator ASHCROFT and Senator DORGAN for their work on this bill. This has been a bipartisan effort from the start—going back to when this bill was first put together last summer.

Mr. President, it is important that we swiftly and definitively resolve this issue.

Mr. President, I yield the floor.

Mr. SMITH of New Hampshire. Mr. President, I rise in support of H.R. 1003, the Assisted Suicide Funding Restriction Act of 1997.

I am pleased to be a cosponsor of S. 304, the Senate companion bill to H.R. 1003. As a cosponsor, I was especially gratified to learn of the overwhelming bipartisan vote of 398 to 16 by which H.R. 1003 passed the House of Representatives on April 10, 1997.

With its resounding votes to pass both the Assisted Suicide Funding Restriction Act and H.R. 1122, the Partial-Birth Abortion Ban Act of 1997, the House of Representatives has taken two major actions aimed at restoring respect for the sanctity of human life in our great Nation. I trust that in the weeks ahead, the Senate will join the House by passing both of these bills by large majorities and sending them to the President.

Mr. President, before he passed away last November, Joseph Cardinal Bernadin left a moving testimony to the sanctity of life. "I am at the end of my earthly life," Chicago's Cardinal wrote in a letter addressed to the U.S. Supreme Court. "Our legal and ethical tradition has held consistently that suicide, assisted-suicide, and euthanasia are wrong because they involve a direct attack on innocent human life," Cardinal Bernadin continued. "Creating a new 'right' to assisted suicide," the Cardinal concluded, "will . . . send a false signal that a less than perfect life is not worth living."

Mr. President, by enacting H.R. 1003, the Congress will be moving to defend the sanctity of human life by preventing the use of Federal funds and facilities to provide and promote assisted suicide. This is indeed a worthy goal and I am honored to be a part of this effort.

Mr. KENNEDY. Mr. President, I support the ban on the use of Federal funds for assisted suicide, and I commend Senator DORGAN and Senator ASHCROFT for their leadership on this issue.

The disabled, the elderly, low-income and other Americans in need are often totally reliant on federally financed health care. Allowing Federal funds to be used for assisted suicide, euthanasia, or mercy killing could lead to situations in which terminally ill or seriously ill individuals are coerced into choosing assisted suicide over traditional medical treatments or pain management therapies. In addition, many seriously ill people who suffer transient depression could choose suicide, when, if their depression were treated, they would not make this irrevocable choice.

I also support the intent of the legislation to exclude certain medical treatments and procedures from the provisions of the ban. Evidence of this intent is found in both the language of the Senate bill and the language contained in the House report concerning section 3(b). This subsection clarifies the exact nature of the medical procedures and services which are not intended to be covered by the prohibition on the use of Federal funds. It is important to emphasize that the ban does not cover individuals who do not want their lives prolonged by heroic medical treatments or the other specific treatments identified in the language of the House report on this subsection.

Mr. ASHCROFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WELLSTONE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

Mr. WELLSTONE. Madam President, I am going to in a short period of time offer two amendments which I hope will be really noncontroversial. I just would like to talk about both of them in general terms and then I will come back in time to offer these amendments.

One of these amendments has to do with what I think is, unfortunately, very germane and it has to do with our failure still to provide the kind of mental health services, the kind of mental health coverage that is so direly needed. I know my colleagues have said one of the things that concerns them and concerns others is that all too often some of the people who take their lives are people in a severe state of depression, people who have not been treated. And then, of course, you really wonder whether or not this ever should have happened and this is the last thing you would like to see assisted.

So I really feel that if, in fact, we are saying we do not want to see this kind of assisted, physician-assisted suicide, or people taking their lives, that is to say, then I think we really want to make sure we do not get to the point where some people, some who really want to take their lives are taking their lives not even necessarily because they are in terrible pain with a terrible illness but having more to do with a terrible mental illness. This is an amendment we will come to in a little while.

The first amendment that I will offer shortly is an amendment which says it is the sense of the Senate that the Senate supports firm but fair work requirements for low-income unemployed individuals. I do not think my colleagues would disagree with that. And low-income workers who are jobless but are unable to find a job should look for work, they should participate in workfare or job training programs but they should not be denied food stamps without these opportunities.

Again, I am just waiting for response from a couple other Senators before I introduce these amendments, but just in very broad outline the why of this amendment.

I am going to draw from a study which comes out from the Department of Agriculture February 13, 1997, which really points to the characteristics of childless unemployed adult food stamp and legal immigrant food stamp participants.

Madam President, this is not a pretty picture. We are talking about the poorest of poor people. If we are going to have vehicles out in the Chamber and there is going to be an opportunity—and these are just sense-of-the-Senate amendments—to really try and get the Senate on record to correct some problems that have to be corrected, then I want to take full advantage of it. In this particular case, we are talking about people who are very poor, many

of them women, many of them minorities.

What we are saying is, yes, work, but if there is not a workfare program available and someone cannot find a job, then do not cut people off food stamp assistance, do not say that in a 3-year period you can only get 3 months' worth of food stamp assistance.

Why in the world would we want to create the very situation we are now creating which is you are basically taking the most vulnerable citizens, the poorest of poor people and you are putting them in a situation where they want to work, they cannot find a job, there is not a workfare program available, there is not a job training program available, they are suffering, struggling with HIV infection or dying from AIDS, they are struggling with mental illness, they did not even have a high school education, there are no opportunities for the training, and we are now saying that we are going to cut you off food stamp assistance. This was the harshest provision of the welfare bill that we passed.

And so, Madam President, I come to the floor, and I will in a moment suggest the absence of a quorum just for a moment and then we will move forward with both of these amendments. But I come to the floor to introduce both of these amendments. These are sense-of-the-Senate amendments. I hope they will command widespread support. I say to my colleagues I am really hopeful for a very strong vote. I know they are anxious to have the bill come through. I do not think these amendments—I made them sense-of-the-Senate amendments. I think the language is very reasonable, and I do not mean to hold up the legislation at all, but on the other hand I do mean to get some attention focused on some areas that we really need to address.

Madam President, just for a moment, I would suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ASHCROFT. I would ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. The Senator from Minnesota suggests that these are merely sense-of-the-Senate amendments and that they would not impair the progress of the bill substantially. If by adding these amendments to the bill we send the bill to conference, we delay substantially our ability to move this legislation to the President of the United States for his signature.

Throughout our comments and remarks, I think it has been clear we are simply at present awaiting judicial decisions which might authorize on a momentary basis Federal funding of assisted suicide, so that it is crucial we not delay this process. And sending this measure to conference would in fact delay the process.

Second, I should indicate that this is not a measure which is designed to prohibit assisted suicide. Some suggestions seem to have been made that this is a measure which would attempt to control whether or not States could authorize assisted suicide or whether they could fund it on their own or whether we would be intervening by this legislation in the capacity of States to determine what is appropriate or inappropriate for their citizens. Nothing could be further from the truth.

This is not a measure that relates to the commission of suicide. It relates to Federal funding of assisted suicide. This bill—and many people think it unfortunate it would not—does not prevent Kevorkian from acting. That would be controlled by local jurisdictions and what the law in those jurisdictions is. So that the alleged relevance of some of the proposed amendments simply is not consistent with the content of the measure.

I think it is important for us to understand we ought to act quickly. We are fortunate that the courts have not already authorized Federal payments for assisted suicide. But for the injunction of a court in Oregon, that would have been the case, according to the director of Medicaid and the Health Services Commission chair in Oregon. And now the Ninth Circuit Court of Appeals has overturned that lower court's decision and the matter is still suspended in the limbo of the legal proceedings. But as soon as the ninth circuit's opinion would become final, the Oregon officials have indicated they intend to call for Federal resources to participate in the funding of what they call "comfort care." I would be uncomfortable myself to receive the "comfort care" offered there.

But it is, in my judgment, a matter of importance that we act promptly, that we act with dispatch. The attempt to bring unrelated issues to this measure is counterproductive, particularly inasmuch as it is likely to send this legislation to conference and to delay substantially the ability to move the will of the American people into the law of the American people, and that will is that we not fund with Federal resources assisted suicide.

Madam President, I observe the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WELLSTONE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. ASHCROFT. I object.

The PRESIDING OFFICER. Objection is heard.

The bill clerk continued with the call of the roll.

Mr. WELLSTONE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WELLSTONE. I ask unanimous consent that Margaret Heldring have the privilege of the floor during the debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ASHCROFT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Madam President, I ask unanimous consent that no amendments or motions be in order to the pending legislation, and that there be 10 minutes for debate to be equally divided in the usual form, to be followed by third reading and final passage of H.R. 1003.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ASHCROFT. I now ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. ASHCROFT. For the information of all Senators, a vote will occur within the next 10 minutes on passage of the assisted suicide bill. I thank my colleagues for their cooperation.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, I ask unanimous consent to have printed in the RECORD a statement of administration policy on H.R. 1003, including a letter to Senator TRENT LOTT by the Assistant Attorney General, Andrew Fois.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, April 16, 1997.

STATEMENT OF ADMINISTRATION POLICY

H.R. 1003—Assisted Suicide Funding Restriction Act of 1997

The President has made it clear that he does not support assisted suicides. The Administration, therefore, does not oppose enactment of H.R. 1003, insofar as it would reaffirm current Federal policy prohibiting the use of Federal funds to pay for assisted suicides and euthanasia.

However, the Department of Justice advises (in the attached letter) that section 5

of the bill, which would prohibit the use of any federal funds to support an activity that has a purpose of "asserting or advocating a legal right to cause, or to assist in . . . the suicide . . . of any individual," exceeds the intent of the legislation and raises concerns regarding freedom of speech. Therefore, the Administration urges the Senate to address this concern as the legislation moves forward, in order to avoid potential constitutional challenges and implementation problems.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, April 16, 1997.

Hon. TRENT LOTT,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR MR. LEADER: This presents the views of the Department of Justice on H.R. 1003, the "Assisted Suicide Funding Restriction Act of 1997." As you know, the President has made it clear that he does not support assisted suicides. The Administration therefore does not oppose enactment of H.R. 1003. We do, however, have a concern that we would like to bring to your attention.

Section 5 of H.R. 1003 provides that "no funds appropriated by Congress may be used to assist in, to support, or to fund any activity or service which has a purpose of assisting in, or to bring suit or provide any other form of legal assistance for the purpose of . . . asserting or advocating a legal right to cause, or to assist in causing, the suicide, euthanasia, or mercy killing or any individual." This restriction, by its plain terms, would apply without limitation to all federal funding. As a result, we believe that the proposed bill would constitute a constitutionally suspect extension of the type of speech restriction upheld in *Rust* v. *Sullivan*, 500 U.S. 173 (1991).

In *Rust*, the Supreme Court upheld a program-specific funding restriction on the use of federal family planning counseling funds to provide abortion-related advice. It explained that the restriction constituted a permissible means of furthering the government's legitimate interests in ensuring program integrity and facilitating the government's own speech. See id. at 187–194. The Court stressed, however, that its holding was not intended "to suggest that funding by the Government, even when coupled with the freedom of the fund recipients to speak outside the scope of a Government-funded project, is invariably sufficient to justify Government control over the content of expression." Id. at 199. For example, the Court emphasized that the First Amendment analysis might differ for restrictions on federally funded services that were "more all encompassing" than the limited pre-natal counselling program at issued in *Rust*. Id. at 200. In addition, the Court explained that the government's authority to place speech restrictions on the use of governmental funds in "a traditional sphere of free expression," such as a forum created with governmental funds or a government-funded university, was far more limited. Id. at 200.

The Court affirmed the limited nature of *Rust* in *Rosenberger* v. *Rectors and Visitors of the University of Virginia*, 115 S.Ct. 2510 (1995). There, the Court explained that *Rust* applies where the government itself acts as the speaker. "When the government disburses public funds to private entities to convey a governmental message," the Court explained, "it may take legitimate and appropriate steps to ensure that its message it neither garbled nor distorted by the grantee." Id. at 2519. The government may not, however, impose viewpoint-based restrictions when it "does not itself speak or subsidize transmittal of a message it favors, but instead expends funds to encourage a diversity of views from private speakers." Id.

Here, the bill places a speech restriction on all uses of federal funds. It would move beyond speech restrictions on the use of federal funds in specific, limited programs, such as the one identified in *Rust*, to establish a viewpoint-based restriction on the use of federal funds generally. As a result, the bill's restriction on speech could apply to an unknown number of programs that are designed to "encourage a diversity of views from private speaker, "*Rosenberger*, 115 S.Ct. at 2519, and to which the Court has held application of a viewpoint-based funding limitation unconstitutional. The bill could also apply to a number of services that are "more all encompassing" than the counselling program at issue in *Rust*, see 500 U.S. at 200, and to which application of a viewpoint-based funding restriction would be subject to substantial constitutional challenge.

Moreover, the general approach that the bill employs is itself constitutionally suspect. Unlike the regulation at issue in *Rust*, H.R. 1003 does not attempt to identify a particular program, or group of programs, in which a funding restriction would serve the government's legitimate interests in ensuring program integrity or facilitating the effective communication of a governmental message. It would instead impose a broad and undifferentiated viewpoint-based restriction on all uses of federal funds. As a result of the unusually broad and indiscriminate nature of the proposed funding restriction, the bill does not appear to be designed to serve the legitimate governmental interests identified in *Rust*. Thus, the bill is vulnerable to arguments that it reflects on "ideologically driven attempt [] to suppress a particular point of view [which would be] presumptively unconstitutional in funding, as in other contexts." "*Rosenberger*, 115 S.Ct. at 2517 (internal quotations omitted). We therefore recommend that this provision be deleted from the bill.

Thank you for your consideration of this matter. Please do not hesitate to call upon us if we may be of additional assistance in connection with this or any other matter. The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the presentation of this report.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

Mr. DORGAN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ASHCROFT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

All time has expired. If there be no amendment to be offered, the question is on the third reading of the bill.

The bill (H.R. 1003) was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina [Mr. FAIRCLOTH] is necessarily absent.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 44 Leg.]

YEAS—99

Abraham	Feinstein	Mack
Akaka	Ford	McCain
Allard	Frist	McConnell
Ashcroft	Glenn	Mikulski
Baucus	Gorton	Moseley-Braun
Bennett	Graham	Moynihan
Biden	Gramm	Murkowski
Bingaman	Grams	Murray
Bond	Grassley	Nickles
Boxer	Gregg	Reed
Breaux	Hagel	Reid
Brownback	Harkin	Robb
Bryan	Hatch	Roberts
Bumpers	Helms	Rockefeller
Burns	Hollings	Roth
Byrd	Hutchinson	Santorum
Campbell	Hutchison	Sarbanes
Chafee	Inhofe	Sessions
Cleland	Inouye	Shelby
Coats	Jeffords	Smith, Bob
Cochran	Johnson	Smith, Gordon H.
Collins	Kempthorne	Snowe
Conrad	Kennedy	Specter
Coverdell	Kerrey	Stevens
Craig	Kerry	Thomas
D'Amato	Kohl	Thompson
Daschle	Kyl	Thurmond
DeWine	Landrieu	Torricelli
Dodd	Lautenberg	Warner
Domenici	Leahy	Wellstone
Dorgan	Levin	Wyden
Durbin	Lieberman	
Enzi	Lott	
Feingold	Lugar	

NOT VOTING—1

Faircloth

The bill (H.R. 1003) was passed.

Mr. ASHCROFT. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ASHCROFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, parliamentary inquiry: Can I use time as if in morning business to introduce a bill?

The PRESIDING OFFICER. The Senator needs consent to do that at this time.

Mr. DOMENICI. That is not infringing on anything planned?

The PRESIDING OFFICER. We have no orders at this time.

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be permitted

to speak for up to 10 minutes on court-appointed attorney's fees and the taxpayers' right to know how much they are paying.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Chair.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 598 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FISCAL YEAR 1998 DEFENSE BUDGET AND THE MILITARY SERVICES' UNFUNDED PRIORITY LISTS

Mr. LEVIN. Mr. President, during the consideration of the annual defense budget in each of the last several years, the Armed Services Committee has asked each of the military services to provide a list of unfunded priorities—that is, programs that were not included in the defense budget request submitted to the Congress. For obvious and very understandable reasons, the military services have responded to these requests with a great deal of enthusiasm.

Again this year, the chairman of the Armed Services Committee, Senator THURMOND, asked each of the military service chiefs to indicate to the committee how they would allocate up to $3.0 billion in additional funds above the fiscal year 1998 budget request. Last month each of the four service chiefs provided the committee with a list of $3.0 billion for specific programs not funded in the budget request.

Mr. President, the Armed Services Committee needs to hear the priorities of the military services—but we also have a responsibility to view these priorities in a broader context. The so-called unfunded priority lists submitted to the committee reflect only individual service priorities. They do not necessarily reflect the joint service priorities of the Chairman of the Joint Chiefs or the warfighting commanders in chief.

General Shalikashvili made this point earlier this year to the committee when he said during our February 12 hearing in reference to these unfunded priority lists:

> I would put in as strong a plea as I can that you then ask what the overall prioritization is within the joint context, because we are talking of a joint fight. And so to understand why one system should be put forward versus another, you really ought to see what the joint priority on it is, and how that particular system, in the eyes of the joint warfighter, then contributes to the overall fight. Obviously then you will make a judgment. But I would ask that you do not look at service lists without putting it in the context of a joint view on the importance of that item or the other.

Mr. President, one of the driving forces behind the Armed Services Committee's work on the landmark Goldwater-Nichols Department of Defense Reorganization Act 10 years ago—which our former colleague and now Secretary of Defense Bill Cohen played a key role in—was the need to enhance the joint perspective within the Defense Department. I agree very strongly with General Shalikashvili's view that the Armed Services Committee—and the Senate—should have the benefit of the joint perspective before we take any action on any of the items on the military services' unfunded priority lists. We have a responsibility to ensure that the programs we fund make the greatest possible contribution to the joint warfighting capability of our Armed Forces.

For this reason, when the committee received the four unfunded priority lists from the military service chiefs last month totaling $12.0 billion, I sent all four lists over to Secretary Cohen and General Shalikashvili and asked two questions.

First, I asked which of the specific programs on the military services unfunded priority lists, if any, were programs for which funds are not included in the Defense Department's current Future Years Defense Program.

Second, I asked for Secretary Cohen's and General Shalikashvili's views on the individual programs on the services' lists from a joint warfighting perspective, and whether there were any programs not included in these lists that in their view had a higher priority from the joint perspective.

Mr. President, I recently received letters from both Secretary Cohen and General Shalikashvili in response to my letter. I ask unanimous consent that my letter and their responses be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1.)

Mr. LEVIN. Secretary Cohen indicates in his letter that while the military services' unfunded priority lists "provide useful ways that the Defense Department could apply additional funds, the President's budget already provided for the Department's essential priorities." With the exception of four specific items, Secretary Cohen also noted that the items on the services' lists are included in the fiscal year 1998–fiscal year 2003 Future Years Defense Program.

General Shalikashvili's response to my letter outlines his views on the most important programs on the services' lists from a joint warfighting perspective. General Shalikashvili's joint list totals about $4.0 billion, or about one-third of the total $12 billion on the four lists that the service chiefs submitted. His list includes three command, control, communications and intelligence programs that were not on the services' original list. Unfortunately, General Shalikashvili does not indicate relative priorities within the programs on his joint list, but I intend to pursue this question further.

Mr. President, I think Secretary Cohen's and General Shalikashvili's personal involvement in this issue of unfunded priority lists represents an important step forward in what some people have called the wish list process in the last several years—a process that in my view had gotten a little out of hand. It is still too early to tell how relevant these various lists will be this year. The outcome of the budget discussions between Congress and the administration is unclear. I don't believe we should or need to increase the fiscal year 1998 defense budget this year. If Congress does decide to make adjustments to the fiscal year 1998 budget, I think we are much better off with a $4.0 billion joint list than with four $3.0 billion lists that have not had the benefit of a joint review.

I want to thank Secretary Cohen and General Shalikashvili for their cooperation in this effort.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, March 18, 1997.

Hon. WILLIAM S. COHEN,
Secretary of Defense.
Gen. JOHN M. SHALIKASHVILI,
USA, Chairman, Joint Chiefs of Staff, Department of Defense, Washington, DC.

DEAR SECRETARY COHEN AND GENERAL SHALIKASHVILI: At the request of the Committee, each of the Chiefs of the military services has provided the Committee with a list of their program priorities in the event that Congress decides to provide additional funding to the Defense Department for fiscal year 1998 above the President's budget request. I have enclosed a copy of each of these four lists.

I would appreciate your response to two issues concerning these lists which were raised during your testimony before the Committee on February 12, 1997.

First, please indicate which programs, if any, on these lists are programs for which funds are not included in the Department's current Future Years Defense Program.

Second, during the Committee's February 12 hearing, you requested that we look at the prioritization of these programs within the joint context. Accordingly, please indicate your views on the priority of the individual programs on these lists from the joint warfighting perspective. You should also indicate whether there are any programs not included on these lists that have a higher priority from the joint perspective.

I would appreciate your response to these questions by April 1, 1997. Thank you for your assistance in this important matter.

Sincerely,

CARL LEVIN,
Ranking Minority Member.

THE SECRETARY OF DEFENSE,
Washington, DC, April 10, 1997.

Hon. CARL LEVIN,
U.S. Senate,
Washington, DC.

DEAR CARL: I welcomed your letter of March 18, 1997, to General Shali and me because it gives me the opportunity to provide my perspective on the Service unfunded priority lists. While the lists provide useful ways the Department could apply additional funds, the President's budget already provided for the Department's essential priorities. Moreover, the vast majority of the items on the lists of unfunded Service priorities are included in the FY 1998–FY 2003 Future Years Defense Program (FYDP). I believe that it is hard to call something a priority if it does not appear in the Department's budget plans anywhere in the next 5 years. Therefore, the Services used inclusion in the FYDP as a key selection criterion in building the lists of unfunded FY 1998 priorities. This also allows the Department to reduce future expenditures to the extent budgeted program completions are accelerated by additions to the FY 1998 budget.

There has been instances where changes after preparation of the FYDP justify including a few items on the unfunded priorities lists that are not in the FYDP. The enclosed table identifies those items and provides a brief explanation of why the items are included in the lists even though they are not in the FYDP.

I believe the enclosed table responds to your first question. Your second question asked for our views on the priority of the individual programs on the lists from a joint warfighting perspective. I believe that General Shali is best suited to answer your second question, and he will respond separately.

Thank you again for the opportunity to confirm that the vast majority of the items on the Service unfunded priorities lists are in the FYDP.

Sincerely,

BILL COHEN.

Enclosure.

PRIORITY LIST ITEMS NOT IN THE FYDP

[Dollars in millions]

Service	Item	Amount	Explanation
Army	None	N/A	N/A
Navy	None	N/A	N/A
Marine Corps	VH–3/VH–60 simulators	$10.0	Responds to a recent finding of the DoD Executive Air Fleet Review that simulator training of VIP aircraft pilots needed improvement.
Marine Corps	2 F/A–18D aircraft	$93.8	Attrition replacement aircraft that should be procured before the F/A–18C/D goes out of production.
Air Force	Global Air Traffic Management (GATM)	$67.7	Required to initiate a program to comply with new Federal Aviation Administration and International Civil Aviation Organization standards that require all aircraft to be GATM capable.
Air Force	Navigation Safety—Phase II	$126.3	Provides for the second phase of modifications to DoD passenger carrying aircraft designed to minimize the chance of accidents like the T–43 crash in Bosnia. Phase II program was not well defined when the FYDP was developed.

CHAIRMAN OF THE
JOINT CHIEFS OF STAFF,
Washington, DC, April 6, 1997.

Hon. CARL LEVIN,
Committee on Armed Services,
U.S. Senate, Washington, DC.

DEAR SENATOR LEVIN: Thank you for the letter requesting a review of unfunded FY 1998 priorities from a joint perspective. I appreciate the opportunity to comment on the Service lists and to provide views with respect to the joint warfighter. Enclosed are items that best support the combatant commanders and are in line with my priorities.

The list also includes three C41 programs that, although not on the Service lists, are joint priorities. The programs, which are in the current FYDP, are Global Broadcast System Theater Injection Points, Global Broadcast System Fiber Connectivity, and Global Command and Control System Data Base Servers.

Please let me know if any further information is desired.

Sincerely,

JOHN M. SHALIKASHVILI,
Chairman, Joint Chiefs of Staff.

Enclosure.

PROCUREMENT

ARMY

Kiowa Warrior Safety Mods
Night Vision HUD
Patriot Mods Increment 1
Avenger Mods
MLRS 2X9
Stinger Blk 1 Upgrade
Carrier Mods
FIST Vehicle Mod
BFV Survivability Enhancements
Family of Medium Tactical Vehicles (FMTV)
HETS Increment 1
PLS Trucks
GCCS Data Base Servers
SINCGARS Test Sets
Airborne SINCGARS SIP
WIN Terrestrial Transport
TRRIP
C2 Protection
ASAS Remote Workstations
SENTINEL
NV PVS–7D
Thermal Weapon Sight
Infrared Aiming Lights
Firefinder Radar
Logistics Automation
Fwd Entry Device
STAMIS Platform
SIDPERS–3
Contact Test Set
Base Shop Test Facility
Fire Trucks
Engr Spt Equip <$2M
War Reserve Mod

DON

F/A–18 E/F (2 aircraft)
E–2C (1 aircraft)
Tomahawk Remanufacture
JSOW Restore to DAB Level
Navy Area TBMD—Accelerate 15 Block-IV Missiles
Ammunition (5.56mm, 5.56mm Linked, 40mm, Demo Charge)
SEAWOLF Propulsor
CEC—Restore Full-Fielding Plan
Acoustic Rapid COTS Insertion
Info Technology 21
HDR and Mini-DAMA
Light Armored Vehicle R&M (LAV RAM)
Javelin Medium Anti-Tank Weapon
Base Telecommunications Infrastructure
Improved Direct Air Support Center (IDASC)
Light Tactical Vehicle Replacement (LVTR)
ISO Truck Beds
Chem/Bio Incident Response Force (CBIRF) Equipment
Combat Rubber Reconnaissance Craft (CRRC)
Combat Vehicle Appended Trainer (CVAT)

USAF

F–15 E Attrition Reserve
Sensor to Shooter
Bomber Modernization
F–15 C/D PW220E Engine Upgrade
Global Air Traffic Management (GATM)
Navigation Safety Phase II
AWACS Extend Sentry
HH–60G FLIR
C130J Support Equipment
F–16 Support Equipment
Precision Guided Munitions
Precision Guided Munitions (Missiles)
Sensor to Shooter
Nuclear C2
Force Protection
Information Protection
Range Standardization and Automation
Theater Deploy Communication
Spacetrack
Night Vision Goggles
Mission Operations Vehicles (Ground)

SOF

Patrol Costal (PC–14)
Counter Proliferation of WMD (Classified Programs)

OPERATIONS AND MAINTENANCE

ARMY

RC School & Training
Force XXI Architecture
Instit Tng Pilot Mod Tng
Maintaining ES/Recruiting
OCE
JTAGS
Logistics Automation
C2 Protect
OSACOM AGR
RC OPTEMPO

DON

Aviation Depot Maintenance—Reduce Airframe & Engine Backlog
Reduce Ship Depot Maint Backlog
Recruiting—Advertising (USN)
Tuition Assistance & Program for Afloat Education (PACE)
Real Property Maintenance (USN)
Initial Equipment Issue (USMC Active)
Personnel Support Equipment (USMC Active)

Chem/Bio Incident Response Force (CBIRF) Training & Support
Recruiting—Advertising (USMC)
Initial Equipment Issue (USMC Reserve)
Theater Deploy Communications
AWACS Extend Sentry

USAF

GCCS
Force Protection
KC–135 Depot Programmed Equipment Maintenance (DPEM)
Recruiting—Advertising
Information Protection

SOF

Counter Proliferation of WMD (Classified Programs)
Counter Proliferation—Deep Underground Storage (Classified Pro)
SAAM Readiness Support (Classified Program)
C2/Information Warfare Readiness Support (Classified Programs)
OPTEMPO Sustainment

RDT&E

ARMY

National Automotive Tech
Force XXI Land Warrier
TI C2 Protect
Joint Precision Strike Demo
JSSAP
LOS
Vaccines-Adv Dev
Acrft Avionics
Comanche
GBCS Tng Dev
M1 Breacher Prototype
Test Program Sets
CCTT
Force XXI Architecture
Vaccines-Med Bio Def
FAAD GBS
AEROSTAT
Adv FA Tac Data Sys
Bradley—BFIST
Improved Cargo Helicopter (ICH)
Force XXI Battle Command
WIN ISYSCON Segment 1
JCPMS
JTAGS
AGCCS

DON

Extended Range Guided Munitions (ERGM)
AV–8 B Safety, Reliability, and Operational Enhancements

USAF

Cockpit Life Support System Improvement
GBS Theater Injection Points
GBS Fiber Connectivity
Precision Guided Munitions
Sensor to Shooter
Aging Aircraft
Engine Contractor Interim Performance (CIP)
Precision Guided Munitions
Sensor to Shooter
AWACS Extend Sentry
Nuclear C2
GCCS
GPS Systems
Range Standardization and Automation
Spacetrack

SOF

AC–130 Lethality Enhancements RDT&E

MILCON

ARMY

Arrival/Departure Airfield Control Group (DACG)

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, April 15, 1997, the Federal debt stood at $5,383,116,230,748.81. Five trillion, three hundred eighty-three billion, one hundred sixteen million, two hundred thirty thousand, seven hundred forty-eight dollars and eighty-one cents.

One year ago, April 15, 1996, the Federal debt stood at $5,140,011,000,000. Five trillion, one hundred forty billion, eleven million.

Five years ago, April 15, 1992, the Federal debt stood at $3,902,117,000,000. Three trillion, nine hundred two billion, one hundred seventeen million.

Ten years ago, April 15, 1987, the Federal debt stood at $2,281,470,000,000. Two trillion, two hundred eighty-one billion, four hundred seventy million.

Fifteen years ago, April 15, 1982, the Federal debt stood at $1,064,434,000,000. One trillion, sixty-four billion, four hundred thirty-four million—which reflects a debt increase of more than $4 trillion—$4,318,682,230,748.81—four trillion, three hundred eighteen billion, six hundred eighty-two million, two hundred thirty thousand, seven hundred forty-eight dollars and eighty-one cents—during the past 15 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1554. A communication from the general counsel of the Federal Retirement Thrift Investment Board, transmitting, pursuant to law, a rule entitled "Thrift Savings Plan Loans" received on April 14, 1997; to the Committee on Governmental Affairs.

EC–1555. A communication from the chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1996; to the Committee on Governmental Affairs.

EC–1556. A communication from the Tennessee Valley Authority, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1996; to the Committee on Governmental Affairs.

EC–1557. A communication from the board members of the Railroad Retirement Board, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1996; to the Committee on Governmental Affairs.

EC–1558. A communication from the District of Columbia auditor, transmitting, pursuant to law, the report of the audit of ANC 1B for the period October 1, 1993 through December 30, 1996; to the Committee on Governmental Affairs.

EC–1559. A communication from the executive director of the D.C. Financial Responsibility and Management Assistance Authority, transmitting, pursuant to law, a report relative to the D.C. financial plan and budget for fiscal year 1998; to the Committee on Governmental Affairs.

EC–1560. A communication from the executive director of the D.C. Financial Responsibility and Management Assistance Authority, transmitting, pursuant to law, two reports including a report entitled "Recommendations for Performance Measurement—Department of Administrative Services"; to the Committee on Governmental Affairs.

EC–1561. A communication from the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–458 adopted by the Council on November 25, 1996; to the Committee on Governmental Affairs.

EC–1562. A communication from the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–524 adopted by the Council on December 3, 1996; to the Committee on Governmental Affairs.

EC–1563. A communication from the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 12–45 adopted by the Council on March 4, 1997; to the Committee on Governmental Affairs.

EC–1564. A communication from the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 12–46 adopted by the Council on March 4, 1997; to the Committee on Governmental Affairs.

EC–1565. A communication from the administrator from the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of five rules including one rule relative to hazelnuts, received on April 14, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1566. A communication from the congressional review coordinator of the Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule relative to disease status, received on April 9, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1567. A communication from the President of the United States, transmitting, pursuant to law, the report concerning the national emergency with respect to Angola; to the Committee on Banking, Housing, and Urban Affairs.

EC–1568. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the report entitled "Moving Toward a Lead-Safe America"; to the Committee on Banking, Housing, and Urban Affairs.

EC–1569. A communication from the president and chairman of the Export-Import Bank, transmitting, pursuant to law, the report with respect to transactions involving exports to various countries; to the Committee on Banking, Housing, and Urban Affairs.

EC–1570. A communication from the president and chairman of the Export-Import

Bank, transmitting, pursuant to law, the report with respect to transactions involving exports to Mexico; to the Committee on Banking, Housing, and Urban Affairs.

EC–1571. A communication from the chairman of the Federal Financial Institutions Examination Council, transmitting, pursuant to law, the annual report for calendar year 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–1572. A communication from the assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report with respect to the rule entitled "Regulation M, Consumer Leasing Act, Docket number R–0952," received on March 27, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1573. A communication from the assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report on the Electronic Fund Transfer Act, received on March 31, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1574. A communication from the assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report on the Availability of Consumer Identify Information and Financial Fraud, April 1, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1575. A communication from the chairman of the Federal Trade Commission, transmitting, pursuant to law, the annual report under the Fair Debt Collection Practices Act; to the Committee on Banking, Housing, and Urban Affairs.

EC–1576. A communication from the chairman of the board of the National Credit Union Administration, transmitting, pursuant to law, the 1996 annual report; to the Committee on Banking, Housing, and Urban Affairs.

EC–1577. A communication from the Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the annual consumer report for calendar year 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–1578. A communication from the Federal Liaison Office of the Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule relative to economic growth, received on March 28, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1579. A communication from the secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule relative to penalty reductions, received on March 27, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1580. A communication from the secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule relative to its informal guidance program, received on March 27, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1581. A communication from the secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule relative to investment advisory programs, received on March 27, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1582. A communication from the secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule relative to investment companies, (RIN3235-AH09) received on April 3, 1997; to the Committee on Banking, Housing, and Urban Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CAMPBELL:

S. 587. A bill to require the Secretary of the Interior to exchange certain lands located in Hinsdale County, Colorado; to the Committee on Energy and Natural Resources.

S. 588. A bill to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest, Colorado, to include land known as the State Creek Addition; to the Committee on Energy and Natural Resources.

S. 589. A bill to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, Colorado, to correct the effects of earlier erroneous land surveys; to the Committee on Energy and Natural Resources.

S. 590. A bill to provide for a land exchange involving certain land within the Routt National Forest in the State of Colorado; to the Committee on Energy and Natural Resources.

S. 591. A bill to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado; to the Committee on Energy and Natural Resources.

By Mr. HOLLINGS (for himself, Mr. SPECTER, Mr. BIDEN, and Mr. ROBB):

S. 592. A bill to grant the power to the President to reduce budget authority; to the Committee on Rules and Administration.

By Mr. SPECTER:

S. 593. A bill to amend the Internal Revenue Code of 1986 to impose a flat tax only on individual taxable earned income and business taxable income, and for other purposes; to the Committee on Finance.

By Mr. MCCONNELL (for himself, Mr. GRAHAM, Mr. SHELBY, Mr. BREAUX, Mr. COVERDELL, Mr. GLENN, Mr. COCHRAN, Mr. MURKOWSKI, Mr. DEWINE, Mr. MACK, Mr. ROBB, Mr. SPECTER, Mrs. HUTCHISON, Mr. BENNETT, Mr. D'AMATO, Ms. LANDRIEU, and Mr. WARNER):

S. 594. A bill to amend the Internal Revenue Code of 1986 to modify the tax treatment of qualified State tuition programs; to the Committee on Finance.

By Mr. BOND (for himself and Mr. ASHCROFT):

S. 595. A bill to designate the United States Post Office building located at Bennett Street and Kansas Expressway in Springfield, Missouri, as the "John Griesemer Post Office Building"; to the Committee on Governmental Affairs.

By Mr. KOHL (for himself and Mr. COCHRAN):

S. 596. A bill to authorize the Administrator of the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice to make grants to States and units of local government to assist in providing secure facilities for violent and serious chronic juvenile offenders, and for other purposes; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself, Mr. CRAIG, Mr. HOLLINGS, Mr. REID, Mr. AKAKA, Mr. COCHRAN, Mr. DORGAN, Mr. INOUYE, Mrs. BOXER, Ms. SNOWE, Mr. TORRICELLI, and Mr. MACK):

S. 597. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the medicare program of medical nutrition therapy services furnished by registered dietitians and nutrition professionals; to the Committee on Finance.

By Mr. DOMENICI:

S. 598. A bill to amend section 3006A of title 18, United States Code, to provide for the public disclosure of court appointed attorneys' fees upon approval of such fees by the court; to the Committee on the Judiciary.

By Mrs. BOXER (for herself and Mr. LAUTENBERG):

S. 599. A bill to protect children and other vulnerable subpopulations from exposure to certain environmental pollutants, and for other purposes; to the Committee on Environment and Public Works.

By Mrs. FEINSTEIN (for herself and Mr. GRASSLEY):

S. 600. A bill to protect the privacy of the individual with respect to the social security number and other personal information, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MOYNIHAN (for himself, Mr. MACK, Mr. DASCHLE, Mr. LOTT, Mr. LIEBERMAN, Mr. HELMS, Mr. D'AMATO, Mr. KYL, Mr. ALLARD, Mr. ASHCROFT, Mr. BAUCUS, Mr. BENNETT, Mr. BOND, Mrs. BOXER, Mr. BREAUX, Mr. BROWNBACK, Mr. BRYAN, Mr. BURNS, Mr. CAMPBELL, Mr. CLELAND, Mr. COATS, Mr. COCHRAN, Ms. COLLINS, Mr. CRAIG, Mr. DEWINE, Mr. DODD, Mr. DOMENICI, Mr. DORGAN, Mr. DURBIN, Mr. FAIRCLOTH, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FRIST, Mr. GRAHAM, Mr. GRAMM, Mr. GRASSLEY, Mr. HAGEL, Mr. HARKIN, Mr. HATCH, Mr. HUTCHINSON, Mr. INHOFE, Mr. INOUYE, Mr. JOHNSON, Mr. KEMPTHORNE, Mr. KENNEDY, Mr. KERREY, Mr. KERRY, Mr. KOHL, Mr. LEVIN, Mr. LUGAR, Mr. MCCAIN, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mrs. MURRAY, Mr. NICKLES, Mr. REED, Mr. ROBB, Mr. SANTORUM, Mr. SESSIONS, Mr. SMITH of Oregon, Mr. SMITH of New Hampshire, Ms. SNOWE, Mr. SPECTER, Mr. STEVENS, Mr. THOMPSON, Mr. TORRICELLI, Mr. WARNER, and Mr. WYDEN):

S. Con. Res. 21. A concurrent resolution congratulating the residents of Jerusalem and the people of Israel on the thirtieth anniversary of the reunification of that historic city, and for other purposes; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CAMPBELL:

S. 587. A bill to require the Secretary of the Interior to exchange certain lands located in Hinsdale County, CO; to the Committee on Energy and Natural Resources.

S. 588. A bill to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest, Colorado, to include land known as the

State Creek Addition; to the Committee on Energy and Natural Resources.

S. 589. A bill to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, Colorado, to correct the effects of earlier erroneous land surveys; to the Committee on Energy and Natural Resources.

S. 590. A bill to provide for a land exchange involving certain land within the Routt National Forest in the State of Colorado; to the Committee on Energy and Natural Resources.

S. 591. A bill to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado; to the Committee on Energy and Natural Resources.

PUBLIC LANDS LEGISLATION

Mr. CAMPBELL. Mr. President, today I introduce five pieces of legislation affecting Federal lands in my home State of Colorado.

The purpose of these bills is to facilitate the process of consolidating our Federal lands into contiguous blocks which makes their management more efficient and less costly.

Much of the land over which the Bureau of Land Management and the U.S. Forest Service has management authority contains numerous inholdings which may have been old mining claims or other privately owned parcels. This patchwork ownership often creates management problems. For example, a particular parcel may block the public's access to other Federal lands. The presence of an inholding may limit the tools which can be used by the Federal agency to manage the land. If a controlled fire is needed to clear underbrush or stop the spread of insects, the presence of private land in the midst of the area may well preclude the use of fire as a management tool. All these considerations require much more time, and adds to the expense of caring for Federal lands.

Whenever an owner of these private parcels willingly offers to sell or exchange their lands, it is important that the Federal Government is able to accomplish these transactions to increase management efficiency and public use. The designated Federal agencies have reviewed these bills and the legislation reflects their input.

The first bill, the Larson and Friends Creek exchange, directs the Secretary of the Interior to exchange lands of equal value for several small parcels within the Handies Peak Wilderness Study Area and Red Cloud Peak Wilderness Study Area in Hinsdale County, CO. This exchange will allow the study areas to better fit the definition of a wilderness area.

The second bill, the Slate Creek addition to Eagles Nest Wilderness, provides for the expansion of the wilderness area in Summit County, CO. The current owners of this parcel are willing to convey it to the United States only if it is added to the existing wilderness area and permanently managed as wilderness. This addition will increase public access to the wilderness.

The third bill, Raggeds Wilderness boundary adjustment, is necessary to correct the effects of earlier erroneous land surveys. Certain landowners in Gunnison County, CO, who own property adjacent to the Raggeds Wilderness have occupied or improved their property in good faith based upon a survey they reasonably believed to be accurate. This bill is necessary to accomplish an adjustment of the boundary between the private landowners and the wilderness area. The entire area involved in this adjustment is less than 1 acre.

The fourth bill, Miles land exchange, authorizes the Secretary of Agriculture to convey lands of equal value in exchange for the Miles parcel located adjacent to the Routt National Forest in Routt County, CO. The purpose of this exchange is to improve on-the-ground management of public lands which are now isolated and difficult to manage. It will eliminate the need for long standing special use permits and add riparian acres to the national forest.

The final bill, the Dillon Ranger District transfer, allows for a boundary adjustment to transfer the Dillon Ranger District from the Arapaho National Forest to the White River National Forest. The Dillon District is already under the jurisdictional management of the White River National Forest. However, this technical correction is necessary because any official publications of the U.S. Forest Service references the district as a part of the Arapaho National Forest and confuses the public.

I ask unanimous consent that these bills be printed in the RECORD with letters of support from various county governments in which these lands are located.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 587

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

SECTION 1. LARSON AND FRIENDS CREEK EXCHANGE.

(a) IN GENERAL.—In exchange for conveyance to the United States of an equal value of offered land acceptable to the Secretary of the Interior that lies within, or in proximity to, the Handies Peak Wilderness Study Area, the Red Cloud Peak Wilderness Study Area, or the Alpine Loop Backcountry Bi-way, in Hinsdale County, Colorado, the Secretary of the Interior shall convey to Lake City Ranches, Ltd., a Texas limited partnership (referred to in this section as "LCR"), approximately 560 acres of selected land located in that county and generally depicted on a map entitled "Larson and Friends Creek Exchange", dated June 1996.

(b) CONTINGENCY.—The exchange under subsection (a) shall be contingent on the granting by LCR to the Secretary of a permanent conservation easement, on the approximately 440-acre Larson Creek portion of the selected land (as depicted on the map), that limits future use of the land to agricultural, wildlife, recreational, or open space purposes.

(c) APPRAISAL AND EQUALIZATION.—

(1) IN GENERAL.—The exchange under subsection (a) shall be subject to—

(A) the appraisal requirements and equalization payment limitations set forth in section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716); and

(B) reviews and approvals relating to threatened species and endangered species, cultural and historic resources, and hazardous materials under other Federal laws.

(2) COSTS OF APPRAISAL AND REVIEW.—The costs of appraisals and reviews shall be paid by LCR.

(3) CREDITING.—The Secretary may credit payments under paragraph (2) against the value of the selected land, if appropriate, under section 206(f) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(f)).

S. 588

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

SECTION 1. SLATE CREEK ADDITION TO EAGLES NEST WILDERNESS, ARAPAHO AND WHITE RIVER NATIONAL FORESTS, COLORADO.

(a) SLATE CREEK ADDITION.—If, before December 31, 2000, the United States acquires the parcel of land described in subsection (b)—

(1) on acquisition of the parcel, the parcel shall be included in and managed as part of the Eagles Nest Wilderness designated by Public Law 94-352 (16 U.S.C. 1132 note; 90 Stat. 870); and

(2) the Secretary of Agriculture shall adjust the boundaries of the Eagles Nest Wilderness to reflect the inclusion of the parcel.

(b) DESCRIPTION OF ADDITION.—The parcel referred to in subsection (a) is the parcel generally depicted on a map entitled "Slate Creek Addition—Eagles Nest Wilderness", dated February 1997, comprising approximately 160 acres in Summit County, Colorado, adjacent to the Eagles Nest Wilderness.

S. 589

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

SECTION 1. BOUNDARY ADJUSTMENT AND LAND CONVEYANCE, RAGGEDS WILDERNESS, WHITE RIVER NATIONAL FOREST, COLORADO.

(a) FINDINGS.—Congress finds that—

(1) certain landowners in Gunnison County, Colorado, who own real property adjacent to the portion of the Raggeds Wilderness in the White River National Forest, Colorado, have occupied or improved their property in good faith and in reliance on erroneous surveys of their properties that the landowners reasonably believed were accurate;

(2) in 1993, a Forest Service resurvey of the Raggeds Wilderness established accurate boundaries between the wilderness area and adjacent private lands; and

(3) the resurvey indicates that a small portion of the Raggeds Wilderness is occupied by adjacent landowners on the basis of the earlier erroneous land surveys.

(b) PURPOSE.—The purpose of this section to remove from the boundaries of the

Raggeds Wilderness certain real property so as to permit the Secretary of Agriculture to use the authority of Public Law 97–465 (commonly known as the "Small Tracts Act") (16 U.S.C. 521c et seq.) to convey the property to the landowners who occupied the property on the basis of erroneous land surveys.

(c) BOUNDARY ADJUSTMENT.—The boundary of the Raggeds Wilderness, Gunnison National Forest and White River National Forest, Colorado, as designated by section 102(a)(16) of Public Law 96–560 (94 Stat. 3267; 16 U.S.C. 1132 note), is modified to exclude from the area encompassed by the wilderness a parcel of real property approximately 0.86-acres in size situated in the SW¼ of the NE¼ of Section 28, Township 11 South, Range 88 West of the 6th Principal Meridian, as depicted on the map entitled "Encroachment-Raggeds Wilderness", dated November 17, 1993.

(d) MAP.—The map described in subsection (c) shall be on file and available for inspection in the appropriate offices of the Forest Service, Department of Agriculture.

(e) CONVEYANCE OF LAND REMOVED FROM WILDERNESS AREA.—The Secretary of Agriculture shall use the authority provided by Public Law 97–465 (commonly known as the "Small Tracts Act") (16 U.S.C. 521c et seq.) to convey all right, title, and interest of the United States in and to the real property excluded from the boundaries of the Raggeds Wilderness under subsection (c) to the owners of real property in Gunnison County, Colorado, whose real property adjoins the excluded real property and who have occupied the excluded real property in good faith reliance on an erroneous survey.

S. 590

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Miles Land Exchange Act of 1997".

SEC. 2. LAND EXCHANGE, ROUTT NATIONAL FOREST, COLORADO.

(a) AUTHORIZATION OF EXCHANGE.—If the parcel of non-Federal land described in subsection (b) is conveyed to the United States in accordance with this section, the Secretary of Agriculture shall convey to the person that conveys the parcel all right, title, and interest of the United States in and to a parcel of Federal land consisting of approximately 84 acres within the Routt National Forest in the State of Colorado, as generally depicted on the map entitled "Miles Land Exchange", Routt National Forest, dated May 1996.

(b) PARCEL OF NON-FEDERAL LAND.—The parcel of non-Federal land referred to in subsection (a) consists of approximately 84 acres, known as the "Miles parcel", located adjacent to the Routt National Forest, as generally depicted on the map entitled "Miles Land Exchange", Routt National Forest, dated May 1996.

(c) ACCEPTABLE TITLE.—Title to the non-Federal land conveyed to the United States under subsection (a) shall be such title as is acceptable to the Secretary of Agriculture, in conformance with title approval standards applicable to Federal land acquisitions.

(d) VALID EXISTING RIGHTS.—The conveyance shall be subject to such valid existing rights of record as may be acceptable to the Secretary.

(e) APPROXIMATELY EQUAL VALUE.—The values of the Federal land and non-Federal land to be exchanged under this section are deemed to be approximately equal in value, and no additional valuation determinations are required.

(f) APPLICABILITY OF OTHER LAWS.—Except as otherwise provided in this section, the Secretary shall process the land exchange authorized by this section in the manner provided in subpart A of part 254 of title 36, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(g) MAPS.—The maps referred to in subsections (a) and (b) shall be on file and available for inspection in the office of the Forest Supervisor, Routt National Forest, and in the office of the Chief of the Forest Service.

(h) BOUNDARY ADJUSTMENT.—

(1) INCLUSION IN ROUTT NATIONAL FOREST.—On approval and acceptance of title by the Secretary, the non-Federal land conveyed to the United States under this section shall become part of the Routt National Forest and shall be managed in accordance with the laws (including regulations) applicable to the National Forest System, and the boundaries of the Routt National Forest shall be adjusted to reflect the land exchange.

(2) RETROACTIVE APPLICATION.—For purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–9), the boundaries of the Routt National Forest, as adjusted by this section, shall be considered to be the boundaries of the Routt National Forest as of January 1, 1965.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

S. 591

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

SECTION 1. INCLUSION OF DILLON RANGER DISTRICT IN WHITE RIVER NATIONAL FOREST, COLORADO.

(a) BOUNDARY ADJUSTMENTS.—

(1) WHITE RIVER NATIONAL FOREST.—The boundary of the White River National Forest in the State of Colorado is adjusted to include all National Forest System land located in Summit County, Colorado, comprising the Dillon Ranger District of the Arapaho National Forest.

(2) ARAPAHO NATIONAL FOREST.—The boundary of the Arapaho National Forest is adjusted to exclude the land transferred to in the White River National Forest by paragraph (1).

(b) REFERENCE.—Any reference to the Dillon Ranger District, Arapaho National Forest, in any statute, regulation, manual, handbook, or other document shall be deemed to be a reference to the Dillon Ranger District, White River National Forest.

(c) EXISTING RIGHTS.—Nothing in this section affects valid existing rights of persons holding any authorization, permit, option, or other form of contract existing on the date of the enactment of this Act.

(d) FOREST RECEIPTS.—Notwithstanding the distribution requirements of payments under the sixth paragraph under the heading FOREST SERVICE" in the Act entitled "An Act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and nine", approved May 23, 1908 (35 Stat. 260, chapter 192; 16 U.S.C. 500), the distribution of receipts from the Arapaho National Forest and the White River National Forest to affected county governments shall be based on the national forest boundaries that existed on the day before the date of enactment of this Act.

SUMMIT COUNTY,
BOARD OF COUNTY COMMISSIONERS,
Breckenridge, CO, February 7, 1997.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR CAMPBELL: We are writing in support of modifying the Eagles Nest Wilderness Area boundary to include a 160-acre property along the Slate Creek drainage owned by Scotty and Jeanette Moser. The Board of County Commissioners understands the Mosers want to transfer their property to the National Forest and wish to see the property become part of the wilderness area.

When the boundary for the Eagles Nest Wilderness Area was created in the 1970's, the Moser's property was not included since it was private property and could be effectively "cherry-stemmed" out of the wilderness area. This boundary, based on land ownership, has no on-the-ground basis. In fact, from a land management perspective, the Moser property should logically be part of the wilderness area.

The Mosers have gone to great lengths over the years to preserve the wilderness character of their property. The property contains outstanding riparian habitat, possesses spectacular views, and has no development on it.

There is strong community support in Summit County to include the Moser property in the Eagles Nest Wilderness Area. We are not aware of any opposition to include the Moser property in the Wilderness.

We respectively request your assistance to modify the Eagles Nest Wilderness Area boundary during this session of Congress to include the Moser's property.

Sincerely,

GARY M. LINDSTROM, *Chairman,*
Board of County Commissioners.

HINSDALE COUNTY,
Lake City, CO, June 20, 1996.

Senator BEN NIGHTHORSE CAMPBELL,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR CAMPBELL: On behalf of the Board of County Commissioners and the citizens of Hinsdale County I am writing to express Hinsdale County's support for the proposed land exchange between the Bureau of Land Management (BLM) and Lake City Ranches, Ltd. Under the agreement, Lake City Ranches, Ltd will receive approximately 560 acres of land adjoining the existing ranch, while the BLM will acquire long sought after inholdings in or near the Handies Peak or Red Cloud Wilderness Study Areas or the Alpine Loop By-way.

Hinsdale County is ninety six percent federally owned and has always been concerned about land trades that erode the amount of private property within the county. Loss of property has unwanted impacts on the local economy and the local government. Also, Hinsdale County firmly believes that any federal actions that may impact our county, like land trades or other policy decisions, must have local public input and cooperation.

It is our understanding the proposed land trade will assist the BLM in consolidating their holdings within wilderness areas and preserve a beautiful and fragile environment. The acquisition by Lake City Ranches, Ltd, though marginal in terms of economic impact to the area, should not reduce the amount of private land within Hinsdale

County. Also, the local BLM office has assured us that no decision regarding the trade shall be made without full disclosure and local input into the decision making process. Both of the above are consistent with Hinsdale County's long-standing political policy and objectives.

Again let me state that Hinsdale County supports the proposed land trade between the BLM and Lake City Ranches, Ltd, as long as the county's policies regarding land trades and input to the decision making process are respected.

Sincerely,

JAMES LEWIS, *Chair,*
Hinsdale County Commissioners.

OPEN SPACE AND TRAILS,
Pitkin County, August 29, 1996.

Senator BEN NIGHTHORSE CAMPBELL,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR CAMPBELL: The Open Space and Trails Board of Trustees of Pitkin County respectfully requests that moneys be included in the Interior Appropriations legislation for FY 1997 to enable the U.S. Forest Service to purchase the 158 acre Warren Lakes property southeast of Aspen, Colorado. It is our understanding that the House version of the bill contained funds for the purchase since it is one of the top nationwide priorities for acquisition identified by the Forest Service, but that the Senate bill, for reasons unknown to us, did not. We urge that funding be assured in the House-Senate conference.

Public acquisition of Warren Lakes by the Forest Service has been a long-term priority for Pitkin County and the Open Space and Trails Board of Trustees because of the property's extremely high wetland, wilderness, wildlife and recreational values. In addition, the property is the only private inholding in an otherwise solid block of Forest Service land, making the Forest Service the logical owner for this property. As you are likely aware, Pitkin County has for many decades vigorously pursued the protection of open space throughout the County in cooperation with the Forest Service, and the acquisition of the Warren Lakes parcel by the Forest Service is a key element in both entities' plans to protect important areas of open space.

Because of its proximity to the Town of Aspen (5 miles via dirt road) and to the Hunter-Fryingpan Wilderness, public ownership of Warren Lakes will provide important new access to the wilderness and public lands while ensuring perpetual public access along the road through the property, and open up new opportunities for public recreation close to Town. This, in an of itself, is a very important reason for the Forest Service to pursue this acquisition. In addition, Warren Lakes has three large manmade ponds which will provide new fishing opportunities and pristine breeding areas for fish species. The wetlands and peat bogs themselves possess very significant ecological values: they support a unique ecology of many rare plants and provide habitat for numerous animals and birds; they act as natural filtration systems and clean water supplies and replenish ground water; they trap and store water preventing downstream erosion; and, they help abate downstream flooding by acting as natural sponges, absorbing heavy rainfall and snowmelt and then slowly releasing the water downstream. Mountain peat accumulates in these wetlands at only 3 to 11 inches per thousand years and scientists estimate that only 1% of the land in Colorado supports biological communities found in Colorado's peatlands. These combined values are exceedingly rare to find in just one piece of land, and explain why both our constituents and the Forest Service are so anxious to see the land conveyed into public ownership.

The Open Space and Trails Board urges you to do whatever you can to insure that funding for this Forest Service purchase is included in this year's appropriations bill.

Sincerely,

WILLIAM E.L. FALES,
Chairman.

By Mr. HOLLINGS (for himself, Mr. SPECTER, Mr. BIDEN and Mr. ROBB):

S. 592. A bill to grant the power to the President to reduce budget authority; to the Committee on Rules and Administration.

LINE-ITEM VETO LEGISLATION

Mr. HOLLINGS. Mr. President, I have just submitted legislation at the desk to create a separate enrollment version of the line-item veto.

Mr. President, this is the same bill word for word that passed the U.S. Senate on March 25, 1995, by a bipartisan vote of 69 Senators. It was introduced at the time by Senator Dole.

It follows a long history of efforts on behalf of the separate enrollment approach and is different to the enhanced rescission which has been found unconstitutional by the district court.

Back in 1985, I worked alongside Senator Mattingly, and we got 58 votes for the separate enrollment version.

We passed similar legislation in the Senate in 1995, but lost out in conference when the conferees endorsed the House approved enhanced rescission approach rather than the separate enrollment version.

But the courts have now struck down that law. They have ruled that once a bill is signed into law, under the Constitution, the President does not have the authority to repeal laws. Such a repeal is a legislative power which article I of our Constitution reserves for the Congress.

Mr. President, the line-item veto has a proven track record in bringing about financial responsibility at the State and local level. As a Governor, the distinguished Presiding Officer knows that you cannot print money like we do up here in Washington. And if you do all of this borrowing and spending and borrowing and spending, before long you lose your credit rating.

The line-item veto is used at the present time in some 43 States. The separate enrollment mechanism that this legislation is based upon has been shown to meet constitutional muster by Prof. Laurence Tribe of Harvard in a letter to former Senator Bill Bradley back in January 1993. I spoke with Professor Tribe yesterday morning on the telephone at which time he reaffirmed that legal opinion.

Mr. President, this effort is not meant to fix the blame, but to fix the problem. We are not enhancing or diminishing Presidential powers. We are simply changing congressional procedures. We are using the congressional power under article I, section 5 of the Constitution which vests Congress with broad authority to set the rules for its own procedure. And that authority is exercised through changes in the rules which would require separate enrollment. That was found to be the one way that a statutory line-item veto could pass constitutional scrutiny.

We are very, very hopeful that this bill can assist us in fixing responsibility on the one hand and reducing deficits on the other hand. We all know that we are not here, as lawyer Sullivan said, as "potted plants." But we are sometimes embarrassed when we see things like appropriations for Lawrence Welk's home.

In 1992, the Government Accounting Office, [GAO] did a study and found that over a 5-year period the line-item veto would save some $70 billion.

So we are very hopeful that we can get expedited procedure. It has been debated for the past 15 years. It has been used by all the Governors now in some 43 States. And there is no rhyme nor reason for us to play around and wait for the delay in the courts.

We are in a very serious circumstance. Our debt has so risen that the interest costs to the Government now are $1 billion a day—$1 billion a day—increased spending for interest costs on the national debt.

It is the largest spending item in the budget. And so I thank the distinguished Senator from Florida for yielding, but I wanted to make sure we introduced this legislation this morning before we got on to the unanimous consent with the particular measure at hand.

By Mr. SPECTER:

S. 593. A bill to amend the Internal Revenue Code of 1986 to impose a flat tax only on individual taxable earned income and business taxable income, and for other purposes; to the Committee on Finance.

FLAT TAX LEGISLATION

Mr. SPECTER. Mr. President, I have sought recognition today to introduce the Flat Tax Act of 1997. This is legislation modeled after the legislation which I introduced in the 104th Congress, in March 1995, which was the first Senate introduction of flat tax legislation.

This bill is modeled after proposals by two distinguished professors of law from Stanford University, Professor Hall and Professor Rabushka. This bill would eliminate all deductions, like the Hall-Rabushka plan, with the modification in my legislation to allow deductions for interest on home interest mortgages up to borrowings of $100,000 and contributions to charity up to $2,500.

The Hall-Rabushka plan would provide for a flat tax rate of 19 percent to be revenue neutral. My proposal raises that rate by 1 percent to 20 percent to allow for the deductions for home interest mortgages, which would cost $35 billion a year, and the charitable deduction, which would cost $13 billion a year.

Mr. President, the advantages of the flat tax are very, very substantial.

First, in the interest of simplicity, a tax return could be filled out on a simple postcard. And this is a tax return which I hold in my hand which could take 15 minutes to fill out. It requires simply that the taxpayer list the gross revenue, list his taxable income, carry forward the deductions for his family, any deductions on interest, any deduction on a home mortgage, the balance of the taxable items, multiplied by 20 percent.

Taxpayers in the United States today, Mr. President, spend some 5,400,000 hours at a cost of some $600 billion a year. The flat tax taxes income only once and thereby eliminates the tax on capital gains. It eliminates the tax on estates, eliminates the tax on dividends, all of which have already been taxed once.

The flat tax is frequently challenged as being regressive, but the fact of the matter is that a taxpayer of a family of four would pay no taxes on the first $27,500 in income; and as it graduates up the scale, a taxpayer earning $35,000 would pay $1,219 less in tax than is paid under the current plan.

It is frequently thought that the flat tax would be regressive and place a higher tax burden on lower income families, but that simply is not true. And the reason that we can have a win-win situation is because the flat tax provides for savings on compliance in the range of some $600 billion a year.

This is a very progrowth proposition. And the economists have projected that over a 7-year period the gross national product could be increased by some $2 trillion. That is over $7,000 for every man, woman, and child in America.

The great advantages of simplicity would especially be appreciated, Mr. President, on this particular day, April 16, because yesterday was the final day for filing the tax returns without any extension. And I have chosen the first day of the new tax period for symbolic reasons—April 16—as a day to reintroduce the flat tax to try to give us some momentum because it is my firm view that if Americans really understood the import of the flat tax, its simplicity, its growth, and its savings, that it would be widely heralded.

Mr. President, as I stated, in the 104th Congress, I was the first Senator to introduce flat tax legislation and the first Member of Congress to set forth a deficit-neutral plan for dramatically reforming our Nation's Tax Code and replacing it with a flatter, fairer plan designed to stimulate economic growth. My flat tax legislation was also the first plan to retain limited deductions for home mortgage interest and charitable contributions.

I testified with House Majority Leader RICHARD ARMEY before the Senate Finance and House Ways and Means Committees, as well as the Joint Economic Committee and the House Small Business Committee on the tremendous benefits of flat tax reform. As I traveled around the country and held open-house town meetings across Pennsylvania and other States, the public support for fundamental tax reform was overwhelming. I would point out in those speeches that I never leave home without two key documents: My copy of the Constitution and my copy of my 10-line-flat-tax postcard. I soon realized that I needed more than just one copy of my flat-tax postcard—many people wanted their own postcard so that they could see what life in a flat tax world would be like, where tax returns only take 15 minutes to fill out and individual taxpayers are no longer burdened with double taxation on their dividends, interest, capital gains, and estates.

Support for the flat tax is growing as more and more Americans embrace the simplicity, fairness, and growth potential of flat tax reform. An April 17, 1995, edition of Newsweek cited a poll showing that 61 percent of Americans favor a flat tax over the current Tax Code. Significantly, a majority of the respondents who favor the flat tax preferred my plan for a flat tax with limited deductions for home mortgage interest and charitable contributions. Well before he entered the Republican Presidential primary, publisher Steve Forbes opined in a March 27, 1995, Forbes editorial about the tremendous appeal and potency of my flat tax plan.

Congress was not immune to public demand for reform. Jack Kemp was appointed to head up the National Commission on Economic Growth and Tax Reform and the commission soon came out with its report recognizing the value of a fairer, flatter Tax Code. Mr. Forbes soon introduced a flat tax plan of his own, and my fellow candidates in the Republican Presidential primary began to embrace similar versions of either a flat tax or a consumption-based tax system.

Unfortunately, the politics of the Presidential campaign denied the flat tax a fair hearing and momentum stalled. On October 27, 1995, I introduced a sense-of-the-Senate resolution calling on my colleagues to expedite congressional adoption of a flat tax. The resolution, which was introduced as an amendment to pending legislation, was not adopted.

In this new period of opportunity as we commence the 105th session of Congress, I am optimistic that public support for flat tax reform will enable us to move forward and adopt this critically important and necessary legislation. That is why I am again introducing my Flat Tax Act of 1997, with some slight modifications to reflect inflation-adjusted increases in the personal allowances and dependent allowances.

My flat tax legislation will fundamentally revise the present Tax Code, with its myriad rates, deductions, and instructions. Instead, this legislation would institute a simple, flat 20 percent tax rate for all individuals and businesses. It will allow all taxpayers to file their April 15 tax returns on a simple 10-line postcard. This proposal is not cast in stone, but is intended to move the debate forward by focusing attention on three key principles which are critical to an effective and equitable taxation system: simplicity, fairness, and economic growth.

Over the years and prior to my legislative efforts on behalf of flat tax reform, I have devoted considerable time and attention to analyzing our Nation's Tax Code and the policies which underlie it. I began this study of the complexities of the Tax Code 40 years ago as a law student at Yale University. I included some tax law as part of my practice in my early years as an attorney in Philadelphia. In the spring of 1962, I published a law review article in the Villanova Law Review, "Pension and Profit Sharing Plans: Coverage and Operation for Closely Held Corporations and Professional Associations," 7 Villanova L. Rev. 335, which in part focused on the inequity in making tax-exempt retirement benefits available to some kinds of businesses but not others. It was apparent then, as it is now, that the very complexities of the Internal Revenue Code could be used to give unfair advantage to some; and made the already unpleasant obligation of paying taxes a real nightmare for many Americans.

Well before I introduced my flat tax bill early in the 104th Congress, I had discussions with Congressman RICHARD ARMEY, now the House majority leader, about his flat tax proposal. Since then, and both before and after introducing my original flat tax bill, my staff and I have studied the flat tax at some length, and have engaged in a host of discussions with economists and tax experts, including the staff of the Joint Committee on Taxation, to evaluate the economic impact and viability of a flat tax.

Based on those discussions, and on the revenue estimates supplied to us, I have concluded that a simple flat tax at a rate of 20 percent on all business and personal income can be enacted without reducing Federal revenues.

The flat tax will help reduce the size of government and allow ordinary citizens to have more influence over how their money is spent because they will

spend it—not the Government. With a simple 20 percent flat tax rate in effect, the average person can easily see the impact of any additional Federal spending proposal on his or her own paycheck. By creating strong incentives for savings and investment, the flat tax will have the beneficial result of making available larger pools of capital for expansion of the private sector of the economy—rather than more tax money for big government. This will mean more jobs and, just as important, more higher paying jobs.

As a matter of Federal tax policy, there has been considerable controversy over whether tax breaks should be used to stimulate particular kinds of economic activity, or whether tax policy should be neutral, leaving people to do what they consider best from a purely economic point of view. Our current Tax Code attempts to use tax policy to direct economic activity, but experience under that Code has demonstrated that so-called tax breaks are inevitably used as the basis for tax shelters which have no real relation to solid economic purposes, or to the activities which the tax laws were meant to promote. Even when the Government responds to particular tax shelters with new and often complex revisions of the regulations, clever tax experts are able to stay one or two steps ahead of the IRS bureaucrats by changing the structure of their business transactions and then claiming some legal distinctions between the taxpayer's new approach and the revised IRS regulations and precedents.

Under the massive complexity of the current IRS Code, the battle between $500-an-hour tax lawyers and IRS bureaucrats to open and close loopholes is a battle the Government can never win. Under the flat tax bill I offer today, there are no loopholes, and tax avoidance through clever manipulations will become a thing of the past.

The basic model for this legislation comes from a plan created by Profs. Robert Hall and Alvin Rabushka of the Hoover Institute at Stanford University. Their plan envisioned a flat tax with no deductions whatever. After considerable reflection, I decided to include limited deductions for home mortgage interest on up to $100,000 in borrowing and charitable contributions up to $2,500 in the legislation. While these modifications undercut the pure principle of the flat tax, by continuing the use of tax policy to promote home buying and charitable contributions, I believe that those two deductions are so deeply ingrained in the financial planning of American families that they should be retained as a matter of fairness and public policy—and also political practicality. With those two deductions maintained, passage of a modified flat tax will be difficult; but without them, probably impossible.

In my judgment, an indispensable prerequisite to enactment of a modified flat tax is revenue neutrality. Professor Hall advised that the revenue neutrality of the Hall-Rabushka proposal, which uses a 19-percent rate, is based on a well documented model founded on reliable governmental statistics. My legislation raises that rate from 19- to 20-percent to accommodate retaining limited home mortgage interest and charitable deductions. A preliminary estimate last Congress by the Committee on Joint Taxation places the annual cost of the home interest deduction at $35 billion, and the cost of the charitable deduction at $13 billion. While the revenue calculation is complicated because the Hall-Rabushka proposal encompasses significant revisions to business taxes as well as personal income taxes, there is a sound basis for concluding that the 1-percent increase in rate would pay for the two deductions. Revenue estimates for Tax Code revisions are difficult to obtain and are, at best, judgment calls based on projections from fact situations with myriad assumed variables. It is possible that some modification may be needed at a later date to guarantee revenue neutrality.

This legislation offered today is quite similar to the bill introduced in the House by Congressman ARMEY and in the Senate late in 1995 by Senator RICHARD SHELBY, which were both in turn modeled after the Hall-Rabushka proposal. The flat tax offers great potential for enormous economic growth, in keeping with principles articulated so well by Jack Kemp. This proposal taxes business revenues fully at their source, so that there is no personal taxation on interest, dividends, capital gains, gifts, or estates. Restructured in this way, the Tax Code can become a powerful incentive for savings and investment—which translates into economic growth and expansion, more and better jobs, and a rising standard of living for all Americans.

In the 104th Congress, we took some important steps toward reducing the size and cost of Government, and this work is ongoing and vitally important. But the work of downsizing Government is only one side of the coin; what we must do at the same time, and with as much energy and care, is to grow the private sector. As we reform the welfare programs and Government bureaucracies of past administrations, we must replace those programs with a prosperity that extends to all segments of American society through private investment and job creation—which can have the additional benefit of producing even lower taxes for Americans as economic expansion adds to Federal revenues. Just as Americans need a Tax Code that is fair and simple, they also are entitled to tax laws designed to foster rather than retard economic growth. The bill I offer today embodies those principles.

My plan, like the Armey-Shelby proposal, is based on the Hall-Rabushka analysis. But my flat tax differs from the Armey-Shelby plan in four key respects: First, my bill contains a 20-percent flat tax rate. Second, this bill would retain modified deductions for mortgage interest and charitable contributions—which will require a 1-percent higher tax rate than otherwise. Third, my bill would maintain the automatic withholding of taxes from an individual's paycheck. Last, my bill is designed to be revenue neutral, and thus will not undermine our vital efforts to balance the Nation's budget. The estimate of revenue neutrality is based on the Hall-Rabushka analysis together with preliminary projections supplied by the Joint Committee on Taxation on the modifications proposed in this bill.

The key advantages of this flat tax plan are threefold: First, it will dramatically simplify the payment of taxes. Second, it will remove much of the IRS regulatory morass now imposed on individual and corporate taxpayers, and allow those taxpayers to devote more of their energies to productive pursuits. Third, since it is a plan which rewards savings and investment, the flat tax will spur economic growth in all sectors of the economy as more money flows into investments and savings accounts, and as interest rates drop. By contrast, there will be a contraction of the IRS if this proposal is enacted.

Under this tax plan, individuals would be taxed at a flat rate of 20 percent on all income they earn from wages, pensions, and salaries. Individuals would not be taxed on any capital gains, interest on savings, or dividends—since those items will have already been taxed as part of the flat tax on business revenue. The flat tax will also eliminate all but two of the deductions and exemptions currently contained within the Tax Code. Instead, taxpayers will be entitled to personal allowances for themselves and their children. These personal allowances have been adjusted upward to reflect inflation increases for 1995 and 1996. Thus, the new personal allowances are: $10,000 for a single taxpayer; $15,000 for a single head of household; $17,500 for a married couple filing jointly; and $5,000 per child or dependent. These personal allowances would be adjusted annually for inflation commencing in 1997.

In order to ensure that this flat tax does not unfairly impact low-income families, the personal allowances contained in my proposal are much higher than the standard deduction and personal exemptions allowed under the current Tax Code. For example, in 1996, the standard deduction is $4,000 for a single taxpayer, $5,900 for a head of household, and $6,700 for a married couple filing jointly, while the personal exemption for individuals and dependents is $2,550. Thus, under the current Tax Code, a family of four which does

not itemize deductions would pay tax on all income over $16,900—personal exemptions of $10,400 and a standard deduction of $6,700. By contrast, under my flat tax bill, that same family would receive a personal exemption of $27,500, and would pay tax only on income over that amount.

My legislation retains the provisions for the deductibility of charitable contributions up to a limit of $2,500 and home mortgage interest on up to $100,000 of borrowing. Retention of these key deductions will, I believe, enhance the political salability of this legislation and allow the debate on the flat tax to move forward. If a decision is made to eliminate these deductions, the revenue saved could be used to reduce the overall flat tax rate below 20 percent.

With respect to businesses, the flat tax would also be a flat rate of 20 percent. My legislation would eliminate the intricate scheme of complicated depreciation schedules, deductions, credits, and other complexities that go into business taxation in favor of a much-simplified system that taxes all business revenue less only wages, direct expenses, and purchases—a system with much less potential for fraud, "creative accounting," and tax avoidance.

Businesses would be allowed to expense 100 percent of the cost of capital formation, including purchases of capital equipment, structures, and land, and to do so in the year in which the investments are made. The business tax would apply to all money not reinvested in the company in the form of employment or capital formation—thus fully taxing revenue at the business level and making it inappropriate to retax the same moneys when passed on to investors as dividends or capital gains.

Let me now turn to a more specific discussion of the advantages of the flat tax legislation I am reintroducing today.

SIMPLICITY

The first major advantage to this flat tax is simplicity. According to the Tax Foundation, Americans spend approximately 5.3 billion hours each year filling out tax forms. Much of this time is spent burrowing through IRS laws and regulations which fill 12,000 pages and which, according to the Tax Foundation, have grown from 744,000 words in 1955 to 5.6 million words in 1994. The Internal Revenue Code annotations alone fill 21 volumes of mind-numbing detail and minutiae.

Whenever the Government gets involved in any aspect of our lives, it can convert the most simple goal or task into a tangled array of complexity, frustration, and inefficiency. By way of example, most Americans have become familiar with the absurdities of the Government's military procurement programs. If these programs have taught us anything, it is how a simple purchase order for a hammer or a toilet seat can mushroom into thousands of words of regulations and restrictions when the Government gets involved. The Internal Revenue Service is certainly no exception. Indeed, it has become a distressingly common experience for taxpayers to receive computerized printouts claiming that additional taxes are due, which require repeated exchanges of correspondence or personal visits before it is determined, as it so often is, that the taxpayer was right in the first place.

The plan offered today would eliminate these kinds of frustrations for millions of taxpayers. This flat tax would enable us to scrap the great majority of the IRS rules, regulations, instructions, and delete literally millions of words from the Internal Revenue Code. Instead of tens of millions of hours of nonproductive time spent in compliance with—or avoidance of—the Tax Code, taxpayers would spend only the small amount of time necessary to fill out a postcard-sized form. Both business and individual taxpayers would thus find valuable hours freed up to engage in productive business activity, or for more time with their families, instead of poring over tax tables, schedules, and regulations.

The flat tax I have proposed can be calculated just by filling out a small postcard which would require a taxpayer only to answer a few easy questions. The postcard would look like this:

FORM 1 INDIVIDUAL WAGE TAX 1997

Your first name and initial (if joint return, also give spouse's name and initial).

Your social security number.

Home address (number and street including apartment number or rural route).

Spouse's social security number.

City, town, or post office, state, and ZIP code.

1. Wages, salary, pension and retirement benefits.

2. Personal allowance (enter only one):

—$17,500 for married filing jointly;

—$10,000 for single;

—$15,000 for single head of household.

3. Number of dependents, not including spouse, multiplied by $5,000.

4. Mortgage interest on debt up to $100,000 for owner-occupied home.

5. Cash or equivalent charitable contributions (up to $2,500).

6. Total allowances and deductions (lines 2, 3, 4 and 5).

7. Taxable compensation (line 1 less line 6, if positive; otherwise zero).

8. Tax (20% of line 7).

9. Tax withheld by employer.

10. Tax or refund due (difference between lines 8 and 9).

Filing a tax return would become a manageable chore, not a seemingly endless nightmare, for most taxpayers.

CUTTING BACK GOVERNMENT

Along with the advantage of simplicity, enactment of this flat tax bill will help to remove the burden of costly and unnecessary Government regulation, bureaucracy and redtape from our everyday lives. The heavy hand of Government bureaucracy is particularly onerous in the case of the Internal Revenue Service, which has been able to extend its influence into so many aspects of our lives.

In 1995, the IRS employed 117,000 people, spread out over countless offices across the United States. Its budget was in excess of $7 billion, with over $4 billion spent merely on enforcement. By simplifying the tax code and eliminating most of the IRS' vast array of rules and regulations, the flat tax would enable us to cut a significant portion of the IRS budget, including the bulk of the funding now needed for enforcement and administration.

In addition, a flat tax would allow taxpayers to redirect their time, energies and money away from the yearly morass of tax compliance. According to the Tax Foundation, in 1996, businesses will spend over $150 billion complying with the Federal tax laws, and individuals will spend an additional $74 billion, for a total of nearly $225 billion. Fortune magazine estimates a much higher cost of compliance—nearly $600 billion per year. According to a Tax Foundation study, adoption of flat tax reform would cut pre-filing compliance costs by over 90 percent.

Monies spent by businesses and investors in creating tax shelters and finding loopholes could be instead directed to productive and job-creating economic activity. With the adoption of a flat tax, the opportunities for fraud and cheating would also be vastly reduced, allowing the government to collect, according to some estimates, over $120 billion annually.

ECONOMIC GROWTH

The third major advantage to a flat tax is that it will be a tremendous spur to economic growth. Harvard economist Dale Jorgenson estimates adoption of a flat tax like the one offered today would increase future national wealth by over $2 trillion, in present value terms, over a 7-year period. This translates into over $7,500 in increased wealth for every man, woman and child in America. This growth also means that there will be more jobs—it is estimated that the $2 trillion increase in wealth would lead to the creation of 6 million new jobs.

The economic principles are fairly straightforward. Our current tax system is inefficient; it is biased toward too little savings and too much consumption. The flat tax creates substantial incentives for savings and investment by eliminating taxation on interest, dividends and capital gains—and tax policies which promote capital formation and investment are the best vehicle for creation of new and high paying jobs, and for a greater prosperity for all Americans.

It is well recognized that to promote future economic growth, we need not

only to eliminate the Federal Government's reliance on deficits and borrowed money, but to restore and expand the base of private savings and investment that has been the real engine driving American prosperity throughout our history. These concepts are interrelated, for the Federal budget deficit soaks up much of what we have saved, leaving less for businesses to borrow for investments.

It is the sum total of savings by all aspects of the U.S. economy that represents the pool of all capital available for investment—in training, education, research, machinery, physical plant, et cetera—and that constitutes the real seed of future prosperity. The statistics here are daunting. In the 1960's, the net U.S. national savings rate was 8.2 percent, but it has fallen to a dismal 1.5 percent. In recent international comparisons, the United States has the lowest savings rate of any of the G–7 countries. We save at only one-tenth the rate of the Japanese, and only one-fifth the rate of the Germans. This is unacceptable and we must do something to reverse the trend.

An analysis of the components of U.S. savings patterns shows that although the Federal budget deficit is the largest cause of dissavings, both personal and business savings rates have declined significantly over the past three decades. Thus, to recreate the pool of capital stock that is critical to future U.S. growth and prosperity, we have to do more than just get rid of the deficit. We have to very materially raise our levels of private savings and investment. And we have to do so in a way that will not cause additional deficits.

The less money people save, the less money is available for business investment and growth. The current tax system discourages savings and investment, because it taxes the interest we earn from our savings accounts, the dividends we make from investing in the stock market, and the capital gains we make from successful investments in our homes and the financial markets. Indeed, under the current law these rewards for saving and investment are not only taxed, they are overtaxed—since gains due solely to inflation, which represent no real increase in value, are taxed as if they were profits to the taxpayer.

With the limited exceptions of retirement plans and tax-free municipal bonds, our current tax code does virtually nothing to encourage personal savings and investment, or to reward it over consumption. This bill will change this system, and address this problem. The proposed legislation reverses the current skewed incentives by promoting savings and investment by individuals and by businesses. Individuals would be able to invest and save their money tax free and reap the benefits of the accumulated value of those investments without paying a capital gains tax upon the sale of these investments. Businesses would also invest more as the flat tax allowed them to expense fully all sums invested in new equipment and technology in the year the expense was incurred, rather than dragging out the tax benefits for these investments through complicated depreciation schedules. With greater investment and a larger pool of savings available, interest rates and the costs of investment would also drop, spurring even greater economic growth.

Critics of the flat tax have argued that we cannot afford the revenue losses associated with the tremendous savings and investment incentives the bill affords to businesses and individuals. Those critics are wrong. Not only is this bill carefully crafted to be revenue neutral, but historically we have seen that when taxes are cut, revenues actually increase, as more taxpayers work harder for a larger share of their take-home pay, and investors are more willing to take risks in pursuit of rewards that will not get eaten up in taxes.

As one example, under President Kennedy when individual tax rates were lowered, investment incentives including the investment tax credit were created and then expanded and depreciation rates were accelerated. Yet, between 1962 and 1967, gross annual Federal tax receipts grew from $99.7 billion to $148 billion—an increase of nearly 50 percent. More recently after President Reagan's tax cuts in the early 1980's, Government tax revenues rose from just under $600 billion in 1981 to nearly $1 trillion in 1989. In fact, the Reagan tax cut program helped to bring about one of the longest peacetime expansions of the U.S. economy in history. There is every reason to believe that the flat tax proposed here can do the same—and by maintaining revenue neutrality in this flat tax proposal, as we have, we can avoid any increases in annual deficits and the national debt.

In addition to increasing Federal revenues by fostering economic growth, the flat tax can also add to Federal revenues without increasing taxes by closing tax loopholes. The Congressional Research Service estimates that for fiscal year 1995, individuals sheltered more than $393 billion in tax revenue in legal loopholes, and corporations sheltered an additional $60 billion. There may well be additional money hidden in quasi-legal or even illegal tax shelters. Under a flat tax system, all tax shelters will disappear and all income will be subject to taxation.

The larger pool of savings created by a flat tax will also help to reduce our dependence on foreign investors to finance both our Federal budget deficits and our private sector economic activity. Currently, of the publicly held Federal debt—that is, the portion not held by various Federal trust funds like Social Security—nearly 20 percent is held by foreigners—the highest level in our history. By contrast, in 1965 less than 5 percent of publicly held national debt was foreign owned. We are paying over $40 billion in annual interest to foreign governments and individuals, and this by itself accounts for roughly one-third of our whole international balance of payments deficit. These massive interest payments are one of the principal sources of American capital flowing abroad, a factor which then enables foreign investors to buy up American businesses. During the period 1980–91, the gross value of U.S. assets owned by foreign businesses and individuals rose 427 percent, from $543 billion to $2.3 trillion.

The substantial level of foreign ownership of our national debt creates both political and economic problems. On the political level, there is at least the potential that some foreign nation may assume a position where its level of investment in U.S. debt gives it disproportionate leverage over American policy. Economically, increasing foreign investment in Treasury debt furthers our national shift from a creditor to a debtor nation, weakening the dollar and undercutting our international trade position. A recent Congressional Research Service report put it succinctly: "To pay for today's capital inflows, tomorrow's economy will have to ship more abroad in exchange for fewer foreign products. These payments will be a consequence in part of heavy Federal borrowing since 1982." With a flat tax in place, America's own supply of capital can be replenished, and we can return to our historic position as an international creditor nation rather than a debtor.

The growth case for a flat tax is compelling. It is even more compelling in the case of a tax revision that is simple and demonstrably fair.

FAIRNESS

By substantially increasing the personal allowances for taxpayers and their dependents, this flat tax proposal ensures that poorer taxpayers will pay no tax and that taxes will not be regressive for lower and middle income taxpayers. At the same time, by closing the hundreds of tax loopholes which are currently used by wealthier taxpayers to shelter their income and avoid taxes, this flat tax bill will also ensure that all Americans pay their fair share.

A variety of specific cases illustrate the fairness and simplicity of this flat tax:

Case No. 1—Married couple with two children, rents home, yearly income $35,000

Under Current Law:	
Income	$35,000
Four personal exemptions	$10,200
Standard deduction	6,700
Taxable income	$18,100
Tax due under current rates	$2,719

Case No. 1—Married couple with two children, rents home, yearly income $35,000—Continued

Marginal rate (percent)	15.0
Effective tax rate (percent)	7.8
Under Flat Tax:	
Personal allowance	$17,500
Two dependents	$10,000
Taxable income	$7,500
Tax due under flat tax	$1,500
Effective tax rate (percent)	4.3

Savings of $1,219

Case No. 2—Single individual, rents home, yearly income $50,000

Under Current Law:	
Income	$50,000
One personal exemption	$2,550
Standard deduction	$4,000
Taxable income	$43,450
Tax due under current rates	$9,053
Marginal rate (percent)	28.0
Effective rate (percent)	18.1
Under Flat Tax:	
Personal allowance	$10,000
Taxable income	$40,000
Tax due under flat tax	$8,000
Effective rate (percent)	16.0

Savings of $1,053

Case No. 3—Married couple with no children, $150,000 mortgage at 9%, yearly income $75,000

Under Current Law:	
Income	$75,000
Two personal exemptions	$5,100
Home mortgage deduction	$13,500
State and local taxes	$3,000
Charitable deduction	$1,500
Taxable income	$51,900
Tax due under current rates	$9,326

Case No. 3—Married couple with no children, $150,000 mortgage at 9%, yearly income $75,000—Continued

Marginal rate (percent)	28
Effective tax rate (percent)	12.4
Under Flat Tax:	
Personal allowance	$17,500
Home mortgage deduction	$9,000
Charitable deduction	$1,500
Taxable income	$47,000
Tax due under flat tax	$9,400
Effective tax rate (percent)	12.5

Slight Increase of $74

Case No. 4—Married couple with three children, $250,000 mortgage at 9%, yearly income $125,000

Under Current Law:	
Income	$125,000
Five personal exemptions	$12,750
Home mortgage deduction	$22,500
State and local taxes	$5,000
Retirement fund deductions	$6,000
Charitable deductions	$2,500
Taxable income	$76,250
Tax due under current rates	$16,130
Marginal rate (percent)	31
Effective tax rate (percent)	12.9
Under Flat Tax:	
Personal allowance	$17,500
Three dependents	$15,000
Home mortgage deduction	$9,000
Charitable deduction	$2,500
Taxable income	$81,000
Tax due under flat tax	$16,200
Effective tax rate (percent)	13

Slight Increase of $70

Case No. 5—Married couple, no children, $1,000,000 mortgages at 9% on 2 homes, $500,000 income

Under Current Law:	
Income	$500,000

Case No. 5—Married couple, no children, $1,000,000 mortgages at 9% on 2 homes, $500,000 income—Continued

Personal exemptions at this level	$0
Home mortgage deductions	$90,000
State and local taxes	$40,000
Retirement deductions	$50,000
Charitable deductions	$30,000
Taxable income	$290,000
Tax due under current rates	$91,949
Marginal rate (percent)	39.6
Effective tax rate (percent)	18.4
Under Flat Tax:	
Personal allowance	$17,500
Mortgage deduction	$9,000
Charitable deduction	$2,500
Taxable income	$471,000
Tax due under flat tax	$94,200
Effective tax rate (percent)	18.8

$2,251 higher taxes

The flat tax legislation that I am offering will retain the element of progressivity that Americans view as essential to fairness in an income tax system. Because of the lower end income exclusions, and the capped deductions for home mortgage interest and charitable contributions, the effective tax rates under my bill will range from 0 percent for families with incomes under about $30,000 to roughly 20 percent for the highest income groups:

ANNUAL TAXES UNDER 20 PERCENT FLAT TAX FOR MARRIED COUPLE WITH TWO CHILDREN FILING JOINTLY

Income	Home mortgage)[1]	Deductible mtg. interest	Charitable contribution)[1]	Personal allowance (w/children)	Taxable income	Marginal tax rate (in percent)	Taxes owed
<27,500					0	0	0
30,000	60,000	5,400	600	27,500	0	0	0
40,000	80,000	7,200	800	27,500	4,500	2.3	900
50,000	100,000	9,000	1,000	27,500	12,500	5.0	2,500
60,000	120,000	9,000	1,200	27,500	22,300	7.4	4,460
70,000	140,000	9,000	1,400	27,500	32,100	9.2	6,420
80,000	160,000	9,000	1,600	27,500	41,900	10.5	8,380
90,000	180,000	9,000	1,800	27,500	51,700	11.5	10,340
100,000	200,000	9,000	2,000	27,500	61,500	12.3	12,300
125,000	250,000	9,000	2,500	27,500	86,000	13.8	17,200
150,000	300,000	9,000	2,500	27,500	111,000	14.8	22,200
200,000	400,000	9,000	2,500	27,500	161,000	16.1	32,200
250,000	500,000	9,000	2,500	27,500	211,000	16.8	42,200
500,000	1,000,000	9,000	2,500	27,500	461,000	18.4	92,200
1,000,000	2,000,000	9,000	2,500	27,500	961,000	19.2	192,200

[1]Assumes home mortgage of twice annual income at a rate of 9 percent and charitable contributions up to 2 percent of annual income.

My proposed legislation demonstrably retains the fairness that must be an essential component of the American tax system.

CONCLUSION

The proposal that I make today is dramatic, but so are its advantages: a taxation system that is simple, fair, and designed to maximize prosperity for all Americans. A summary of the key advantages are:

Simplicity: A 10-line postcard filing would replace the myriad forms and attachments currently required, thus saving Americans up to 5.3 billion hours they currently spend every year in tax compliance.

Cuts Government: The flat tax would eliminate the lion's share of IRS rules, regulations, and requirements, which have grown from 744,000 words in 1955 to 5.6 million words and 12,000 pages currently. It would also allow us to slash the mammoth IRS bureaucracy of 117,000 employees.

Promotes economic growth: Economists estimate a growth of over $2 trillion in national wealth over 7 years, representing an increase of approximately $7,500 in personal wealth for every man, woman, and child in America. This growth would also lead to the creation of 6 million new jobs.

Increases efficiency: Investment decisions would be made on the basis of productivity rather than simply for tax avoidance, thus leading to even greater economic expansion.

Reduces interest rates: Economic forecasts indicate that interest rates would fall substantially, by as much as two points, as the flat tax removes many of the current disincentives to savings.

Lowers compliance costs: Americans would be able to save up to $224 billion they currently spend every year in tax compliance.

Decreases fraud: As tax loopholes are eliminated and the Tax Code is simplified, there will be far less opportunity for tax avoidance and fraud, which now amounts to over $120 billion in uncollected revenue annually.

Reduces IRS costs: Simplification of the Tax Code will allow us to save significantly on the $7 billion annual budget currently allocated to the Internal Revenue Service.

Professors Hall and Rabushka have projected that within 7 years of enactment, this type of a flat tax would produce a 6-percent increase in output from increased total work in the U.S. economy and increased capital formation. The economic growth would mean a $7,500 increase in the personal income of all Americans.

No one likes to pay taxes. But Americans will be much more willing to pay their taxes under a system that they believe is fair, a system that they can understand, and a system that they recognize promotes rather than prevents growth and prosperity. The legislation I introduce today will afford Americans such a tax system.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 593

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; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Flat Tax Act of 1997".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

(c) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. FLAT TAX ON INDIVIDUAL TAXABLE EARNED INCOME AND BUSINESS TAXABLE INCOME.

(a) IN GENERAL.—Subchapter A of chapter 1 of subtitle A is amended to read as follows:

"Subchapter A—Determination of Tax Liability

"PART I—TAX ON INDIVIDUALS

"SECTION 1. TAX IMPOSED.

"(a) IMPOSITION OF TAX.—There is hereby imposed on every individual a tax equal to 20 percent of the taxable earned income of such individual.

"(b) TAXABLE EARNED INCOME.—For purposes of this section, the term 'taxable earned income' means the excess (if any) of—

"(1) the earned income received or accrued during the taxable year, over

"(2) the sum of—

"(A) the standard deduction,

"(B) the deduction for cash charitable contributions, and

"(C) the deduction for home acquisition indebtedness,

for such taxable year.

"(c) EARNED INCOME.—For purposes of this section—

"(1) IN GENERAL.—The term 'earned income' means wages, salaries, or professional fees, and other amounts received from sources within the United States as compensation for personal services actually rendered, but does not include that part of compensation derived by the taxpayer for personal services rendered by the taxpayer to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered.

"(2) TAXPAYER ENGAGED IN TRADE OR BUSINESS.—In the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors, under regulations prescribed by the Secretary, a reasonable allowance as compensation for the personal services rendered by the taxpayer, not in excess of 30 percent of the taxpayer's share of the net profits of such trade or business, shall be considered as earned income.

"SEC. 2. STANDARD DEDUCTION.

"(a) IN GENERAL.—For purposes of this subtitle, the term 'standard deduction' means the sum of—

"(1) the basic standard deduction, plus

"(2) the additional standard deduction.

"(b) BASIC STANDARD DEDUCTION.—For purposes of subsection (a), the basic standard deduction is—

"(1) $17,500 in the case of—

"(A) a joint return, and

"(B) a surviving spouse (as defined in section 5(a)),

"(2) $15,000 in the case of a head of household (as defined in section 5(b)), and

"(3) $10,000 in the case of an individual—

"(A) who is not married and who is not a surviving spouse or head of household, or

"(B) who is a married individual filing a separate return.

"(c) ADDITIONAL STANDARD DEDUCTION.—For purposes of subsection (a), the additional standard deduction is $5,000 for each dependent (as defined in section 5(d))—

"(1) whose earned income for the calendar year in which the taxable year of the taxpayer begins is less than the basic standard deduction specified in subsection (b)(3), or

"(2) who is a child of the taxpayer and who—

"(A) has not attained the age of 19 at the close of the calendar year in which the taxable year of the taxpayer begins, or

"(B) is a student who has not attained the age of 24 at the close of such calendar year.

"(d) INFLATION ADJUSTMENT.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1997, each dollar amount contained in subsections (b) and (c) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1996' for 'calendar year 1992' in subparagraph (B) of such section.

"(2) ROUNDING.—If any increase determined under paragraph (1) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.

"SEC. 3. DEDUCTION FOR CASH CHARITABLE CONTRIBUTIONS.

"(a) GENERAL RULE.—For purposes of this part, there shall be allowed as a deduction any charitable contribution (as defined in subsection (b)) not to exceed $2,500 ($1,250, in the case of a married individual filing a separate return), payment of which is made within the taxable year.

"(b) CHARITABLE CONTRIBUTION DEFINED.—For purposes of this section , the term 'charitable contribution' means a contribution or gift of cash or its equivalent to or for the use of the following:

"(1) A State, a possession of the United States, or any political subdivision of any of the foregoing, or the United States or the District of Columbia, but only if the contribution or gift is made for exclusively public purposes.

"(2) A corporation, trust, or community chest, fund, or foundation—

"(A) created or organized in the United States or in any possession thereof, or under the law of the United States, any State, the District of Columbia, or any possession of the United States;

"(B) organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals;

"(C) no part of the net earnings of which inures to the benefit of any private shareholder or individual; and

"(D) which is not disqualified for tax exemption under section 501(c)(3) by reason of attempting to influence legislation, and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

A contribution or gift by a corporation to a trust, chest, fund, or foundation shall be deductible by reason of this paragraph only if it is to be used within the United States or any of its possessions exclusively for purposes specified in subparagraph (B). Rules similar to the rules of section 501(j) shall apply for purposes of this paragraph.

"(3) A post or organization of war veterans, or an auxiliary unit or society of, or trust or foundation for, any such post or organization—

"(A) organized in the United States or any of its possessions, and

"(B) no part of the net earnings of which inures to the benefit of any private shareholder or individual.

"(4) In the case of a contribution or gift by an individual, a domestic fraternal society, order, or association, operating under the lodge system, but only if such contribution or gift is to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals.

"(5) A cemetery company owned and operated exclusively for the benefit of its members, or any corporation chartered solely for burial purposes as a cemetery corporation and not permitted by its charter to engage in any business not necessarily incident to that purpose, if such company or corporation is not operated for profit and no part of the net earnings of such company or corporation inures to the benefit of any private shareholder or individual.

For purposes of this section, the term 'charitable contribution' also means an amount treated under subsection (d) as paid for the use of an organization described in paragraph (2), (3), or (4).

"(c) DISALLOWANCE OF DEDUCTION IN CERTAIN CASES AND SPECIAL RULES.—

"(1) SUBSTANTIATION REQUIREMENT FOR CERTAIN CONTRIBUTIONS.—

"(A) GENERAL RULE.—No deduction shall be allowed under subsection (a) for any contribution of $250 or more unless the taxpayer substantiates the contribution by a contemporaneous written acknowledgment of the

contribution by the donee organization that meets the requirements of subparagraph (B).

"(B) CONTENT OF ACKNOWLEDGMENT.—An acknowledgment meets the requirements of this subparagraph if it includes the following information:

"(i) The amount of cash contributed.

"(ii) Whether the donee organization provided any goods or services in consideration, in whole or in part, for any contribution described in clause (i).

"(iii) A description and good faith estimate of the value of any goods or services referred to in clause (ii) or, if such goods or services consist solely of intangible religious benefits, a statement to that effect.

For purposes of this subparagraph, the term 'intangible religious benefit' means any intangible religious benefit which is provided by an organization organized exclusively for religious purposes and which generally is not sold in a commercial transaction outside the donative context.

"(C) CONTEMPORANEOUS.—For purposes of subparagraph (A), an acknowledgment shall be considered to be contemporaneous if the taxpayer obtains the acknowledgment on or before the earlier of—

"(i) the date on which the taxpayer files a return for the taxable year in which the contribution was made, or

"(ii) the due date (including extensions) for filing such return.

"(D) SUBSTANTIATION NOT REQUIRED FOR CONTRIBUTIONS REPORTED BY THE DONEE ORGANIZATION.—Subparagraph (A) shall not apply to a contribution if the donee organization files a return, on such form and in accordance with such regulations as the Secretary may prescribe, which includes the information described in subparagraph (B) with respect to the contribution.

"(E) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph, including regulations that may provide that some or all of the requirements of this paragraph do not apply in appropriate cases.

"(2) DENIAL OF DEDUCTION WHERE CONTRIBUTION FOR LOBBYING ACTIVITIES.—No deduction shall be allowed under this section for a contribution to an organization which conducts activities to which section 11(d)(2)(C)(i) applies on matters of direct financial interest to the donor's trade or business, if a principal purpose of the contribution was to avoid Federal income tax by securing a deduction for such activities under this section which would be disallowed by reason of section 11(d)(2)(C) if the donor had conducted such activities directly. No deduction shall be allowed under section 11(d) for any amount for which a deduction is disallowed under the preceding sentence.

"(d) AMOUNTS PAID TO MAINTAIN CERTAIN STUDENTS AS MEMBERS OF TAXPAYER'S HOUSEHOLD.—

"(1) IN GENERAL.—Subject to the limitations provided by paragraph (2), amounts paid by the taxpayer to maintain an individual (other than a dependent, as defined in section 5(d), or a relative of the taxpayer) as a member of such taxpayer's household during the period that such individual is—

"(A) a member of the taxpayer's household under a written agreement between the taxpayer and an organization described in paragraph (2), (3), or (4) of subsection (b) to implement a program of the organization to provide educational opportunities for pupils or students in private homes, and

"(B) a full-time pupil or student in the twelfth or any lower grade at an educational organization located in the United States which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on

shall be treated as amounts paid for the use of the organization.

"(2) LIMITATIONS.—

"(A) AMOUNT.—Paragraph (1) shall apply to amounts paid within the taxable year only to the extent that such amounts do not exceed $50 multiplied by the number of full calendar months during the taxable year which fall within the period described in paragraph (1). For purposes of the preceding sentence, if 15 or more days of a calendar month fall within such period such month shall be considered as a full calendar month.

"(B) COMPENSATION OR REIMBURSEMENT.—Paragraph (1) shall not apply to any amount paid by the taxpayer within the taxable year if the taxpayer receives any money or other property as compensation or reimbursement for maintaining the individual in the taxpayer's household during the period described in paragraph (1).

"(3) RELATIVE DEFINED.—For purposes of paragraph (1), the term 'relative of the taxpayer' means an individual who, with respect to the taxpayer, bears any of the relationships described in subparagraphs (A) through (H) of section 5(d)(1).

"(4) NO OTHER AMOUNT ALLOWED AS DEDUCTION.—No deduction shall be allowed under subsection (a) for any amount paid by a taxpayer to maintain an individual as a member of the taxpayer's household under a program described in paragraph (1)(A) except as provided in this subsection.

"(e) DENIAL OF DEDUCTION FOR CERTAIN TRAVEL EXPENSES.—No deduction shall be allowed under this section for traveling expenses (including amounts expended for meals and lodging) while away from home, whether paid directly or by reimbursement, unless there is no significant element of personal pleasure, recreation, or vacation in such travel.

"(f) DISALLOWANCE OF DEDUCTIONS IN CERTAIN CASES.—For disallowance of deductions for contributions to or for the use of Communist controlled organizations, see section 11(a) of the Internal Security Act of 1950 (50 U.S.C. 790).

"(g) TREATMENT OF CERTAIN AMOUNTS PAID TO OR FOR THE BENEFIT OF INSTITUTIONS OF HIGHER EDUCATION.—

"(1) IN GENERAL.—For purposes of this section, 80 percent of any amount described in paragraph (2) shall be treated as a charitable contribution.

"(2) AMOUNT DESCRIBED.—For purposes of paragraph (1), an amount is described in this paragraph if—

"(A) the amount is paid by the taxpayer to or for the benefit of an educational organization—

"(i) which is described in subsection (d)(1)(B), and

"(ii) which is an institution of higher education (as defined in section 3304(f)), and

"(B) such amount would be allowable as a deduction under this section but for the fact that the taxpayer receives (directly or indirectly) as a result of paying such amount the right to purchase tickets for seating at an athletic event in an athletic stadium of such institution.

If any portion of a payment is for the purchase of such tickets, such portion and the remaining portion (if any) of such payment shall be treated as separate amounts for purposes of this subsection.

"(h) OTHER CROSS REFERENCES.—

"(1) For treatment of certain organizations providing child care, see section 501(k).

"(2) For charitable contributions of partners, see section 702.

"(3) For treatment of gifts for benefit of or use in connection with the Naval Academy as gifts to or for the use of the United States, see section 6973 of title 10, United States Code.

"(4) For treatment of gifts accepted by the Secretary of State, the Director of the International Communication Agency, or the Director of the United States International Development Cooperation Agency, as gifts to or for the use of the United States, see section 25 of the State Department Basic Authorities Act of 1956.

"(5) For treatment of gifts of money accepted by the Attorney General for credit to the 'Commissary Funds, Federal Prisons' as gifts to or for the use of the United States, see section 4043 of title 18, United States Code.

"(6) For charitable contributions to or for the use of Indian tribal governments (or subdivisions of such governments), see section 7871.

"SEC. 4. DEDUCTION FOR HOME ACQUISITION INDEBTEDNESS.

"(a) GENERAL RULE.—For purposes of this part, there shall be allowed as a deduction all qualified residence interest paid or accrued within the taxable year.

"(b) QUALIFIED RESIDENCE INTEREST DEFINED.—The term 'qualified residence interest' means any interest which is paid or accrued during the taxable year on acquisition indebtedness with respect to any qualified residence of the taxpayer. For purposes of the preceding sentence, the determination of whether any property is a qualified residence of the taxpayer shall be made as of the time the interest is accrued.

"(c) ACQUISITION INDEBTEDNESS.—

"(1) IN GENERAL.—The term 'acquisition indebtedness' means any indebtedness which—

"(A) is incurred in acquiring, constructing, or substantially improving any qualified residence of the taxpayer, and

"(B) is secured by such residence.

Such term also includes any indebtedness secured by such residence resulting from the refinancing of indebtedness meeting the requirements of the preceding sentence (or this sentence); but only to the extent the amount of the indebtedness resulting from such refinancing does not exceed the amount of the refinanced indebtedness.

"(2) $100,000 LIMITATION.—The aggregate amount treated as acquisition indebtedness for any period shall not exceed $100,000 ($50,000 in the case of a married individual filing a separate return).

"(d) TREATMENT OF INDEBTEDNESS INCURRED ON OR BEFORE OCTOBER 13, 1987.—

"(1) IN GENERAL.—In the case of any pre-October 13, 1987, indebtedness—

"(A) such indebtedness shall be treated as acquisition indebtedness, and

"(B) the limitation of subsection (b)(2) shall not apply.

"(2) REDUCTION IN $100,000 LIMITATION.—The limitation of subsection (b)(2) shall be reduced (but not below zero) by the aggregate amount of outstanding pre-October 13, 1987, indebtedness.

"(3) PRE-OCTOBER 13, 1987, INDEBTEDNESS.—The term 'pre-October 13, 1987, indebtedness' means—

"(A) any indebtedness which was incurred on or before October 13, 1987, and which was secured by a qualified residence on October 13, 1987, and at all times thereafter before the interest is paid or accrued, or

"(B) any indebtedness which is secured by the qualified residence and was incurred after October 13, 1987, to refinance indebtedness described in subparagraph (A) (or refinanced indebtedness meeting the requirements of this subparagraph) to the extent (immediately after the refinancing) the principal amount of the indebtedness resulting from the refinancing does not exceed the principal amount of the refinanced indebtedness (immediately before the refinancing).

"(4) LIMITATION ON PERIOD OF REFINANCING.—Subparagraph (B) of paragraph (3) shall not apply to any indebtedness after—

"(A) the expiration of the term of the indebtedness described in paragraph (3)(A), or

"(B) if the principal of the indebtedness described in paragraph (3)(A) is not amortized over its term, the expiration of the term of the first refinancing of such indebtedness (or if earlier, the date which is 30 years after the date of such first refinancing).

"(e) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED RESIDENCE.—For purposes of this subsection—

"(A) IN GENERAL.—Except as provided in subparagraph (C), the term 'qualified residence' means the principal residence of the taxpayer.

"(B) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—If a married couple does not file a joint return for the taxable year—

"(i) such couple shall be treated as 1 taxpayer for purposes of subparagraph (A), and

"(ii) each individual shall be entitled to take into account ½ of the principal residence unless both individuals consent in writing to 1 individual taking into account the principal residence.

"(C) PRE-OCTOBER 13, 1987, INDEBTEDNESS.—In the case of any pre-October 13, 1987, indebtedness, the term 'qualified residence' has the meaning given that term in section 163(h)(4), as in effect on the day before the date of enactment of this subparagraph.

"(2) SPECIAL RULE FOR COOPERATIVE HOUSING CORPORATIONS.—Any indebtedness secured by stock held by the taxpayer as a tenant-stockholder in a cooperative housing corporation shall be treated as secured by the house or apartment which the taxpayer is entitled to occupy as such a tenant-stockholder. If stock described in the preceding sentence may not be used to secure indebtedness, indebtedness shall be treated as so secured if the taxpayer establishes to the satisfaction of the Secretary that such indebtedness was incurred to acquire such stock.

"(3) UNENFORCEABLE SECURITY INTERESTS.—Indebtedness shall not fail to be treated as secured by any property solely because, under any applicable State or local homestead or other debtor protection law in effect on August 16, 1986, the security interest is ineffective or the enforceability of the security interest is restricted.

"(4) SPECIAL RULES FOR ESTATES AND TRUSTS.—For purposes of determining whether any interest paid or accrued by an estate or trust is qualified residence interest, any residence held by such estate or trust shall be treated as a qualified residence of such estate or trust if such estate or trust establishes that such residence is a qualified residence of a beneficiary who has a present interest in such estate or trust or an interest in the residuary of such estate or trust.

"SEC. 5. DEFINITIONS AND SPECIAL RULES.

"(a) DEFINITION OF SURVIVING SPOUSE.—

"(1) IN GENERAL.—For purposes of this part, the term 'surviving spouse' means a taxpayer—

"(A) whose spouse died during either of the taxpayer's 2 taxable years immediately preceding the taxable year, and

"(B) who maintains as the taxpayer's home a household which constitutes for the taxable year the principal place of abode (as a member of such household) of a dependent—

"(i) who (within the meaning of subsection (d)) is a son, stepson, daughter, or stepdaughter of the taxpayer, and

"(ii) with respect to whom the taxpayer is entitled to a deduction for the taxable year under section 2.

For purposes of this paragraph, an individual shall be considered as maintaining a household only if over one-half of the cost of maintaining the household during the taxable year is furnished by such individual.

"(2) LIMITATIONS.—Notwithstanding paragraph (1), for purposes of this part a taxpayer shall not be considered to be a surviving spouse—

"(A) if the taxpayer has remarried at any time before the close of the taxable year, or

"(B) unless, for the taxpayer's taxable year during which the taxpayer's spouse died, a joint return could have been made under the provisions of section 6013 (without regard to subsection (a)(3) thereof).

"(3) SPECIAL RULE WHERE DECEASED SPOUSE WAS IN MISSING STATUS.—If an individual was in a missing status (within the meaning of section 6013(f)(3)) as a result of service in a combat zone and if such individual remains in such status until the date referred to in subparagraph (A) or (B), then, for purposes of paragraph (1)(A), the date on which such individual dies shall be treated as the earlier of the date determined under subparagraph (A) or the date determined under subparagraph (B):

"(A) The date on which the determination is made under section 556 of title 37 of the United States Code or under section 5566 of title 5 of such Code (whichever is applicable) that such individual died while in such missing status.

"(B) Except in the case of the combat zone designated for purposes of the Vietnam conflict, the date which is 2 years after the date designated as the date of termination of combatant activities in that zone.

"(b) DEFINITION OF HEAD OF HOUSEHOLD.—

"(1) IN GENERAL.—For purposes of this part, an individual shall be considered a head of a household if, and only if, such individual is not married at the close of such individual's taxable year, is not a surviving spouse (as defined in subsection (a)), and either—

"(A) maintains as such individual's home a household which constitutes for more than one-half of such taxable year the principal place of abode, as a member of such household, of—

"(i) a son, stepson, daughter, or stepdaughter of the taxpayer, or a descendant of a son or daughter of the taxpayer, but if such son, stepson, daughter, stepdaughter, or descendant is married at the close of the taxpayer's taxable year, only if the taxpayer is entitled to a deduction for the taxable year for such person under section 2 (or would be so entitled but for subparagraph (B) or (D) of subsection (d)(5)), or

"(ii) any other person who is a dependent of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such person under section 2, or

"(B) maintains a household which constitutes for such taxable year the principal place of abode of the father or mother of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such father or mother under section 2.

For purposes of this paragraph, an individual shall be considered as maintaining a household only if over one-half of the cost of maintaining the household during the taxable year is furnished by such individual.

"(2) DETERMINATION OF STATUS.—For purposes of this subsection—

"(A) a legally adopted child of a person shall be considered a child of such person by blood;

"(B) an individual who is legally separated from such individual's spouse under a decree of divorce or of separate maintenance shall not be considered as married;

"(C) a taxpayer shall be considered as not married at the close of such taxpayer's taxable year if at any time during the taxable year such taxpayer's spouse is a nonresident alien; and

"(D) a taxpayer shall be considered as married at the close of such taxpayer's taxable year if such taxpayer's spouse (other than a spouse described in subparagraph (C)) died during the taxable year.

"(3) LIMITATIONS.—Notwithstanding paragraph (1), for purposes of this part, a taxpayer shall not be considered to be a head of a household—

"(A) if at any time during the taxable year the taxpayer is a nonresident alien; or

"(B) by reason of an individual who would not be a dependent for the taxable year but for—

"(i) subparagraph (I) of subsection (d)(1), or

"(ii) paragraph (3) of subsection (d).

"(c) CERTAIN MARRIED INDIVIDUALS LIVING APART.—For purposes of this part, an individual shall be treated as not married at the close of the taxable year if such individual is so treated under the provisions of section 7703(b).

"(d) DEPENDENT DEFINED.—

"(1) GENERAL DEFINITION.—For purposes of this part, the term 'dependent' means any of the following individuals over one-half of whose support, for the calendar year in which the taxable year of the taxpayer begins, was received from the taxpayer (or is treated under paragraph (3) or (5) as received from the taxpayer):

"(A) A son or daughter of the taxpayer, or a descendant of either.

"(B) A stepson or stepdaughter of the taxpayer.

"(C) A brother, sister, stepbrother, or stepsister of the taxpayer.

"(D) The father or mother of the taxpayer, or an ancestor of either.

"(E) A stepfather or stepmother of the taxpayer.

"(F) A son or daughter of a brother or sister of the taxpayer.

"(G) A brother or sister of the father or mother of the taxpayer.

"(H) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the taxpayer.

"(I) An individual (other than an individual who at any time during the taxable year was the spouse, determined without regard to section 7703, of the taxpayer) who, for the taxable year of the taxpayer, has as such individual's principal place of abode the home of the taxpayer and is a member of the taxpayer's household.

"(2) RULES RELATING TO GENERAL DEFINITION.—For purposes of this section—

"(A) BROTHER; SISTER.—The terms 'brother' and 'sister' include a brother or sister by the halfblood.

"(B) CHILD.—In determining whether any of the relationships specified in paragraph (1) or subparagraph (A) of this paragraph exists, a legally adopted child of an individual (and

a child who is a member of an individual's household, if placed with such individual by an authorized placement agency for legal adoption by such individual), or a foster child of an individual (if such child satisfies the requirements of paragraph (1)(I) with respect to such individual), shall be treated as a child of such individual by blood.

"(C) CITIZENSHIP.—The term 'dependent' does not include any individual who is not a citizen or national of the United States unless such individual is a resident of the United States or of a country contiguous to the United States. The preceding sentence shall not exclude from the definition of 'dependent' any child of the taxpayer legally adopted by such taxpayer, if, for the taxable year of the taxpayer, the child has as such child's principal place of abode the home of the taxpayer and is a member of the taxpayer's household, and if the taxpayer is a citizen or national of the United States.

"(D) ALIMONY, ETC.—A payment to a wife which is alimony or separate maintenance shall not be treated as a payment by the wife's husband for the support of any dependent.

"(E) UNLAWFUL ARRANGEMENTS.—An individual is not a member of the taxpayer's household if at any time during the taxable year of the taxpayer the relationship between such individual and the taxpayer is in violation of local law.

"(3) MULTIPLE SUPPORT AGREEMENTS.—For purposes of paragraph (1), over one-half of the support of an individual for a calendar year shall be treated as received from the taxpayer if—

"(A) no one person contributed over one-half of such support;

"(B) over one-half of such support was received from persons each of whom, but for the fact that such person did not contribute over one-half of such support, would have been entitled to claim such individual as a dependent for a taxable year beginning in such calendar year;

"(C) the taxpayer contributed over 10 percent of such support; and

"(D) each person described in subparagraph (B) (other than the taxpayer) who contributed over 10 percent of such support files a written declaration (in such manner and form as the Secretary may by regulations prescribe) that such person will not claim such individual as a dependent for any taxable year beginning in such calendar year.

"(4) SPECIAL SUPPORT TEST IN CASE OF STUDENTS.—For purposes of paragraph (1), in the case of any individual who is—

"(A) a son, stepson, daughter, or stepdaughter of the taxpayer (within the meaning of this subsection), and

"(B) a student,

amounts received as scholarships for study at an educational organization described in section 3(d)(1)(B) shall not be taken into account in determining whether such individual received more than one-half of such individual's support from the taxpayer.

"(5) SUPPORT TEST IN CASE OF CHILD OF DIVORCED PARENTS, ETC.—

"(A) CUSTODIAL PARENT GETS EXEMPTION.—Except as otherwise provided in this paragraph, if—

"(i) a child receives over one-half of such child's support during the calendar year from such child's parents—

"(I) who are divorced or legally separated under a decree of divorce or separate maintenance,

"(II) who are separated under a written separation agreement, or

"(III) who live apart at all times during the last 6 months of the calendar year, and

"(ii) such child is in the custody of 1 or both of such child's parents for more than one-half of the calendar year,

such child shall be treated, for purposes of paragraph (1), as receiving over one-half of such child's support during the calendar year from the parent having custody for a greater portion of the calendar year (hereafter in this paragraph referred to as the 'custodial parent').

"(B) EXCEPTION WHERE CUSTODIAL PARENT RELEASES CLAIM TO EXEMPTION FOR THE YEAR.—A child of parents described in subparagraph (A) shall be treated as having received over one-half of such child's support during a calendar year from the noncustodial parent if—

"(i) the custodial parent signs a written declaration (in such manner and form as the Secretary may by regulations prescribe) that such custodial parent will not claim such child as a dependent for any taxable year beginning in such calendar year, and

"(ii) the noncustodial parent attaches such written declaration to the noncustodial parent's return for the taxable year beginning during such calendar year.

For purposes of this paragraph, the term 'noncustodial parent' means the parent who is not the custodial parent.

"(C) EXCEPTION FOR MULTIPLE-SUPPORT AGREEMENT.—This paragraph shall not apply in any case where over one-half of the support of the child is treated as having been received from a taxpayer under the provisions of paragraph (3).

"(D) EXCEPTION FOR CERTAIN PRE-1985 INSTRUMENTS.—

"(i) IN GENERAL.—A child of parents described in subparagraph (A) shall be treated as having received over one-half such child's support during a calendar year from the noncustodial parent if—

"(I) a qualified pre-1985 instrument between the parents applicable to the taxable year beginning in such calendar year provides that the noncustodial parent shall be entitled to any deduction allowable under section 2 for such child, and

"(II) the noncustodial parent provides at least $600 for the support of such child during such calendar year.

For purposes of this clause, amounts expended for the support of a child or children shall be treated as received from the noncustodial parent to the extent that such parent provided amounts for such support.

"(ii) QUALIFIED PRE-1985 INSTRUMENT.—For purposes of this subparagraph, the term 'qualified pre-1985 instrument' means any decree of divorce or separate maintenance or written agreement—

"(I) which is executed before January 1, 1985,

"(II) which on such date contains the provision described in clause (i)(I), and

"(III) which is not modified on or after such date in a modification which expressly provides that this subparagraph shall not apply to such decree or agreement.

"(E) SPECIAL RULE FOR SUPPORT RECEIVED FROM NEW SPOUSE OF PARENT.—For purposes of this paragraph, in the case of the remarriage of a parent, support of a child received from the parent's spouse shall be treated as received from the parent.

"PART II—TAX ON BUSINESS ACTIVITIES

"SEC. 11. TAX IMPOSED ON BUSINESS ACTIVITIES.

"(a) TAX IMPOSED.—There is hereby imposed on every person engaged in a business activity located in the United States a tax equal to 20 percent of the business taxable income of such person.

"(b) LIABILITY FOR TAX.—The tax imposed by this section shall be paid by the person engaged in the business activity, whether such person is an individual, partnership, corporation, or otherwise.

"(c) BUSINESS TAXABLE INCOME.—

"(1) IN GENERAL.—For purposes of this section, the term 'business taxable income' means gross active income reduced by the deductions specified in subsection (d).

"(2) GROSS ACTIVE INCOME.—For purposes of paragraph (1), the term 'gross active income' means gross income other than investment income.

"(d) DEDUCTIONS.—

"(1) IN GENERAL.—The deductions specified in this subsection are—

"(A) the cost of business inputs for the business activity,

"(B) the compensation (including contributions to qualified retirement plans but not including other fringe benefits) paid for employees performing services in such activity, and

"(C) the cost of personal and real property used in such activity.

"(2) BUSINESS INPUTS.—

"(A) IN GENERAL.—For purposes of paragraph (1)(A), the term 'cost of business inputs' means—

"(i) the actual cost of goods, services, and materials, whether or not resold during the taxable year, and

"(ii) the actual cost, if reasonable, of travel and entertainment expenses for business purposes.

"(B) PURCHASES OF GOODS AND SERVICES EXCLUDED.—Such term shall not include purchases of goods and services provided to employees or owners.

"(C) CERTAIN LOBBYING AND POLITICAL EXPENDITURES EXCLUDED.—

"(i) IN GENERAL.—Such term shall not include any amount paid or incurred in connection with—

"(I) influencing legislation,

"(II) participation in, or intervention in, any political campaign on behalf of (or in opposition to) any candidate for public office,

"(III) any attempt to influence the general public, or segments thereof, with respect to elections, legislative matters, or referendums, or

"(IV) any direct communication with a covered executive branch official in an attempt to influence the official actions or positions of such official.

"(ii) EXCEPTION FOR LOCAL LEGISLATION.—In the case of any legislation of any local council or similar governing body—

"(I) clause (i)(I) shall not apply, and

"(II) such term shall include all ordinary and necessary expenses (including, but not limited to, traveling expenses described in subparagraph (A)(iii) and the cost of preparing testimony) paid or incurred during the taxable year in carrying on any trade or business—

"(aa) in direct connection with appearances before, submission of statements to, or sending communications to the committees, or individual members, of such council or body with respect to legislation or proposed legislation of direct interest to the taxpayer, or

"(bb) in direct connection with communication of information between the taxpayer and an organization of which the taxpayer is a member with respect to any such legislation or proposed legislation which is of direct interest to the taxpayer and to such organization, and that portion of the dues so paid or incurred with respect to any organization of which the taxpayer is a member

which is attributable to the expenses of the activities carried on by such organization.

"(iii) APPLICATION TO DUES OF TAX-EXEMPT ORGANIZATIONS.—Such term shall include the portion of dues or other similar amounts paid by the taxpayer to an organization which is exempt from tax under this subtitle which the organization notifies the taxpayer under section 6033(e)(1)(A)(ii) is allocable to expenditures to which clause (i) applies.

"(iv) INFLUENCING LEGISLATION.—For purposes of this subparagraph—

"(I) IN GENERAL.—The term 'influencing legislation' means any attempt to influence any legislation through communication with any member or employee of a legislative body, or with any government official or employee who may participate in the formulation of legislation.

"(II) LEGISLATION.—The term 'legislation' has the meaning given that term in section 4911(e)(2).

"(v) OTHER SPECIAL RULES.—

"(I) EXCEPTION FOR CERTAIN TAXPAYERS.—In the case of any taxpayer engaged in the trade or business of conducting activities described in clause (i), clause (i) shall not apply to expenditures of the taxpayer in conducting such activities directly on behalf of another person (but shall apply to payments by such other person to the taxpayer for conducting such activities).

"(II) DE MINIMIS EXCEPTION.—

"(aa) IN GENERAL.—Clause (i) shall not apply to any in-house expenditures for any taxable year if such expenditures do not exceed $2,000. In determining whether a taxpayer exceeds the $2,000 limit, there shall not be taken into account overhead costs otherwise allocable to activities described in subclauses (I) and (IV) of clause (i).

"(bb) IN-HOUSE EXPENDITURES.—For purposes of provision (aa), the term 'in-house expenditures' means expenditures described in subclauses (I) and (IV) of clause (i) other than payments by the taxpayer to a person engaged in the trade or business of conducting activities described in clause (i) for the conduct of such activities on behalf of the taxpayer, or dues or other similar amounts paid or incurred by the taxpayer which are allocable to activities described in clause (i).

"(III) EXPENSES INCURRED IN CONNECTION WITH LOBBYING AND POLITICAL ACTIVITIES.—Any amount paid or incurred for research for, or preparation, planning, or coordination of, any activity described in clause (i) shall be treated as paid or incurred in connection with such activity.

"(vi) COVERED EXECUTIVE BRANCH OFFICIAL.—For purposes of this subparagraph, the term 'covered executive branch official' means—

"(I) the President,

"(II) the Vice President,

"(III) any officer or employee of the White House Office of the Executive Office of the President, and the 2 most senior level officers of each of the other agencies in such Executive Office, and

"(IV) any individual serving in a position in level I of the Executive Schedule under section 5312 of title 5, United States Code, any other individual designated by the President as having Cabinet level status, and any immediate deputy of such an individual.

"(vii) SPECIAL RULE FOR INDIAN TRIBAL GOVERNMENTS.—For purposes of this subparagraph, an Indian tribal government shall be treated in the same manner as a local council or similar governing body.

"(viii) CROSS REFERENCE.—

"For reporting requirements and alternative taxes related to this subsection, see section 6033(e).

"(e) CARRYOVER OF EXCESS DEDUCTIONS.—

"(1) IN GENERAL.—If the aggregate deductions for any taxable year exceed the gross active income for such taxable year, the amount of the deductions specified in subsection (d) for the succeeding taxable year (determined without regard to this subsection) shall be increased by the sum of—

"(A) such excess, plus

"(B) the product of such excess and the 3-month Treasury rate for the last month of such taxable year.

"(2) 3-MONTH TREASURY RATE.—For purposes of paragraph (1), the 3-month Treasury rate is the rate determined by the Secretary based on the average market yield (during any 1-month period selected by the Secretary and ending in the calendar month in which the determination is made) on outstanding marketable obligations of the United States with remaining periods to maturity of 3 months or less."

(b) CONFORMING REPEALS AND REDESIGNATIONS.—

(1) REPEALS.—The following subchapters of chapter 1 of subtitle A and the items relating to such subchapters in the table of subchapters for such chapter 1 are repealed:

(A) Subchapter B (relating to computation of taxable income).

(B) Subchapter C (relating to corporate distributions and adjustments).

(C) Subchapter D (relating to deferred compensation, etc.).

(D) Subchapter G (relating to corporations used to avoid income tax on shareholders).

(E) Subchapter H (relating to banking institutions).

(F) Subchapter I (relating to natural resources).

(G) Subchapter J (relating to estates, trusts, beneficiaries, and decedents).

(H) Subchapter L (relating to insurance companies).

(I) Subchapter M (relating to regulated investment companies and real estate investment trusts).

(J) Subchapter N (relating to tax based on income from sources within or without the United States).

(K) Subchapter O (relating to gain or loss on disposition of property).

(L) Subchapter P (relating to capital gains and losses).

(M) Subchapter Q (relating to readjustment of tax between years and special limitations).

(N) Subchapter S (relating to tax treatment of S corporations and their shareholders).

(O) Subchapter T (relating to cooperatives and their patrons).

(P) Subchapter U (relating to designation and treatment of empowerment zones, enterprise communities, and rural development investment areas).

(Q) Subchapter V (relating to title 11 cases).

(2) REDESIGNATIONS.—The following subchapters of chapter 1 of subtitle A and the items relating to such subchapters in the table of subchapters for such chapter 1 are redesignated:

(A) Subchapter E (relating to accounting periods and methods of accounting) as subchapter B.

(B) Subchapter F (relating to exempt organizations) as subchapter C.

(C) Subchapter K (relating to partners and partnerships) as subchapter D.

SEC. 3. REPEAL OF ESTATE AND GIFT TAXES.

Subtitle B (relating to estate, gift, and generation-skipping taxes) and the item relating to such subtitle in the table of subtitles is repealed.

SEC. 4. ADDITIONAL REPEALS.

Subtitles H (relating to financing of presidential election campaigns) and J (relating to coal industry health benefits) and the items relating to such subtitles in the table of subtitles are repealed.

SEC. 5. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this Act apply to taxable years beginning after December 31, 1997.

(b) REPEAL OF ESTATE AND GIFT TAXES.—The repeal made by section 3 applies to estates of decedents dying, and transfers made, after December 31, 1997.

(c) TECHNICAL AND CONFORMING CHANGES.—The Secretary of the Treasury or the Secretary's delegate shall, as soon as practicable but in any event not later than 90 days after the date of enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a draft of any technical and conforming changes in the Internal Revenue Code of 1986 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

By Mr. MCCONNELL (for himself, Mr. GRAHAM, Mr. SHELBY, Mr. BREAUX, Mr. COVERDELL, Mr. GLENN, Mr. COCHRAN, Mr. MURKOWSKI, Mr. DEWINE, Mr. MACK, Mr. ROBB, Mr. SPECTER, Mrs. HUTCHISON, Mr. BENNETT, Mr. D'AMATO, Ms. LANDRIEU, and Mr. WARNER):

S. 594. A bill to amend the Internal Revenue Code of 1986 to modify the tax treatment of qualified State tuition programs; to the Committee on Finance.

THE COLLEGE SAVINGS ACT OF 1997

Mr. MCCONNELL. Mr. President, I have come to the floor today to introduce legislation that addresses an important issue facing families today—the education of their children. For the past several years, I have worked to make college more affordable by rewarding families who save. In both the 103d and 104th Congresses, I introduced legislation—S. 1787 and S. 386 respectively—to make earnings invested in State-sponsored tuition savings plans exempt from Federal taxation.

States have recognized the needs of families and have provided incentives for them to save or prepay their children's education. State savings plans provide families, a safe, affordable and disciplined means of paying for their children's education. The College Savings Act of 1997, will provide Federal tax incentives to provide additional assistance to the efforts of the States.

According to GAO, tuition at a 4-year university rose 234 percent between 1980–94. During this same period, median household income rose 84 percent and the consumer price index rose a mere 74 percent. The College Board reports that tuition costs for the 1996–97

school year will rise 5 percent while average room and board costs will rise between 4–6 percent. While education costs have moderated throughout the 1990's, they continue to outstrip the gains in income. Tuition has now become the greatest barrier to attendance.

Due to the rising cost of education, more and more families have come to rely on financial aid to meet tuition costs. In fact, a majority of all college students accept some amount of financial assistance. In 1995, $50 billion in financial aid was available to students from Federal, State, and institutional sources. This was $3 billion higher than the previous year. A majority of this increase has come in the form of loans, which now make up the largest portion of the total Federal aid package at 57 percent. Grants, which a decade ago made up 49 percent of assistance, have been reduced to 42 percent. This shift toward loans further burdens students and families with additional interest costs.

In response to this trend, the Republican Congress and the President have developed different proposals to address the rising cost of a post-secondary education. S. 1, the Safe and Affordable Schools Act, provides incentives for families to save for their children's college education through education savings accounts and State-sponsored savings plans. For those burdened by student loans, this legislation also makes the interest paid on student loans deductible, The President has offered two tax provisions, the HOPE scholarship, which is a $1,500 tax credit and a $10,000 tax deduction for tuition expenses.

A provision in S. 1 makes the earnings in State-sponsored tuition savings plans exempt from taxation. Like the legislation I am introducing today, this provision recognizes the leadership States have taken in helping families save for college. In the mid-1980's States identified the difficulty families had in keeping pace with the rising cost of education. States like Michigan, Florida, Ohio, and Kentucky were the first programs to be started in order to help families save for college. Today, there are 15 States with programs in operation. An additional four States will implement their programs this year. According to the College Savings Network every other State, except Georgia, which has implemented the HOPE Scholarship Program, is preparing legislation or is studying a proposal to help their residents save for college.

Today there are 600,000 participants contributing over $3 billion to education savings nationwide. By year end, the College Savings Plan Network estimates that they will have 1 million participants. By 2006, they estimate that over $6 billion will be invested in State-sponsored programs.

Kentucky established its plan in 1988 to provide residents with an affordable means of saving for college. Today, 2,602 Kentucky participants have contributed over $5 million toward their childrens' education.

Many Kentuckians are drawn to this program because it offers a low-cost, disciplined approach to savings. In fact, the average monthly contribution in Kentucky is just $49. This proposal rewards those who are serious about their future and are committed over the long-term to the education of their children by exempting all interest earnings from State taxes. It is also important to note that 58 percent of the participants earn under $60,000 per year. Clearly, this benefits middle-class families.

Last year, Congress took the first step in providing tax relief to families investing in those programs. The provisions contained in the Small Business Job Protection Act of 1996 clarified the tax treatment of both the State-sponsored tuition savings plans and the participants' investment. This measure put an end to the tax uncertainty that has hampered the effectiveness of these State-sponsored programs and helped families who are trying to save for their childrens' education.

Already, we can see the result of the tax reforms in the 104th Congress. Last year, Virginia started its plan and was overwhelmed by the positive response. In its first year, the plan sold 16,111 contracts raising $260 million. This success exceeded all goals for this program. While we made important gains last year, we need to finish what we have started and fully exempt the investment income from taxation.

The legislation I am introducing today with the support of Senator GRAHAM and others will make the savings in State pre-paid tuition plans exempt from taxation. While the measure is similar to the provision in S. 1, it is a more comprehensive proposal that has been developed in close consultation with the States. In addition to tax exemption, the bill expands the definition of qualified education expense to include room and board costs. This is important since such costs can amount to 50 percent of total college expenses.

It also allows individuals who invested in series EE savings bonds to contribute these education savings bonds to qualified State tuition programs.

This is a commonsense provision that will give those who are already saving the flexibility to invest in prepaid plan if available. It also clarifies the law to permit States to establish scholarship programs within the plan. The bill also makes several other minor changes that will help the programs to operate more efficiently, including clarification of the transition rule, permitting the transfer of benefits to cousins and stepchildren, and permitting States to include proprietary schools as eligible institutions.

This legislation is a serious effort to encourage long-term saving. It is important that we not forget that compound interest cuts both ways. By saving, participants can keep pace with tuition increases while putting a little away at a time. By borrowing, students must bear added interest costs that add thousands to the total cost of tuition.

During the election the President unveiled his education tax proposals. There are two primary provisions of the President's proposal. The first is the HOPE scholarship, which would allow a parent or student to claim a $1,500 nonrefundable tax credit for tuition expenses. The other is a $10,000 tax deduction to be applied toward tuition expenses.

The most disturbing aspect of this proposal is its cost. It is my understanding that the President's proposal, if allowed to reach its fullest potential, will exceed $80 billion over the next 10 years as estimated by Joint Tax Committee. This contrasts with the modest tax package included in S. 1, which is estimated to cost $18 billion during the same period. This can be compared with the $1.6 million cost associated with the College Savings Act I have introduced today.

The administration has been quick to point out that their tax package isn't a budget buster because of the tax credit sunset that will be implemented if the President's budget isn't in balance by 2002. According to the CBO the President's budget will run a $69 billion deficit in 2002. With such uncertainty, how does this help families plan for their childrens' future? Considering the importance of this issue, I am surprised the President is willing to allow this program to expire, shortly after it begins.

The President's proposal has also been criticized because it will also contribute to increased tuition costs. Mr. Chairman, I would ask that an editorial by Lawrence Gladieux, executive director for the College Board and Robert Reischauer, the former director of the CBO, be included with my testimony.

Mr. Gladieux and Mr. Reischauer argue that the President's credit would be money in the bank, not only for parents, but the schools as well. This across-the-board tax credit would permit schools to add this subsidy into the cost of tuition. It was also their assumption that the tax benefit would benefit primarily wealthy individuals. Therefore the President's package would be two strikes against low-income families who won't benefit from the tax credit, yet will still bear the burden of higher tuition costs.

The authors also point out the President's proposal imposes a new regulatory burden on schools by requiring

the IRS to verify that a student received a B average in order to be eligible for a second year of this tax credit. Under the President's proposal we will have the IRS grading student papers and publishing tax regulations defining B work. It is simply a mistake to use the Tax Code in this manner.

It is in our best interest as a nation to maintain a quality and affordable education system for everyone. We need to decide on how we will spend our limited Federal resources to ensure that both access and quality are maintained. It is unrealistic to assume that the Government can afford to provide Federal assistance for everyone. However, at a modest cost, we can help families help themselves by rewarding savings. This reduces the cost of education and will not unnecessarily burden future generations with thousands of dollars in loans.

I urge my colleagues to support this valuable legislation this year to reward those who save in order to provide a college education for their children.

Mr. President, I ask the full text of the bill be printed in the RECORD. I also ask that the article by Larry Gladieux and Robert Reischauer be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 594

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

SECTION 1. MODIFICATIONS OF TAX TREATMENT OF QUALIFIED STATE TUITION PROGRAMS.

(a) EXCLUSION OF DISTRIBUTIONS USED FOR EDUCATIONAL PURPOSES.—Subparagraph (B) of section 529(c)(3) of the Internal Revenue Code of 1986 (relating to treatment of distributions) is amended to read as follows:

"(B) DISTRIBUTIONS FOR QUALIFIED HIGHER EDUCATION EXPENSES.—Subparagraph (A) shall not apply to any distribution to the extent—

"(i) the distribution is used exclusively to pay qualified higher education expenses of the distributee, or

"(ii) the distribution consists of providing a benefit to the distributee which, if paid for by the distributee, would constitute payment of a qualified higher education expense."

(b) QUALIFIED HIGHER EDUCATION EXPENSES TO INCLUDE ROOM AND BOARD.—Section 529(e)(3) of the Internal Revenue Code of 1986 (defining qualified higher education expenses) is amended by adding at the end the following: "Such term shall also include reasonable costs (as determined under the qualified State tuition program) incurred by the designated beneficiary for room and board while attending such institution."

(c) ADDITIONAL MODIFICATIONS.—

(1) MEMBER OF FAMILY.—Paragraph (2) of section 529(e) of the Internal Revenue Code of 1986 (relating to other definitions and special rules) is amended to read as follows:

"(2) MEMBER OF FAMILY.—The term 'member of family' means—

"(A) an individual who bears a relationship to another individual which is a relationship described in paragraphs (1) through (8) of section 152(a), and

"(B) a spouse of any individual described in subparagraph (A)."

(2) ELIGIBLE EDUCATIONAL INSTITUTION.—Section 529(e) of such Code is amended—

(A) in paragraph (3), by striking "(as defined in section 135(c)(3))" and inserting "(within the meaning of paragraph (5))", and

(B) by adding at the end the following:

"(5) ELIGIBLE EDUCATIONAL INSTITUTION.—The term 'eligible educational institution' means an institution—

"(A) which is described in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088), as in effect on the date of the enactment of this paragraph, and

"(B) which is eligible to participate in a program under title IV of such Act."

(3) TECHNICAL AMENDMENTS.—

(A) Subparagraph (B) of section 529(e)(1) of such Code is amended by striking "subsection (c)(2)(C)" and inserting "subsection (c)(3)(C)".

(B) Subparagraph (C) of section 529(e)(1) of such Code is amended by inserting "(or agency or instrumentality thereof)" after "State or local government".

(C) Paragraph (2) of section 1806(c) of the Small Business Job Protection Act of 1996 is amended by striking so much of the first sentence as follows subparagraph (B)(ii) and inserting the following:

"then such program (as in effect on August 20, 1996) shall be treated as a qualified State tuition program with respect to contributions (and earnings allocable thereto) pursuant to contracts entered into under such program before the first date on which such program meets such requirements (determined without regard to this paragraph) and the provisions of such program (as so in effect) shall apply in lieu of section 529(b) of the Internal Revenue Code of 1986 with respect to such contributions and earnings."

(d) COORDINATION WITH EDUCATION SAVINGS BOND.—Section 135(c)(2) of the Internal Revenue Code of 1986 (defining qualified higher education expenses) is amended by adding at the end the following:

"(C) CONTRIBUTIONS TO QUALIFIED STATE TUITION PROGRAM.—Such term shall include any contribution to a qualified State tuition program (as defined in section 529) on behalf of a designated beneficiary (as so defined) who is an individual described in subparagraph (A)."

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1996.

(2) ADDITIONAL MODIFICATIONS.—The amendments made by subsection (c) shall take effect as if included in the amendments made by, and the provisions of, section 1806 of the Small Business Job Protection Act of 1996.

[From the Washington Post, Sept. 4, 1996]

HIGHER TUITION, MORE GRADE INFLATION

(By Lawrence E. Gladieux and Robert D. Reischauer)

More than any president since Lyndon Johnson, Bill Clinton has linked his presidency to strengthening and broadening American education. He has argued persuasively that the nation needs to increase its investment in education to spur economic growth, expand opportunity and reduce growing income disparities. He has certainly earned the right to try to make education work for him as an issue in his reelection campaign, and that's clearly what he plans to do.

Unfortunately, one way the president has chosen to pursue his goals for education is by competing with the GOP on tax cuts. The centerpiece of his education agenda—tax breaks for families paying college tuition—would be bad tax policy and worse education policy. While tuition tax relief may be wildly popular with voters and leave Republicans speechless, it won't achieve the president's worthy objectives for education, won't help those most in need and will create more problems than it solves.

Under the president's plan, families could choose to deduct up to $10,000 in tuition from their taxable income or take a tax credit (a direct offset against federal income tax) of $1,500 for the first year of undergraduate education or training. The credit would be available for a second year if the student maintains a B average.

The vast majority of taxpayers who incur tuition expenses—joint filers with incomes up to $100,000 and single filers up to $70,000—would be eligible for these tax breaks. But before the nation invests the $43 billion that the administration says this plan will cost over the next six years, the public should demand that policy makers answer these questions:

Will tuition tax credits and deductions boost postsecondary enrollment? Not significantly. Most of the benefits would go to families of students who would have attended college anyway. For them, it will be a windfall. That won't lift the country's net investment in education or widen opportunities for higher education. For families who don't have quite enough to send their child to college, the tax relief may come too late to make a difference. While those families could adjust their payroll withholding, most won't. Thus any relief would be realized in year-end tax refunds, long after families needed the money to pay the tuition.

Will they help moderate- and low-income students who have the most difficulty meeting tuition costs? A tax deduction would be of no use to those without taxable income. On the other hand, the proposed $1,500 tax credit—because it would be "refundable"—would benefit even students and families that owe no taxes. But nearly 4 million low-income students would largely be excluded from the tax credit because they receive Pell Grants which, under the Clinton plan, would be subtracted from their tax-credit eligibility.

Will the plan lead to greater federal intrusion into higher education? The Internal Revenue Service would have to certify the amount of tuition students actually paid, the size of their Pell Grants and whether they maintained B averages. This could impose complex regulatory burdens on universities and further complicate the tax code. It's no wonder the Treasury Department has long resisted proposals for tuition tax breaks.

Will the program encourage still higher tuition levels and more grade inflation? While the tuition spiral may be moderating slightly, college price increases have averaged more than twice the rate of inflation during the 1990s. With the vast majority of students receiving tax relief, colleges might have less incentive to hold down their tuition increases. Grades, which have been rising almost as rapidly as tuition, might get an extra boost too if professors hesitate to deny their students the B needed to renew the tax credit.

If more than $40 billion in new resources really can be found to expand access to higher education, is this the best way to invest it? A far better alternative to tuition tax schemes is need-based student financial aid.

The existing aid programs, imperfect as they may be, are a much more effective way to equalize educational opportunity and increase enrollment rates. More than $40 billion could go a long way toward restoring the purchasing power of Pell Grants and other proven programs, whose benefits inflation has eroded by as much as 50 percent during the past 15 years. Unlike tuition tax cuts, expanded need-based aid would not drag the IRS into the process of delivering educational benefits. Need-based aid also is less likely to increase inflationary pressure on college prices, because such aid goes to only a portion of the college-going population.

Economists have long argued that the tax code shouldn't be used if the same objective can be met through a direct-expenditure program. Tax incentives for college savings might make sense; parents seem to need more encouragement to put money away for their children's education. But tax relief for current tuition expenditures fails the test.

Maybe Clinton's tuition tax-relief plan, like the Republican across-the-board tax-cut proposals, can be chalked up to election-year pandering that will be forgotten after November. But oft-repeated campaign themes sometimes make it into the policy stream. That was the case in 1992, when candidate Clinton promised student-loan reform and community service that, as president, he turned into constructive initiatives. If reelected, Clinton again may stick with his campaign mantra. This time, it's tuition tax breaks. This time, he shouldn't.

Mr. MCCONNELL. Mr. President, it does not take an economics professor to figure out that compound interest can either work for or against you. I would think that my colleagues would agree that middle-class Americans deserve to have their hard-earned dollars working for them instead of against them. The College Savings Act allows hard-working Americans to utilize this principle while saving for the college education of their children.

Option 1 illustrates the average cost of using the Federal loan program to finance the average instate college tuition in the United States which is $10,540. Under the Federal loan program, middle-class Americans end up paying $120 per month after graduation to retire just the cost of higher education tuition and fees, not to mention room and boarding costs.

These payments will continue for 120 months, or 10 years after receiving a diploma. Students end up repaying $14,400 on these loans. This means that they will end up paying $3,860 in interest to finance a college education. That is figured at a 6.5-percent interest rate.

Option 2, on the other hand, figures in the same amount of tuition cost, $10,540, but that is where the similarities end. Under the College Savings Act, monthly deposits are half as expensive as loan payments under Federal loan programs. Your monthly deposit over the 120-month, or 10-year period under our legislation would only be $58.

Mr. President, this is possible because under the College Savings Act total payments are only $6,960. This is simply because you have compound interest of 6.5 percent working in your favor, instead of against you, to the tune of $3,580. That totals a whopping difference of $7,440 from Federal loan programs. That is almost half the cost of financing an education through Federal loans.

Mr. GRAHAM. Mr. President, I wish to speak this afternoon about an initiative which has been designed to increase American's access to college education. Today, Senator MCCONNELL and I, along with numerous cosponsors, are introducing the College Savings Act of 1997. This bill would clarify the tax treatment of State-sponsored prepaid college tuition and savings programs and would clarify them in a manner that will allow States flexibility to offer their citizens plans to pay for college on a tax-free basis.

Why are we discussing these programs? We are discussing these State programs because they have flourished in the face of spiraling college costs. As shown on this chart, which was produced by the General Accounting Office, tuition at colleges and universities has increased 234 percent since 1980. During the same period, the general rate of inflation has increased only 85 percent and household income has increased only 82 percent. There has been a growing gap between the cost of higher education, in terms of tuition, and the ability of families to support their children's desire to continue their education beyond high school.

Higher education inflation has been almost triple the rate of general inflation and the increase in Americans' ability to pay for that higher education. The causes of this dramatic increase in tuition is the subject of a significant debate. But whether these increases are attributable to increased costs of colleges and universities, reduction in State funding for public institutions, or the increased value of a college education, the fact remains that affording a college education has become increasingly difficult for American families.

Although the Federal Government has increased its aid to college students over the years, it is the States that have engineered innovative ways to help citizens afford college.

One of the most innovative of those measures has been the prepaid college tuition plan. The first of these plans was adopted in Michigan in 1986. Since that first program was adopted, today 15 States have such prepaid college plans, and an additional 4 States have adopted plans which will be in effect by 1998.

The States shown in green are those which currently offer plans. The four States shown in yellow will initiate their plans this year. All of the remaining States shown in red are currently considering legislation to establish a prepaid college tuition plan. From these State laboratories, two types of programs have emerged: prepaid tuition programs and savings programs.

Under either of these two, a family pays money into a State fund. In future years, the funds which have been accumulating will be distributed to the college or university of the child's choice and the child's ability to secure admission under the academic standards of that institution.

The State pools the funds from all participants, invests those funds in a manner that will match or exceed the rate of higher education inflation.

Under a prepaid tuition plan, the State and the individual family enter into an advanced tuition payment contract naming a student as the beneficiary of the contract. The amount the family must pay depends on the number of years remaining before the student enrolls in college. In most States, purchasers can choose a lump-sum payment or installment payments. Twelve States currently follow this tuition model. Let me explain with an example.

Today, if a Florida child is 7 years old and his family enrolls him in the Florida prepaid tuition plan, they can enter into a contract and pay a lump sum of $5,900. Then in the year 2008, when the child reaches the age of 18 and enrolls in college, the State will transfer the cost of tuition for 120 credit hours of instruction which has a currently estimated value of $14,350 to the college or university the student chooses to attend.

Under a State savings plan, individuals transfer money to a State trust which, in turn, invests the funds and guarantees a certain rate of return. Typically, the earnings on the account are exempt from State taxation. Three States follow the State savings fund model.

One of the attributes of these programs is that just as States establish institutions of higher education to meet the educational needs of their States' citizens, each State program differs in its emphasis. As an example, the Alaska plan allows individuals to direct a portion of the State oil revenues to pay for their contracts. In Alabama, money can be used to take accredited college courses while a student is still attending high school. The Massachusetts plan allows nonresidents to enroll in its plan. Louisiana provides matching grants for certain low-income participants in its plan.

The tax problem that lies before us today, Mr. President, is whether or not the student should be taxed when the student redeems the funds upon enrollment. Until 1996, the Federal tax treatment of these plans remained murky. In the spring of 1996, the Internal Revenue Service indicated its intent to tax families annually on the earnings of funds transferred to these State plans.

I thought this was wrong, counterproductive and would discourage what

has been a very positive commitment of American families to save for their children's college education. So I worked with Senators MCCONNELL, BREAUX, SHELBY, and the leaders of the Senate Finance Committee to address the issue in the Small Business Job Protection Act of 1996. Provisions we developed were included in the bill that President Clinton ultimately signed into law.

The four basic provisions in the 1996 reform were, first, any prepaid or savings entity established by the State is tax exempt. Two, the earnings on money transferred to these State programs are not taxed until distribution. Three, upon distribution, the appreciation on the contracts or accounts will be taxed to the student beneficiary over the time the student attends college. And fourth, these tax rules apply only to contracts and accounts used to fund the cost of tuition, fees, books, and required equipment.

Mr. President, despite the fact I offered the proposal in the Finance Committee, I have always thought that the right answer was that participation in these programs should be 100 percent tax free. In other words, no taxation upon distribution unless the funds were used for purposes other than qualified educational purposes.

The legislation that Senator MCCONNELL and I are introducing today will amend section 529 of the Tax Code in two significant respects. First, the bill provides that if distributions from a State fund are used for qualified educational purposes, then there will be no taxation to the student. In other words, there would be no Federal income tax for participation in these State-sponsored programs.

Second, the bill would expand the definition of qualified higher education expenses. Last year's legislation provided that tuition, books, fees and required equipment were tax exempt. Under the new proposal, we would also include the cost of room and board as qualified educational expenses.

The bill also makes a number of technical and other changes to assure that States have sufficient flexibility to manage their successful programs. There are several policy-related questions in enacting this legislation, and I will turn to them in a minute. But before doing so, I would like to offer an example of the positive influence of these programs from my State of Florida.

I would like, Mr. President, to introduce to you Sean and Patrick Gilliland who are in the gallery today. Sean and Patrick Gilliland are respectively a senior and junior at the University of Florida. In 1988, the first year the prepaid program was offered to Floridians, Mr. and Mrs. Gilliland purchased prepaid contracts for Sean and Patrick. Two years after purchasing the plan, Mr. Gilliland tragically died, unexpectedly leaving Mrs. Gilliland, Sean and Patrick with a single income.

Mrs. Gilliland is a nurse. As a result of the change of income, she attests that without the foresight of having purchased a Florida prepaid college program for her two sons, she would not have been able to provide a college education for Sean and Patrick.

Sean will graduate in 2 weeks from the University of Florida, majoring in business administration with an emphasis in Asian studies. Sean has applied for several overseas positions in Japan, Taiwan, and Korea, with hopes to enter the field of technology in the business world.

Patrick is currently a junior at the University of Florida, the School of Health and Human Performance, majoring in exercise and sports science. He is a member of Golden Key National Honor Society. He also holds a dean's list grade point average. Patrick is looking forward to continuing his education in a graduate program to prepare him for a profession in cardiological rehabilitation. I wish to both of them the very best in their future endeavors.

Sean and Patrick Gilliland exemplify the reasons that we need to encourage the expansion of these State-based prepaid college tuition programs. Let me outline several of the policy reasons why it is appropriate and urgent that Congress enact the legislation that we introduce today to clarify the Federal tax treatment of these programs.

First, Congress needs to support State innovation. Here is an example of a national problem: how to deal with the escalating cost of higher education. The States have provided the energy to address that problem. During the late 1980's and early 1990's, with the Federal Government responding to spiraling college costs in an inadequate manner, States experimented and engineered these programs. The Federal Government should encourage the States by getting the Internal Revenue Service out of the way.

Second, State plans increase college enrollment, especially among low- and moderate-income families. Experience demonstrates that the discipline and the security offered by these prepaid tuition plans provide the exact incentive that many families need to save for college.

For example, in Florida, the median income of families with a college student is $50,000. This chart indicates, in "Who goes to college in Florida," that 22 percent of the families who have children in our State college and university system have incomes of less than $30,000; 26 percent between $30,000 and $50,000.

On the question, "Who buys contracts for Florida's prepaid college tuition program," we find that 8 percent are purchased by families with incomes of under $20,000; 17 percent by families between $20,000 and $30,000; and 23 percent by families between $30,000 and $40,000; and 24 percent by families between $40,000 and $50,000. So almost three-quarters of those families who purchase contracts have an income which is at or below the median income of all students attending Florida's colleges and universities.

This program is providing a powerful incentive for moderate- and low-income Florida families to think about and prepare for their children's education.

Third, State plans help prepare students psychologically. A family that regularly sets aside money for a child's college education converts the focus of their student child from, "Will I be able to go to college," to "Will I be sufficiently prepared to be admitted to college and which college do I wish to attend?"

Fourth, savings is a far superior approach to financing higher education than incurring additional individual and family debt. A prepayment or a savings plan is better economically, both for the family and for the Nation. These programs can also boost the Nation's savings rate.

For example, Virginia's program has just completed its inaugural enrollment. It signed contracts of over $200 million for Virginia families saving for their children's college education.

Finally, an expansion of programs will promote downward pressure on tuition rates. Increased participation in State tuition programs not only will provide participants with a guaranteed hedge against education inflation, but it will also produce downward pressure on tuition rates for all students at all colleges. States sponsoring these programs, in essence, guarantee that if earnings on the funds do not exceed increases in tuition rates, then the State will fund the difference when the student enrolls in college. Thus, a State has an incentive to encourage cost efficiency throughout its State system. The pressure will also promote moderate tuition hikes at private schools which must compete with public colleges for students. This has been true in Florida.

Since the inauguration of the Florida prepaid program in 1988, State tuition has risen by an average of 6 percent per year. That is 2 percent less than the national average of 8 percent a year.

You may say, Mr. President, that, well, 2 percent difference between a particular State's average annual rate of increase in tuition and what is the national average is not a significant amount. Let me put this in dollar terms.

In 1988, the average tuition in the Nation was $1,827. In Florida, it was $1,163. That is a difference of $664.

By last year, with the average annual increase of 8 percent, the national average for tuition at State universities

had grown from $1,827 to $3,358. Florida's tuition increasing at 6 percent per year had gone from $1,163 to $1,888. That, Mr. President, is a difference of $1,470 per year between the cost of college education in Florida and the average for the Nation.

I am not saying that Florida's tuition increases have been less than the national average solely because of the Florida prepaid program, but it has been a significant factor.

We need to do everything we can to hold college costs in check. The expansion of these programs can make a noticeable contribution in that effort. And clarifying the tax consequences of participation will help to facilitate additional States beyond the current 19 who have or will have these programs and increase the number of participating families.

Mr. President, I would like to particularly thank Senator MCCONNELL for the leadership which he has displayed in making the College Savings Act of 1997 a reality.

With enactment of this legislation, parents and children will be able to rest easier knowing that Congress has done the right thing by making a college education more accessible. I urge my colleagues in the Senate to join Senator MCCONNELL and me to assure enactment of this important new opportunity for American families to save and plan for the college education of their children.

Mr. WARNER. Mr. President, Virginians appreciate the value of education. The Commonwealth owes its economic success to a strong university system and an educated workforce. This commitment to education continues to fuel economic expansion, job growth, and rising incomes.

Middle-class parents across the country recognize that education is the key to their childrens' success. But they often struggle to provide this education, as college tuition increases far outpace increases in personal income. Tuition savings programs help provide a solution.

Virginia was the first State in the union to launch its program after the Small Business Protection Act was signed into law last August. This legislation builds on that success, by making investment earnings in qualifying State tuition plans entirely tax exempt and by expanding coverage. This bill will encourage more families to save more money for higher education.

Virginia's prepaid tuition program is an overwhelming success. During the first 3-month enrollment period, over 16,000 children were enrolled in VPEP. The value of these contract total over $260 million, ranking Virginia fourth in the Nation among States with prepaid education programs. The Virginia Higher Education Tuition Trust Fund received over 85,000 telephone calls from around the State seeking information about the program. I want to commend Governor Allen for his leadership, as well as Diana Cantor, executive director of the trust fund, and her team for their tremendous efforts.

As Virginians recognize by their overwhelming support of the state's plan, education is a critical component of future success. I am pleased to cosponsor this important legislation and I commend Virginia for taking the lead.

By Mr. BOND (for himself and Mr. ASHCROFT):

S. 595. A bill to designate the U.S. post office building located at Bennett Street and Kansas Expressway in Springfield, MO, as the "John Griesemer Post Office Building"; to the Committee on Governmental Affairs.

THE JOHN GRIESEMER POST OFFICE BUILDING DESIGNATION ACT OF 1997

Mr. BOND. Mr. President, I rise to introduce a bill to designate the U.S. post office building located at Bennett Street and Kansas Expressway in Springfield, MO as the "John Griesemer Post Office Building."

John Griesemer was a true example of an American patriot. He loved, supported, and defended his country.

John Griesemer was born in Mount Vernon, MO, and raised on a dairy farm in Billings, MO. After he graduated from high-school, he attended the University of Missouri—Columbia and in 1953 graduated with a bachelor of science degree in civil engineering. He then entered the Air Force as a first lieutenant, engineering officer. After being discharged from the military in 1956, he went back home to Missouri to work in the family business. He was president and director of the Griesemer Stone Co. until his death in 1993. John Griesemer didn't just work for the family business though. He also started two of his own businesses: the Joplin Stone Co. and Missouri Commercial Transportation Co. as well as serving as president of Springfield Ready Mix, director of Boatmen's National Bank, and president of the Springfield Development Council. In addition to his business interests, John Griesemer was a devoted family man. He and his wife, Kathleen, had five children and John took an avid interest in their lives holding various positions with the Boy Scouts of America and his church.

In 1984, John made his life even busier. He was asked by President Reagan to serve on the U.S. Postal Service Board of Governors. He even served as president of the board in 1987 and 1988.

John Griesemer is an example to us all. He possessed the qualities of perseverance, determination, and strength that allowed him to successfully manage a busy work and service schedule with a very busy family life.

I urge my colleagues to act quickly and pass this bill by unanimous consent.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 595

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

SECTION 1. DESIGNATION OF JOHN GRIESEMER POST OFFICE BUILDING.

The United States Post Office building located at Bennett Street and Kansas Expressway in Springfield, Missouri, shall be known and designated as the "John Griesemer Post Office Building".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office building referred to in section 1 shall be deemed to be a reference to the "John Griesemer Post Office Building".

By Mr. KOHL (for himself and Mr. COCHRAN):

S. 596. A bill to authorize the Administrator of the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice to make grants to States and units of local government to assist in providing secure facilities for violent and serious chronic juvenile offenders, and for other purposes; to the Committee on the Judiciary.

JUVENILE CORRECTIONS ACT OF 1997

Mr. KOHL. Mr. President, I rise to introduce the Juvenile Corrections Act of 1997, which I am proud to sponsor with my friend and colleague, Senator COCHRAN. The act dedicates approximately 10 percent of the 1994 Crime Act's adult prison resources to the construction and operation of State and local juvenile corrections facilities.

Juvenile violence, as we all know, is at the heart of the crime problem in America. Every 5 minutes a child is arrested for a violent crime in the United States; every 2 hours a child dies of a gunshot wound. Unfortunately, there is good reason to believe that this problem may get worse before it gets better. Demographics tell us that between now and the year 2000, the number of children between the ages of 14 to 7 will increase by more than 1 million. The likely result: a serious increase in the number of violent juvenile offenders in the coming years—above already unacceptable levels.

Despite this state of affairs, the Federal Government has treated juvenile corrections as the poor stepchild of the Federal anticrime effort. The 1994 Crime Act contained billions of dollars for policing and adult prisons at the State and local level, but no significant program to help States alleviate the increasing burdens on their juvenile corrections systems.

These burdens are real and substantial, Mr. President. Department of Justice surveys have indicated that many

juvenile corrections facilities nationwide are seriously overcrowded and understaffed—in short, bursting at the seams. As a result of the increasing number of 14 to 17 year olds we highlighted above, we will probably see even worse overcrowding in the future.

Mr. President, the consequences of overcrowding should trouble us all. In part due to the combination of overcrowding and understaffing, juvenile offenders attacked detention facility staff 8,000 times in 1993. In countless U.S. cities, juvenile offenders who require detention are nonetheless released into the community because of a lack of space. And finally, it is clear that overcrowding breeds violence and ever more violent juvenile offenders who, when eventually released, are much more dangerous to society than when they were first institutionalized.

For all these reasons, we introduce today the Juvenile Corrections Act. Our legislation provides crucial assistance—over $790 million in funding over 3 years—to State and local governments for the construction, expansion, and operation of juvenile corrections facilities and programs. And, I should note, the Act has no impact on the deficit, as it draws its funding from the $10 billion adult corrections component of the 1994 Crime Act.

Mr. President, we cannot afford to turn a blind eye to the juvenile corrections problem. So I hope my colleagues will join with me and Senator COCHRAN to enact the Juvenile Corrections Act. In light of the spiraling juvenile violence problem, we believe it makes good sense to dedicate roughly 10 percent of the Crime Act's adult prison resources to State and local juvenile corrections.

I ask unanimous consent that a copy of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 596

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Juvenile Corrections Act of 1997".

SEC. 2. GRANTS FOR FACILITIES FOR VIOLENT AND SERIOUS CHRONIC JUVENILE OFFENDERS.

(a) DEFINITIONS.—In this section—

(1) the term "Administrator" means the Administrator of the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice;

(2) the term "combination" has the same meaning as in section 103 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5603);

(3) the term "juvenile delinquency program" has the same meaning as in section 103 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5603);

(4) the term "qualifying State" means a State that has submitted, or a State in which an eligible unit of local government has submitted, a grant application that meets the requirements of subsections (c) and (e);

(5) the terms "secure detention facility" and "secure correctional facility" have the same meanings as in section 103 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5603);

(6) the term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands; and

(7) the term "unit of local government" has the same meaning as in section 103 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5603).

(b) AUTHORIZATION OF GRANTS.—The Administrator may make grants to States and units of local government, or combinations thereof, to assist them in planning, establishing, and operating secure detention facilities, secure correctional facilities, and other facilities and programs for violent juveniles and serious chronic juvenile offenders who are accused of or who have been adjudicated as having committed one or more offenses.

(c) APPLICATIONS.—

(1) IN GENERAL.—The chief executive officer of a State or unit of local government that seeks to receive a grant under this section shall submit to the Administrator an application, in such form and in such manner as the Administrator may prescribe.

(2) CONTENTS.—Each application submitted under paragraph (1) shall—

(A) provide assurances that each facility or program funded with a grant under this section will provide appropriate educational and vocational training and substance abuse treatment for juvenile offenders; and

(B) provide assurances that each facility or program funded with a grant under this section will afford juvenile offenders intensive post-release supervision and services.

(d) MINIMUM AMOUNT.—Of the total amount made available under subsection (g) to carry out this section in any fiscal year—

(1) except as provided in paragraph (2), each qualifying State, together with units of local government within the State, shall be allocated not less than 1.0 percent; and

(2) the United States Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands shall each be allocated 0.2 percent.

(e) PERFORMANCE EVALUATION.—

(1) EVALUATION COMPONENTS.—

(A) IN GENERAL.—Each facility or program funded with a grant under this section shall contain an evaluation component developed pursuant to guidelines established by the Administrator.

(B) OUTCOME MEASURES.—Each evaluation required by this subsection shall include outcome measures that can be used to determine the effectiveness of each program funded with grant under this section, including the effectiveness of the program in comparison with other juvenile delinquency programs in reducing the incidence of recidivism, and other outcome measures.

(2) PERIODIC REVIEW AND REPORTS.—

(A) REVIEW.—The Administrator shall review the performance of each recipient of a grant under this section.

(B) REPORTS.—The Administrator may require a grant recipient to submit to the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice the results of the evaluations required under paragraph (1) and such other data and information as may be reasonably necessary to carry out the Administrator's responsibilities under this section.

(f) TECHNICAL ASSISTANCE AND TRAINING.—The Administrator shall provide technical assistance and training to each recipient of a grant under this section to assist those recipients in achieving the purposes of this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) $252,700,000 for fiscal year 1998;

(2) $266,000,000 for fiscal year 1999; and

(3) $275,310,000 for fiscal year 2000.

SEC. 3. COMPENSATING REDUCTION OF AUTHORIZATION OF APPROPRIATIONS.

Section 20108(a)(1) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13708(a)(1)) is amended by striking subparagraphs (C) through (E) and inserting the following:

"(C) $2,274,300,000 for fiscal year 1998;

"(D) $2,394,000,000 for fiscal year 1999; and

"(E) $2,477,790,000 for fiscal year 2000.".

SEC. 4. REPORT ON ACCOUNTABILITY AND PERFORMANCE MEASURES IN JUVENILE CORRECTIONS PROGRAMS.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Administrator shall, after consultation with the National Institute of Justice and other appropriate governmental and nongovernmental organizations, submit to Congress a report regarding the possible use of performance-based criteria in evaluating and improving the effectiveness of juvenile delinquency programs.

(b) CONTENTS.—The report required under this section shall include an analysis of—

(1) the range of performance-based measures that might be utilized as evaluation criteria, including measures of recidivism among juveniles who have been incarcerated in a secure correctional facility or a secure detention facility, or who have participated in a juvenile delinquency program;

(2) the feasibility of linking Federal juvenile corrections funding to the satisfaction of performance-based criteria by grantees (including the use of a Federal matching mechanism under which the share of Federal funding would vary in relation to the performance of a facility or program);

(3) whether, and to what extent, the data necessary for the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice to utilize performance-based criteria in its administration of juvenile delinquency programs are collected and reported nationally; and

(4) the estimated cost and feasibility of establishing minimal, uniform data collection and reporting standards nationwide that would allow for the use of performance-based criteria in evaluating secure correctional facilities, secure detention facilities, and juvenile delinquency programs and in administering amounts appropriated for Federal juvenile delinquency programs.

By Mr. BINGAMAN (for himself, Mr. CRAIG, Mr. HOLLINGS, Mr. REID, Mr. AKAKA, Mr. COCHRAN, Mr. DORGAN, Mr. INOUYE, Mrs. BOXER, Ms. SNOWE, Mr. TORRICELLI, and Mr. MACK):

S. 597. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the Medicare Program of medical nutrition therapy services furnished by registered dietitians and nutrition professionals; to the Committee on Finance.

THE MEDICAL NUTRITION THERAPY ACT OF 1997

Mr. BINGAMAN. Mr. President, I rise today to introduce the Medical Nutrition Therapy Act of 1997 on behalf of myself, my friend and colleague from Idaho, Senator CRAIG, and a bipartisan group of additional Senators.

This bipartisan measure provides for coverage under part B of the Medicare Program for medical nutrition therapy services by a registered dietitian. Medical nutrition therapy is generally defined as the assessment of patient nutritional status followed by therapy, ranging from diet modification to administration of specialized nutrition therapies such as intravenous or tube feedings. It has proven to be a medically necessary and cost-effective way of treating and controlling many disease entities such as diabetes, renal disease, cardiovascular disease, and severe burns.

Currently, there is no consistent part B coverage policy for medical nutrition and this legislation will bring needed uniformity to the delivery of this important care, as well as save taxpayer money. Coverage for medical nutrition therapy can save money by reducing hospital admissions, shortening hospitals stays, decreasing the number of complications, and reducing the need for physician followup visits.

The treatment of patients with diabetes and cardiovascular disease account for a full 60 percent of Medicare expenditures. I want to use diabetes as an example for the need for this legislation. There are very few families who are not touched by diabetes. The burden of diabetes is disproportionately high among ethnic minorities in the Unites States. According to the American Journal of Epidemiology, mortality due to diabetes is higher nationwide among blacks than whites. It is higher among American Indians than among any other ethnic group.

In my State of New Mexico, native Americans are experiencing an epidemic of type II diabetes. Medical nutrition therapy is integral to their diabetes care. In fact, information from the Indian Health Service shows that medical nutrition therapy provided by professional dietitians results in significant improvements in medical outcomes in people with type II diabetes. For example, complications of diabetes such as end stage renal failure that leads to dialysis can be prevented with adequate intervention. Currently, the number of dialysis patients in the Navajo population is doubling every 5 years. Mr. President, we must place our dollars in the effective, preventive treatment of medical nutrition therapy rather than face the grim reality of having to continue to build new dialysis units.

Ensuring the solvency of the Medicare part A trust fund is one of the most difficult challenges and one that calls for creative, effective solutions. Coverage for medical nutrition therapy is one important way to help address that challenge. It is exactly the type of cost-effective care we should encourage. It will satisfy two of our most important priorities in Medicare: Providing program savings while maintaining a high level of quality care.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 597

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Medical Nutrition Therapy Act of 1997".

SEC. 2. MEDICARE COVERAGE OF MEDICAL NUTRITION THERAPY SERVICES.

(a) COVERAGE.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2)) is amended—

(1) by striking "and" at the end of subparagraphs (N) and (O); and

(2) by inserting after subparagraph (O) the following:

"(P) medical nutrition therapy services (as defined in subsection (oo)(1));".

(b) SERVICES DESCRIBED.—Section 1861 of the Social Security Act (42 U.S.C. 1395x) is amended by adding at the end the following new subsection:

"Medical Nutrition Therapy Services; Registered Dietitian or Nutrition Professional

"(oo)(1) The term 'medical nutrition therapy services' means nutritional diagnostic, therapy, and counseling services which are furnished by a registered dietitian or nutrition professional (as defined in paragraph (2)) pursuant to a referral by a physician (as defined in subsection (r)(1)).

"(2) Subject to paragraph (3), the term 'registered dietitian or nutrition professional' means an individual who—

"(A) holds a baccalaureate or higher degree granted by a regional accredited college or university in the United States (or an equivalent foreign degree) with completion of the academic requirements of a program in nutrition or dietetics, as accredited by an appropriate national accreditation organizations recognized by the Secretary for the purpose;

"(B) has completed at least 900 hours of supervised dietetics practice under the supervision of a registered dietitian or nutrition professional; and

"(C)(i) is licensed or certified as a dietitian or nutrition professional by the State in which the services are performed; or

"(ii) in the case of an individual in a State which does not provide for such licensure or certification, meets such other criteria as the Secretary establishes.

"(3) Subparagraphs (A) and (B) of paragraph (2) shall not apply in the case of an individual who as of the date of the enactment of this subsection is licensed or certified as a dietitian or nutrition professional by the State in which medical nutrition therapy services are performed.".

(c) PAYMENT.—Section 1833(a)(1) of the Social Security Act (42 U.S.C. 13951(a)(1)) is amended—

(1) by striking "and" before "(P)"; and

(2) by inserting before the semicolon at the end the following: ", and (Q) with respect to medical nutrition therapy services (as defined in section 1861(oo)), the amount paid shall be 80 percent of the lesser of the actual charge for the services or the amount determined under the fee schedule established under section 1848(b) for the same services if furnished by a physician".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished on or after January 1, 1998.

Mr. CRAIG. Mr. President, this morning, I stand to introduce with my colleague from New Mexico, JEFF BINGAMAN, legislation that will be called the Medical Nutrition Therapy Act of 1997. I think we have all heard of the old adage that "an ounce of prevention is worth a pound of cure." That is very true in the legislation that we are proposing today, along with our colleagues from the House.

Simply stated, medical nutrition therapy involves the assessment of the nutritional status of patients with a condition, illness, or injury that puts them at nutritional risk. Once a problem is identified, a registered dietitian can work with the patient to develop a personal therapy or treatment. Almost 17 million Americans each year, mostly the elderly, are treated for chronic illnesses or injuries that place them at risk of malnutrition. But because of medical nutrition therapy, in many instances, this can be resolved. The only problem today is that these preventive measures are not covered by Medicare.

Our legislation would simply provide coverage under Medicare part B for medical nutrition therapy services furnished by registered dietitians and nutrition professionals. This is necessary so that the elderly are not denied effective low-technology treatment of their needs. I had the privilege of touring several hospitals in Idaho where medical nutrition therapy is now being used, and the results are dramatic.

As we begin to closely examine our Medicare system, we must focus on the modernization of a 30-year-old health insurance system for the elderly. We need to make sure that it is truly modern, not only in its payment, its application, its style, but in the broad array of health care services that it responds to. Today, many private health insurance programs recognize medical nutrition therapy. Now, it is time that Medicare did.

I hope my colleagues will join with Senator BINGAMAN and myself, as we introduce the Medical Nutrition Therapy Act. It is important that we begin to recognize these services and provide coverage under Medicare part B.

I yield the floor.

By Mr. DOMENICI:

S. 598. A bill to amend section 3006A of title 18, United States Code, to provide for the public disclosure of court appointed attorneys' fees upon approval of such fees by the court; to the Committee on the Judiciary.

THE DISCLOSURE OF COURT APPOINTED ATTORNEYS' FEES AND TAXPAYER RIGHT TO KNOW ACT

Mr. DOMENICI. Mr. President, I rise today to introduce the Disclosure of Court Appointed Attorneys' Fees and Taxpayer Right to Know Act of 1997.

Mr. President, what would you say if I told you that from the beginning of fiscal year 1996 through January 1997, $472,841 was paid to a lawyer to defend a person accused of a crime so heinous that the U.S. attorney in the Northern District of New York is pursuing the death penalty? Who paid for this lawyer—the American taxpayer.

What would you say if I told you that $470,968 was paid to a lawyer to defend a person accused of a crime so reprehensible that, there too, the U.S. attorney in the Southern District of Florida is also pursuing the death penalty? Who paid for this lawyer—the American taxpayer.

What would you say if I told you that during the same period, for the same purpose, $443,683 was paid to another attorney to defend a person accused of a crime so villainous that the U.S. attorney in the Northern District of New York is pursuing the death penalty. Who paid for this lawyer? The American taxpayer.

Now, Mr. President, what would you say if I told you that some of these cases have been ongoing for 3 or more years and that total fees in some instances will be more than $1 million in an individual case? That's a million dollars to pay criminal lawyers to defend people accused of the most vicious types of murders often which are of the greatest interest to the communities in which they were committed.

At minimum, Mr. President, this Senator would say that we are spending a great deal of money on criminal defense lawyers and the American taxpayer ought to have timely access to the information that will tell them who is spending their money, and how it is being spent. That is why today I am introducing the Disclosure of Court Appointed Attorneys' Fees and Taxpayer Right to Know Act of 1997.

Under current law, the maximum amount payable for representation before the U.S. magistrate or the district court, or both, is limited to $3,500 for each lawyer in a case in which one or more felonies are charged and $125 per hour per lawyer in death penalty cases. Many Senators might ask, if that is so, why are these exorbitant amounts being paid in the particular cases you mention? I say to my colleagues the reason this happens is because under current law the maximum amounts established by statute may be waived whenever the judge certifies that the amount of the excess payment is necessary to provide "fair compensation" and the payment is approved by the chief judge on the circuit. In addition, whatever is considered fair compensation at the $125 per hour per lawyer rate may also be approved at the judge's discretion.

Mr. President, the American taxpayer has a legitimate interest in knowing what is being provided as fair compensation to defend individuals charged with these dastardly crimes in our Federal court system. Especially when certain persons the American taxpayer is paying for mock the American justice system. A recent Nightline episode reported that one of the people the American taxpayer is shelling out their hard-earned money to defend urinated in open court, in front of the judge, to demonstrate his feelings about the judge and the American judicial system.

I want to be very clear about what exactly my bill would accomplish. The question of whether these enormous fees should be paid for these criminal lawyers is not, I repeat, is not a focus of my bill.

In keeping with my strongly held belief that the American taxpayer has a legitimate interest in having timely access to this information, my bill simply requires that at the time the court approved the payments for these services, that the payments be publicly disclosed. Many Senators are probably saying right now that this sounds like a very reasonable request, and I think it is, but the problem is that oftentimes these payments are not disclosed until long after the trial has been completed, and in some cases they may not be disclosed at all if the file remains sealed by the judge. How much criminal defense lawyers are being paid should not be a secret. There is a way in which we can protect the alleged criminal's sixth amendment rights and still honor the American taxpayer's right to know. Mr. President, that is what my bill does.

Current law basically leaves the question of when and whether court appointed attorneys' fees should be disclosed at the discretion of the judge in which the particular case is being tried. My bill would take some of that discretion away and require that disclosure occur once the payment has been approved.

My bill continues to protect the defendant's sixth amendment right to effective assistance of counsel, the defendant's attorney-client privilege, the work-product immunity of defendant's counsel, the safety of any witness, and any other interest that justice may require by providing notice to defense counsel that this information will be released, and allowing defense counsel, or the court on its own, to redact any information contained on the payment voucher that might compromise any of the aforementioned interests. That means that the criminal lawyer can ask the judge to take his big black marker and black out any information that might compromise these precious sixth amendment rights, or the judge can make this decision on his own. In any case, the judge will let the criminal lawyer know that this information will be released and the criminal lawyer will have the opportunity to request the judge black out any compromising information from the payment voucher.

How would this occur? Under current law, criminal lawyers must fill out Criminal Justice Act payment vouchers in order to receive payment for services rendered. Mr. President, two payment vouchers are the standard vouchers used in the typical felony and death penalty cases prosecuted in the Federal district courts. Mr. President, the information of these payment vouchers describes in barebones fashion the nature of the work performed and the amount that is paid for each category of service.

Mr. President, I ask unanimous consent that these two vouchers be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[The vouchers are not reproducible in the RECORD.]

Mr. DOMENICI. Mr. President, my bill says that once the judge approves these payment vouchers that they be publicly disclosed. That means that anyone can walk down to the Federal district court where the case is being tried and ask the clerk of the court for copies of the relevant CJA payment vouchers. It's that simple. Nothing more. Nothing less.

Before the court releases this information it will provide notice to defense counsel that the information will be released, and either the criminal lawyer, or the judge on his/her own, may black out any of the barebones information on the payment voucher that might compromise the alleged criminals' precious sixth amendment rights.

Mr. President, I believe that my bill is a modest step toward assuring that the American taxpayer have timely access to this information. In addition to these CJA payment vouchers, criminal lawyers must also supply the court with detailed time sheets that recount with extreme particularity the nature of work performed. These detailed time sheets break down the work performed by the criminal lawyer to the minute. They name each and every person that was interviewed, each and every phone call that was made, the subjects that were discussed, and the days and the times they took place. They go into intimate detail about what was done to prepare briefs, conduct investigations, and prepare for trial.

I am not asking that that information be made available for, indeed, it might prejudice the way the trial goes to the detriment of the defendant. Clearly, if all of this information was subject to public disclosure, the alleged

criminal's sixth amendment rights might be compromised. My bill does not seek to make this sensitive information subject to disclosure but continues to leave it to the judge to determine if and when it should be released. But the barebones must be released. We must know the amounts, and it must be made available as the dollars vouchers are paid by the Federal district court using taxpayers' moneys which are appropriated to them by us.

In this way, my bill recognizes and preserves the delicate balance between the American taxpayers' right to know how their money is being spent, and the alleged criminal's right to a fair trial.

So we need to recognize and preserve the balance between the American taxpayers' right to know and how much is being spent on these attorneys and the alleged criminal's right to have a fair trial.

I believe we should take every reasonable step to protect any disclosure that might compromise the alleged criminal's sixth amendment rights. My bill does this by providing notice to defense counsel of the release of the information, and providing the judge with the authority to black out any of the barebones information contained on the payment voucher if it might compromise any of the aforementioned interests. I believe it is reasonable and fair, and I hope I will have my colleagues support.

Mr. President, I ask unanimous consent that the bill be appropriately referred.

The PRESIDING OFFICER. The bill will be appropriately referred to the committee.

By Mrs. BOXER (for herself and Mr. LAUTENBERG):

S. 599. A bill to protect children and other vulnerable subpopulations from exposure to certain environmental pollutants, and for other purposes; to the Committee on Environment and Public Works.

THE CHILDREN'S ENVIRONMENTAL PROTECTION ACT OF 1997

Mrs. BOXER. Mr. President, today I introduce the Children's Environmental Protection Act [CEPA]. This legislation will help protect our children from the harmful effects of environmental pollutants. The Children's Environmental Protection Act will do three things:

First, it will require that all EPA standards be set at levels that protect children, and other vulnerable groups, including the elderly, pregnant women, people with serious health problems, and others.

Second, it will create a list of EPA-recommended safer-for-children products and chemicals that minimize potential risks to children. Within 1 year, only these products could be used at Federal facilities. CEPA will also require the EPA to create a family right-to-know information kit that includes practical suggestions on how parents may reduce their children's exposure to environmental pollutants.

For example, newborns and infants frequently spend long periods of time on the floor, carpet, or grass, surfaces that are associated with chemicals such as formaldehyde and volatile organic compounds from synthetic carpets and indoor and outdoor pesticide applications. EPA might suggest safer-for-children carpeting, floor cleaning products, and garden pesticides.

Finally, the bill will require EPA to conduct research on the health effects of exposure of children to environmental pollutants.

Our children face unique environmental threats to their health because they are more vulnerable to exposure to toxic chemicals than adults. We must educate ourselves about environmental pollutants, and we must improve our scientific understanding about how exposure might affect our children's health.

We took an important step in this direction when the Safe Drinking Water Act was passed last year. The new law includes two amendments I supported and worked to enact. The first requires that safe drinking water standards be set at levels that protect children, the elderly, pregnant women, and other vulnerable groups. The second requires that the public receive information in the form of Consumer Confidence Reports about the quality and safety of their drinking water.

The Children's Environmental Protection Act [CEPA] will carry the concept of my Safe Drinking Water Act amendments even further.

Children are not just little adults. According to the National Academy of Sciences, they are more vulnerable than adults. They eat more food, drink more water, and breathe more air as a percentage of their body weight than adults, and as a consequence, they are more exposed to the chemicals present in food, water, and air. Children are also growing and developing and may therefore be physiologically more susceptible than adults to the hazards associated with exposures to chemicals.

We have clear evidence that environmental pollution has a direct impact on children's health. Air pollution is linked to the 40-percent increase in the incidence of childhood asthma and the 118 percent increase asthma deaths among children and young people since 1980. Asthma now affects over 4.2 million children under the age of 18 nationwide and is the leading cause of hospital admissions for children. The incidence of some types of childhood cancer has risen significantly over the past 15 years. For example, acute lymphocytic leukemia is up 10 percent and brain tumors are up more than 30 percent.

Children may face developmental risks from the potential effects of exposure to pesticides and industrial chemicals on their endocrine systems.

Exposure to environmental pollutants is suspected of being responsible for the increase in learning disabilities and attention deficit disorders among children.

What are we doing in response to this evidence? Not enough. We know that up to one-half of a person's lifetime cancer risk may be incurred in the first 6 years of life, yet most of our Federal health and safety standards are not set at levels that are protective of children.

I am very pleased with the Environmental Protection Agency's recent creation of a new Office of Children's Health Protection in the Office of the Administrator, and a new EPA Board on Children's Environmental Health.

We need Federal legislation in order to secure the EPA's administrative efforts and give EPA support and direction.

Yesterday, I received a letter from EPA Administrator Carol Browner expressing support for the goals of my bill. I ask unanimous consent that the letter be inserted in the RECORD at this point, and I also ask unanimous consent that the text of the Children's Environmental Protection Act and a section-by-section analysis be printed in the RECORD as well.

I am very honored and pleased that Representative JIM MORAN has decided to introduce the Children's Environmental Protection Act in the House. I look forward to working with him to get this bill enacted.

Finally, Mr. President, I am pleased to have the Senator from New Jersey, Senator LAUTENBERG, as an original cosponsor of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 599

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Children's Environmental Protection Act".

SEC. 2. ENVIRONMENTAL PROTECTION FOR CHILDREN.

The Toxic Substances Control Act (15 U.S.C. 2601 et seq.) is amended by adding at the end the following:

"TITLE V—ENVIRONMENTAL PROTECTION FOR CHILDREN

"SEC. 501. FINDINGS AND POLICY.

"(a) FINDINGS.—Congress finds that—

"(1) public health and safety depends on citizens and local officials knowing the toxic dangers that exist in their homes, communities, and neighborhoods;

"(2) children and other vulnerable subpopulations are more at risk from environmental pollutants than adults and therefore face unique health threats that need special attention;

"(3) risk assessments of pesticides and other environmental pollutants conducted

by the Environmental Protection Agency do not clearly differentiate between the risks to children and the risks to adults;

"(4) a study conducted by the National Academy of Sciences on the effects of pesticides in the diets of infants and children concluded that approaches to risk assessment typically do not consider risks to children and, as a result, current standards and tolerances often fail to adequately protect infants and children;

"(5) data are lacking that would allow adequate quantification and evaluation of child-specific and other vulnerable subpopulation-specific susceptibility and exposure to environmental pollutants;

"(6) data are lacking that would allow adequate quantification and evaluation of child- specific and other vulnerable subpopulation-specific bioaccumulation of environmental pollutants; and

"(7) the absence of data precludes effective government regulation of environmental pollutants, and denies individuals the ability to exercise a right to know and make informed decisions to protect their families.

"(b) POLICY.—It is the policy of the United States that—

"(1) all environmental and public health standards set by the Environmental Protection Agency must, with an adequate margin of safety, protect children and other vulnerable subpopulations that are at greater risk from exposure to environmental pollutants;

"(2) information, including a safer-for-children product list, should be made readily available by the Environmental Protection Agency to the general public and relevant Federal and State agencies to advance the public's right-to-know, and allow the public to avoid unnecessary and involuntary exposure;

"(3) not later than 1 year after the safer-for-children list is created, only listed products or chemicals that minimize potential health risks to children shall be used in Federal properties and areas; and

"(4) scientific research opportunities should be identified by the Environmental Protection Agency, the Department of Health and Human Services (including the National Institute of Environmental Health Sciences and the Agency for Toxic Substances and Disease Registry), the National Institutes of Health, and other Federal agencies, to study the short-term and long-term health effects of cumulative, simultaneous, and synergistic exposures of children and other vulnerable subpopulations to environmental pollutants.

"SEC. 502. DEFINITIONS.

"In this title:

"(1) AREAS THAT ARE REASONABLY ACCESSIBLE TO CHILDREN.—The term 'areas that are reasonably accessible to children' means homes, schools, day care centers, shopping malls, movie theaters, and parks.

"(2) CHILDREN.—The term 'children' means individuals who are 18 years of age or younger.

"(3) ENVIRONMENTAL POLLUTANT.—The term 'environmental pollutant' means a hazardous substance, as defined in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601), or a pesticide, as defined in section 2 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136).

"(4) FEDERAL PROPERTIES AND AREAS.—The term 'Federal properties and areas' means areas owned or controlled by the United States.

"(5) VULNERABLE SUBPOPULATIONS.—The term 'vulnerable subpopulations' means children, pregnant women, the elderly, individuals with a history of serious illness, and other subpopulations identified by the Administrator as likely to experience elevated health risks from environmental pollutants.

"SEC. 503. SAFEGUARDING CHILDREN AND OTHER VULNERABLE SUBPOPULATIONS.

"(a) IN GENERAL.—The Administrator shall—

"(1) consistently and explicitly evaluate and consider environmental health risks to vulnerable subpopulations in all of the risk assessments, risk characterizations, environmental and public health standards, and regulatory decisions carried out by the Administrator;

"(2) ensure that all Environmental Protection Agency standards protect children and other vulnerable subpopulations with an adequate margin of safety; and

"(3) develop and use a separate assessment or finding of risks to vulnerable subpopulations or publish in the Federal Register an explanation of why the separate assessment or finding is not used.

"(b) REEVALUATION OF CURRENT PUBLIC HEALTH AND ENVIRONMENTAL STANDARDS.—

"(1) IN GENERAL.—As part of any risk assessment, risk characterization, environmental or public health standard or regulation, or general regulatory decision carried out by the Administrator, the Administrator shall evaluate and consider the environmental health risks to children and other vulnerable subpopulations.

"(2) IMPLEMENTATION.—In carrying out paragraph (1), not later than 1 year after the date of enactment of this title, the Administrator shall—

"(A) develop an administrative strategy and an administrative process for reviewing standards;

"(B) publish in the Federal Register a list of standards that may need revision to ensure the protection of children and vulnerable subpopulations;

"(C) prioritize the list according to the standards that are most important for expedited review to protect children and vulnerable subpopulations;

"(D) identify which standards on the list will require additional research in order to be reevaluated and outline the time and resources required to carry out the research; and

"(E) identify, through public input and peer review, not fewer than 20 public health and environmental standards of the Environmental Protection Agency to be repromulgated on an expedited basis to meet the criteria of this subsection.

"(3) REVISED STANDARDS.—Not later than 6 years after the date of enactment of this title, the Administrator shall propose not fewer than 20 revised standards that meet the criteria of this subsection.

"(4) COMPLETED REVISION OF STANDARDS.—Not later than 15 years after the date of enactment of this title, the Administrator shall complete the revision of all standards in accordance with this subsection.

"(5) REPORT.—The Administrator shall report to Congress on an annual basis on progress made by the Administrator in carrying out the objectives and policy of this subsection.

"SEC. 504. SAFER ENVIRONMENT FOR CHILDREN.

"(a) IN GENERAL.—Not later than 1 year after the date of enactment of this title, the Administrator shall—

"(1) identify environmental pollutants commonly used or found in areas that are reasonably accessible to children;

"(2) create a scientifically peer reviewed list of substances identified under paragraph (1) with known, likely, or suspected health risks to children;

"(3) create a scientifically peer reviewed list of safer-for-children substances and products recommended by the Administrator for use in areas that are reasonably accessible to children that, when applied as recommended by the manufacturer, will minimize potential risks to children from exposure to environmental pollutants;

"(4) establish guidelines to help reduce and eliminate exposure of children to environmental pollutants in areas reasonably accessible to children, including advice on how to establish an integrated pest management program;

"(5) create a family right-to-know information kit that includes a summary of helpful information and guidance to families, such as the information created under paragraph (3), the guidelines established under paragraph (4), information on the potential health effects of environmental pollutants, practical suggestions on how parents may reduce their children's exposure to environmental pollutants, and other relevant information, as determined by the Administrator in cooperation with the Centers for Disease Control;

"(6) make all information created pursuant to this subsection available to Federal and State agencies, the public, and on the Internet; and

"(7) review and update the lists created under paragraphs (2) and (3) at least once each year.

"(b) COMPLIANCE IN PUBLIC AREAS THAT ARE REASONABLY ACCESSIBLE TO CHILDREN.—Not later than 1 year after the list created under subsection (a)(3) is made available to the public, the Administrator shall prohibit the use of any product that has been excluded from the safer-for-children list in Federal properties and areas.

"SEC. 505. RESEARCH TO IMPROVE INFORMATION ON EFFECTS ON CHILDREN.

"(a) TOXICITY DATA.—The Administrator, the Secretary of Agriculture, and the Secretary of Health and Human Services shall coordinate and support the development and implementation of basic and applied research initiatives to examine the health effects and toxicity of pesticides (including active and inert ingredients) and other environmental pollutants on children and other vulnerable subpopulations.

"(b) BIENNIAL REPORTS.—The Administrator, the Secretary of Agriculture, and the Secretary of Health and Human Services shall submit biennial reports to Congress on actions taken to carry out this section.

"SEC. 506. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as are necessary to carry out this title.".

CHILDREN'S ENVIRONMENTAL PROTECTION ACT OF 1997—SECTION-BY-SECTION ANALYSIS

Section 1. Short Title.

The short title of the bill shall be the Children's Environmental Protection Act of 1997.

Section 2. Findings/Policy/Definitions

Amends the Toxic Substances Control Act by adding a new Title V—"Environmental Protection for Children."

Section 501. Findings and Policy

Findings—

(1) Public health and safety depend on citizens being aware of toxic dangers in their homes, communities, and neighborhoods.

(2) Children and other vulnerable groups face health threats that are not adequately met by current standards.

(3) More scientific knowledge is needed about the extent to which children are exposed to environmental pollutants and the health effects of such exposure.

Policy—

(1) All standards for environmental pollutants set by the EPA should be set at levels that protect children's health with an adequate margin of safety.

(2) In order to help the public avoid unnecessary and involuntary exposure to environmental pollutants, the EPA should develop a list of "safer-for-children" products. Only products on this list should be used on federal properties.

(3) EPA and other agencies should conduct more research, both basic and applied, on the short and long term health effects of exposure to environmental pollutants.

Section 502. Definitions

(1) "Areas that are reasonably accessible to children" means homes, schools, day care centers, shopping malls, movie theaters and parks.

(2) "Children" means children ages 0–18.

(3) "Environmental pollutant" means a toxic as defined in Section 101 of the Superfund law or a pesticide as defined in the Federal Insecticide, Fungicide and Rodenticide Act.

(4) "Federal properties and areas" means areas controlled or owned by the U.S.

(5) "Vulnerable subpopulation" means children, pregnant women, the elderly, individuals with a history of serious illness, or other subpopulation identified by the EPA as likely to experience elevated health risks from environmental pollutants.

Section 503. Safeguarding children and other vulnerable subpopulations

Directs the EPA to consider environmental health risks to children and other vulnerable subpopulations throughout the standard setting process. Requires EPA to set health standards at levels that ensure the protection of children and other vulnerable subpopulations with an adequate margin of safety.

Requires EPA to develop a list of no fewer than 20 public health standards that need expedited reevaluation in order to protect children. Within 6 years, EPA must propose the revised standards. EPA must complete revision of all existing standards within 15 years, and must issue a progress report to Congress every year.

Section 504. Safer Environment for Children

Requires EPA, within 1 year after enactment of CEPA, to—

(1) identify environmental pollutants commonly used in areas reasonably accessible to children;

(2) identify pollutants that are known to be or suspected of being health risks to children;

(3) make public a list of "safer-for-children" products that minimize potential risks to children from exposure to environmental pollutants; EPA must update the list annually;

(4) establish guidelines to help reduce exposure of children to environmental pollutants, including how to establish an integrated pest management program;

(5) create a family right-to-know information kit that includes information on the potential health effects of exposure to environmental pollutants and practical suggestions on how parents may reduce their children's exposure.

Within one year after enactment, only products on the "safer-for-children" list may be used on federal properties.

Section 505. Research to Improve Information on Effects on Children

Requires EPA to work with other federal agencies to coordinate and support the development and implementation of basic and applied research initiatives to examine the health effects and toxicity of environmental pollutants on children and other vulnerable subpopulations. Requires biennial reports to Congress.

Section 506. Authorization of Appropriations

Authorizes appropriation of "such funds as may be necessary" in order to carry out the purposes of the legislation.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, April 15, 1997.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: I am writing to thank you for your leadership to help protect our children from environmental risks and to congratulate you for the introduction of your Children's Environmental Protection Act. As you know, protecting the health of our children and expanding the public's right to know about harmful pollutants in our communities are top priorities for this Administration.

Recently I established the Office of Children's Health Protection to expand and better coordinate our activities to protect children. This office will review health standards to ensure they are protective for children and increase our family right to know activities to expand access to vital information about children's environmental health.

I look forward to working with you in the future to help protect children from environmental health threats in their homes, schools and communities.

Sincerely,

CAROL M. BROWNER.

By Mrs. FEINSTEIN (for herself and Mr. GRASSLEY):

S. 600. A bill to protect the privacy of the individual with respect to the social security number and other personal information, and for other purposes; to the Committee on Finance.

THE PERSONAL INFORMATION PRIVACY ACT OF 1997

Mrs. FEINSTEIN. Mr. President, today, along with my distinguished colleague, Senator CHARLES GRASSLEY, I am introducing the Personal Information Privacy Act of 1997. This legislation limits the accessibility and unauthorized commercial use of social security numbers, unlisted telephone numbers, and certain other types of sensitive personal information.

In November, the news media reported that companies were distributing social security numbers along with other private information in their online personal locator or look-up services.

In fact, I found that my own social security number was accessible to users of the Internet. My staff retrieved it in less than 3 minutes. I have the printout in my files.

Some of the larger and more visible companies have now discontinued the practice of displaying social security numbers directly on the computer screens of Internet users. Other enterprises have failed to modify their practices. One problem thwarting efforts to protect our citizens' privacy is that there are thousands of information providers on the Internet and elsewhere in the electronic arena—it is impossible to get a comprehensive picture of who is doing what, and where.

But one fact is clear, distributing social security numbers on the Internet is only the tip of the iceberg.

Too many firms profit from renting and selling social security numbers, unlisted telephone numbers, and other forms of sensitive personal information. List compilers and list brokers use records of consumer purchases and other transactions—including medical purchases—along with financial, demographic, and other data to create increasingly detailed profiles of individuals.

The growth of interactive communications has generated an explosive growth in information about our interests, our activities, and our illnesses—about the personal choices we make when we order products, inquire about services, participate in workshops, and visit sites on the Net.

A Newsday article titled "Your Life as an Open Book" recently reported that an individual's call to a toll free number to learn the daily pollen count resulted in a disclosure to a pharmaceutical company that the caller was likely to have an interest in pollen remedies.

It is true that knowledge about personal interests, circumstances, and activities can help companies tailor their products to individual needs and target their marketing efforts. But there need to be limitations.

Prior to the widespread use of computers, individual records were stored on paper in Government file cabinets at scattered locations around the country. These records were difficult to obtain. Now, with networked computers, multiple sets of records can be merged or matched with one another, creating highly detailed portraits of our interests, our allergies, food preferences, musical tastes, levels of wealth, gender, ethnicity, homes, and neighborhoods. These records can be disseminated around the world in seconds.

What is the result? In addition to receiving floods of unwanted mail solicitations, people are losing control over their own identities. We don't know where this information is going, or how it is being used. We don't know how much is out there, and who is getting it. Our private lives are becoming commodities with tremendous value in the marketplace, yet we, the owners of the information, often do not derive the benefits. Information about us can be used to our detriment.

As an example, the widespread availability of Social Security numbers and other personal information has led to an exponential growth in identity theft, whereby criminals are able to assume the identities of others to gain access to charge accounts and bank accounts, to obtain the personal records of others, and to steal Government benefits.

In 1992, Joe Gutierrez, a retired Air Force chief master sergeant in California became a victim of identity theft when a man used his Social Security number to open 20 fraudulent accounts. To this day, Mr. Gutierrez has been hounded by creditors and their collection agencies. "It is pure hell," he said in an interview with the San Diego Union Tribune. "They have called me a cheat, a deadbeat, a bum. They have questioned my character, my integrity, and my upbringing."

As an additional problem, the unauthorized distribution of personal information can lead to public safety concerns, including stalking of battered spouses, celebrities, and other citizens.

There are very few laws to protect personal privacy in the United States. The Privacy Act of 1974 is limited, and applies only to the use of personal information by the Government.

With minor exceptions, the collection and use of personal information by the private sector is virtually unregulated. In other words, private companies have nearly unlimited authority to compile and sell information about individuals. As technology becomes more sophisticated, the ability to collect, synthesize and distribute personal information is growing exponentially.

The Personal Information Privacy Act of 1997 will help cut off the dissemination of Social Security numbers, unlisted telephone numbers, and other personal information at the source.

First, the bill amends the Fair Credit Reporting Act to ensure the confidentiality of personal information in the credit headers accompanying credit reports. Credit headers contain personal identification information which serves to link individuals to their credit reports.

Currently, credit bureaus routinely sell and rent credit header information to mailing list brokers and marketing companies. This is not the use for which this information was intended.

The bill we are introducing today would prevent credit bureaus from disseminating Social Security numbers, unlisted telephone numbers, dates of birth, past addresses, and mothers' maiden names. This is important because this kind of information is subject to serious abuse—to open fraudulent charge accounts, to manipulate bank accounts, and to gain access to the personal records of others.

An exception is provided for information that citizens have chosen to list in their local phone directories. This means that phone numbers and addresses may be released if they already are available in phone directories.

As a second means of limiting the circulation of Social Security numbers, the bill restricts the dissemination of Social Security numbers by State departments of motor vehicles. Specifically, the bill amends certain exemptions to the Driver's Protection Act of 1994.

The legislation would prohibit State departments of motor vehicles from disseminating Social Security numbers for bulk distribution for surveys, marketing, or solicitations.

The bill requires uses of Social Security numbers by State Departments of Motor Vehicles to be consistent with the uses authorized by the Social Security Act and by other statutes explicitly authorizing their use.

In addition to the above measures which will limit the accessibility of Social Security numbers, the Personal Information Privacy Act of 1997 penalizes the unauthorized commercial use of Social Security numbers.

Specifically, the bill amends the Social Security Act to prohibit the commercial use of a Social Security number in the absence of the owner's written consent. Exceptions are provided for uses authorized by the Social Security Act, the Privacy Act of 1974, and other statutes specifically authorizing such use.

I believe this bill represents a major step in protecting the privacy of our citizens, and I urge my colleagues to support it. I ask unanimous consent that the text of the bill be included in the RECORD following our remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 600

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Personal Information Privacy Act of 1997".

SEC. 2. CONFIDENTIAL TREATMENT OF CREDIT HEADER INFORMATION.

Section 603(d) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)) is amended by inserting after the first sentence the following: "The term also includes any other identifying information of the consumer, except the name, address, and telephone number of the consumer if listed in a residential telephone directory available in the locality of the consumer.".

SEC. 3. PROTECTING PRIVACY BY PROHIBITING USE OF THE SOCIAL SECURITY NUMBER FOR COMMERCIAL PURPOSES WITHOUT CONSENT.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding at the end the following:

"PROHIBITION OF CERTAIN MISUSES OF THE SOCIAL SECURITY ACCOUNT NUMBER

"SEC. 1146. (a) PROHIBITION OF COMMERCIAL ACQUISITION OR DISTRIBUTION.—No person may buy, sell, offer for sale, take or give in exchange, or pledge or give in pledge any information for the purpose, in whole or in part, of conveying by means of such information any individual's social security account number, or any derivative of such number, without the written consent of such individual.

"(b) PROHIBITION OF USE AS PERSONAL IDENTIFICATION NUMBER.—No person may utilize any individual's social security account number, or any derivative of such number, for purposes of identification of such individual without the written consent of such individual.

"(c) PREREQUISITES FOR CONSENT.—In order for consent to exist under subsection (a) or (b), the person engaged in, or seeking to engage in, an activity described in such subsection shall—

"(1) inform the individual of all the purposes for which the number will be utilized and the persons to whom the number will be known; and

"(2) obtain affirmatively expressed consent in writing.

"(d) EXCEPTIONS.—Nothing in this section shall be construed to prohibit any use of social security account numbers permitted or required under section 205(c)(2) of this Act, section 7(a)(2) of the Privacy Act of 1974 (5 U.S.C. 552a note; 88 Stat. 1909), or section 6109(d) of the Internal Revenue Code of 1986.

"(e) CIVIL ACTION IN UNITED STATES DISTRICT COURT; DAMAGES; ATTORNEYS FEES AND COSTS; NONEXCLUSIVE NATURE OF REMEDY.—

"(1) IN GENERAL.—Any individual aggrieved by any act of any person in violation of this section may bring a civil action in a United States district court to recover—

"(A) such preliminary and equitable relief as the court determines to be appropriate; and

"(B) the greater of—

"(i) actual damages; and

"(ii) liquidated damages of $25,000 or, in the case of a violation that was willful and resulted in profit or monetary gain, $50,000.

"(2) ATTORNEY'S FEES AND COSTS.—In the case of a civil action brought under paragraph (1) in which the aggrieved individual has substantially prevailed, the court may assess against the respondent a reasonable attorney's fee and other litigation costs and expenses (including expert fees) reasonably incurred.

"(3) STATUTE OF LIMITATIONS.—No action may be commenced under this subsection more than 3 years after the date on which the violation was or should reasonably have been discovered by the aggrieved individual.

"(4) NONEXCLUSIVE REMEDY.—The remedy provided under this subsection shall be in addition to any other lawful remedy available to the individual.

"(f) CIVIL MONEY PENALTIES.—

"(1) IN GENERAL.—Any person who the Commissioner of Social Security determines has violated this section shall be subject, in addition to any other penalties that may be prescribed by law, to—

"(A) a civil money penalty of not more than $25,000 for each such violation, and

"(B) a civil money penalty of not more than $500,000, if violations have occurred with such frequency as to constitute a general business practice.

"(2) DETERMINATION OF VIOLATIONS.—Any violation committed contemporaneously with respect to the social security account numbers of 2 or more individuals by means of mail, telecommunication, or otherwise shall be treated as a separate violation with respect to each such individual.

"(3) ENFORCEMENT PROCEDURES.—The provisions of section 1128A (other than subsections (a), (b), (f), (h), (i), (j), and (m), and the first sentence of subsection (c)) and the provisions of subsections (d) and (e) of section 205 shall apply to civil money penalties under this subsection in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a), except that, for purposes of this paragraph, any reference in section 1128A to the Secretary shall be deemed a reference to the Commissioner of Social Security.

"(g) REGULATION BY STATES.—Nothing in this section shall be construed to prohibit any State authority from enacting or enforcing laws consistent with this section for the protection of privacy.".

(b) EFFECTIVE DATE.—The amendment made by this section applies with respect to violations occurring on and after the date which is 2 years after the date of enactment of this Act.

SEC. 4. RESTRICTION ON USE OF SOCIAL SECURITY NUMBERS BY STATE DEPARTMENTS OF MOTOR VEHICLES.

(a) RESTRICTION ON GOVERNMENTAL USE.—Section 2721(b)(1) of title 18, United States Code, is amended by striking "its functions." and inserting "its functions, but in the case of social security numbers, only to the extent permitted or required under section 205(c)(2) of the Social Security Act (42 U.S.C. 405(c)(2)), section 7(a)(2) of the Privacy Act of 1974 (5 U.S.C. 552a note, 88 Stat. 1909), section 6109(d) of the Internal Revenue Code of 1986, or any other provision of law specifically identifying such use.".

(b) PROHIBITION OF USE BY MARKETING COMPANIES.—Section 2721(b)(12) of title 18, United States Code, is amended by striking "For" and inserting "Except in the case of social security numbers, for".

Mr. GRASSLEY. Mr. President, I rise today to join my colleague, Mrs. FEINSTEIN, in introducing important legislation. This legislation, the Personal Information Privacy Act of 1997, is a solid first step toward keeping our personal information from being misused.

In this amazing time of technology explosion, new challenges face our society. New technology makes information more readily available for many uses. This information helps the college student write a better term paper, it helps businesses function more effectively, and it helps professionals to stay better informed of developments in their fields. The technology that provides this ready access to infinite information also helps friends and families communicate across continents, increases the feasibility of working from a home office, and provides many other advantages.

However, with these advantages come added risk. Dissemination of information is generally good, but dissemination of all information is not good. Technology can help people with bad intentions find their victims. It can also give people access to personal information that we would rather they not have. With minimal information and a few keystrokes, virtually anyone could have your lifetime credit history and personal wages downloaded to their computer. For this reason, it is important that we work to make sure some personal information stays out of the hands of people we have never met, whose intentions we don't know.

One of the most important functions of lawmaking is to make sure that law keeps up with society, and in this case, technology. The bill that Senator FEINSTEIN and I are introducing today is a solid first step. I will soon be introducing additional legislation affecting the Internet because I believe it is important that we talk about issues related to new technologies; that we exchange ideas. And at the end of the day, we must preserve the confidentiality of personal information and the safety of individuals.

ADDITIONAL COSPONSORS

S. 71

At the request of Mr. DASCHLE, the name of the Senator from Rhode Island [Mr. REED] was added as a cosponsor of S. 71, a bill to amend the Fair Labor Standards Act of 1938 and the Civil Rights Act of 1964 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 75

At the request of Mr. KYL, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 75, a bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers.

S. 356

At the request of Mr. GRAHAM, the names of the Senator from Rhode Island [Mr. REED], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of S. 356, a bill to amend the Internal Revenue Code of 1986, the Public Health Service Act, the Employee Retirement Income Security Act of 1974, the title XVIII and XIX of the Social Security Act to assure access to emergency medical services under group health plans, health insurance coverage, and the Medicare and Medicaid Programs.

S. 361

At the request of Mr. JEFFORDS, the names of the Senator from New York [Mr. MOYNIHAN], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 361, a bill to amend the Endangered Species Act of 1973 to prohibit the sale, import, and export of products labeled as containing endangered species, and for other purposes.

S. 369

At the request of Mr. JEFFORDS, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 369, a bill to amend section 1128B of the Social Security Act to repeal the criminal penalty for fraudulent disposition of assets in order to obtain Medicaid benefits added by section 217 of the Health Insurance Portability and Accountability Act of 1996.

S. 460

At the request of Mr. BOND, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 460, a bill to amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals, to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home, to clarify the standards used for determining that certain individuals are not employees, and for other purposes.

S. 497

At the request of Mr. COVERDELL, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. LOTT], the Senator from Arizona [Mr. MCCAIN], the Senator from South Carolina [Mr. THURMOND], the Senator from Iowa [Mr. GRASSLEY], the Senator from Wyoming [Mr. ENZI], the Senator from Virginia [Mr. WARNER], the Senator from Florida [Mr. MACK], the Senator from Nebraska [Mr. HAGEL], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 497, a bill to amend the National Labor Relations Act and the Railway Labor Act to repeal the provisions of the acts that require employees to pay union dues or fees as a condition of employment.

S. 526

At the request of Mr. HATCH, the name of the Senator from Oregon [Mr. SMITH of Oregon] was added as a cosponsor of S. 526, a bill to amend the Internal Revenue Code of 1986 to increase the excise taxes on tobacco products for the purpose of offsetting the Federal budgetary costs associated with the Child Health Insurance and Lower Deficit Act.

At the request of Mr. BENNETT, his name was withdrawn as a cosponsor of S. 526, supra.

S. 528

At the request of Mr. CAMPBELL, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Ohio [Mr. DEWINE], and the Senator from Arkansas [Mr. HUTCHINSON] were added as cosponsors of S. 528, a bill to require the display of the POW/MIA flag on various occasions and in various locations.

S. 535

At the request of Mr. MCCAIN, the names of the Senator from Washington [Mr. GORTON] and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 535, a bill to amend the Public Health Service Act to provide for the establishment of a program for research and training with respect to Parkinson's disease.

S. 540

At the request of Mr. BIDEN, the names of the Senator from California [Mrs. BOXER] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 540, a bill to amend title

XVIII of the Social Security Act to provide annual screening mammography and waive coinsurance for screening mammography for women age 65 or older under the Medicare Program.

S. 543

At the request of Mr. COVERDELL, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 543, a bill to provide certain protections to volunteers, nonprofit organizations, and governmental entities in lawsuits based on the activities of volunteers.

S. 544

At the request of Mr. COVERDELL, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 544, a bill to provide certain protections to volunteers, nonprofit organizations, and governmental entities in lawsuits based on the activities of volunteers.

S. 556

At the request of Mr. INHOFE, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 556, a bill to provide for the allocation of funds from the Mass Transit Account of the Highway Trust Fund, and for other purposes.

S. 579

At the request of Mr. ASHCROFT, the names of the Senator from Idaho [Mr. CRAIG], the Senator from Alabama [Mr. SHELBY], the Senator from Mississippi [Mr. COCHRAN], the Senator from Nebraska [Mr. HAGEL], and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 579, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for the old-age, survivors, and disability insurance taxes paid by employees and self-employed individuals, and for other purposes.

SENATE JOINT RESOLUTION 15

At the request of Mr. BYRD, the names of the Senator from Mississippi [Mr. LOTT], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Kentucky [Mr. FORD], and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of Senate Joint Resolution 15, a joint resolution proposing an amendment to the Constitution of the United States to clarify the intent of the Constitution to neither prohibit nor require public school prayer.

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. HAGEL, his name was added as a cosponsor of Senate Concurrent Resolution 6, a concurrent resolution expressing concern for the continued deterioration of human rights in Afghanistan and emphasizing the need for a peaceful political settlement in that country.

SENATE RESOLUTION 69

At the request of Mr. MCCAIN, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of Senate Resolution 69, a resolution expressing the sense of the Senate regarding the March 30, 1997, terrorist grenade attack in Cambodia.

SENATE CONCURRENT RESOLUTION 21—CONGRATULATING THE RESIDENTS OF JERUSALEM

By Mr. MOYNIHAN (for himself, Mr. MACK, Mr. DASCHLE, Mr. LOTT, Mr. LIEBERMAN, Mr. HELMS, Mr. D'AMATO, Mr. KYL, Mr. ALLARD, Mr. ASHCROFT, Mr. BAUCUS, Mr. BENNETT, Mr. BOND, Mrs. BOXER, Mr. BREAUX, Mr. BROWNBACK, Mr. BRYAN, Mr. BURNS, Mr. CAMPBELL, Mr. CLELAND, Mr. COATS, Mr. COCHRAN, Ms. COLLINS, Mr. CRAIG, Mr. DEWINE, Mr. DODD, Mr. DOMENICI, Mr. DORGAN, Mr. DURBIN, Mr. FAIRCLOTH, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FRIST, Mr. GRAHAM, Mr. GRAMM, Mr. GRASSLEY, Mr. HAGEL, Mr. HARKIN, Mr. HATCH, Mr. HUTCHINSON, Mr. INHOFE, Mr. INOUYE, Mr. JOHNSON, Mr. KEMPTHORNE, Mr. KENNEDY, Mr. KERREY, Mr. KERRY, Mr. KOHL, Mr. LEVIN, Mr. LUGAR, Mr. MCCAIN, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mrs. MURRAY, Mr. NICKLES, Mr. REED, Mr. ROBB, Mr. SANTORUM, Mr. SESSIONS, Mr. SMITH of Oregon, Mr. SMITH of New Hampshire, Ms. SNOWE, Mr. SPECTER, Mr. STEVENS, Mr. THOMPSON, Mr. TORRICELLI, Mr. WARNER and Mr. WYDEN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 21

Whereas for 3,000 years Jerusalem has been Judaism's holiest city and the focal point of Jewish religious devotion;

Whereas Jerusalem is also considered a holy city by members of other religious faiths;

Whereas there has been a continuous Jewish presence in Jerusalem for three millennia and a Jewish majority in the city since the 1840s;

Whereas the once thriving Jewish majority of the historic Old City of Jerusalem was driven out by force during the 1948 Arab-Israeli War;

Whereas from 1948 to 1967 Jerusalem was a divided city and Israeli citizens of all faiths as well as Jewish citizens of all states were denied access to holy sites in the area controlled by Jordan;

Whereas in 1967 Jerusalem was reunited by Israel during the conflict known as the Six Day War;

Whereas since 1967 Jerusalem has been a united city, and persons of all religious faiths have been guaranteed full access to holy sites within the city;

Whereas this year marks the thirtieth year that Jerusalem has been administered as a unified city in which the rights of all faiths have been respected and protected;

Whereas in 1990 the United States Senate and House of Representatives overwhelmingly adopted Senate Concurrent Resolution 106 and House Concurrent Resolution 290 declaring that Jerusalem, the capital of Israel, "must remain an undivided city" and calling on Israel and the Palestinians to undertake negotiations to resolve their differences;

Whereas Prime Minister Yitzhak Rabin of Israel later cited Senate Concurrent Resolution 106 as having "helped our neighbors reach the negotiating table" to produce the historic Declaration of Principles on Interim Self-Government Arrangements, signed in Washington on September 13, 1993; and

Whereas the Jerusalem Embassy Act of 1995 (Public Law 104-45) which became law on November 8, 1995, states as a matter of United States policy that Jerusalem should remain the undivided capital of Israel: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) congratulates the residents of Jerusalem and the people of Israel on the thirtieth anniversary of the reunification of that historic city;

(2) strongly believes that Jerusalem must remain an undivided city in which the rights of every ethnic and religious group are protected as they have been by Israel during the past 30 years;

(3) calls upon the President and Secretary of State to publicly affirm as a matter of United States policy that Jerusalem must remain the undivided capital of the state of Israel; and

(4) urges United States officials to refrain from any actions that contradict United States law on this subject.

• Mr. MOYNIHAN. Mr. President, I submit a concurrent resolution congratulating the residents of Jerusalem and the people of Israel on the 30th anniversary of the reunification of their historic capital. I am joined in this effort by my distinguished colleague from Florida [Mr. MACK] as well as by 68 other Senators.

Next week, Jews around the world will conclude their Passover Seders with one of mankind's shortest and oldest prayers: "Next year in Jerusalem." Throughout the centuries Jews kept this pledge, often sacrificing their very lives to travel to, and live in, their holiest city. The Jewish people's attachment to Jerusalem is as ancient as it is fervent.

That Jerusalem is, and should remain, Israel's undivided capital would seem an unremarkable statement, but for the insidious campaign—begun in the 1970's—to delegitimize Israel by denying her ties to Jerusalem. For too long, the United States acquiesced in this shameful lie by refusing to locate our Embassy in Israel's capital city. As long as Israel's most important friend in the world refused to acknowledge that Israel's capital city is its own, we lent credibility and dangerous strength to the lie that Israel is somehow a misbegotten, an illegitimate, or transient state.

On November 8, 1995, the Jerusalem Embassy Act became the law of the United States. The law states, as a matter of United States Government policy, that Jerusalem should be recognized as the capital of the State of Israel, and should remain an undivided city in which the rights of every ethnic and religious group are protected.

The concurrent resolution I submit today continues in this spirit, and in the spirit of the many previous resolutions I have authored on this subject. In 1990, I introduced Senate Concurrent Resolution 106, which stated simply: "Jerusalem is and should remain the capital of the State of Israel." In 1993, in a message to the American-Israel Friendship League, Prime Minister Yitzhak Rabin wrote:

In 1990, Senator Moynihan sponsored Senate Resolution 106, which recognized Jerusalem as Israel's united Capital, never to be divided again, and called upon Israel and the Palestinians to undertake negotiations to resolve their differences. The resolution, which passed both Houses of Congress, expressed the sentiments of the United States toward Israel, and, I believe, helped our neighbors reach the negotiating table.

The Israeli-Palestinian peace process faces difficult challenges at this time. It is my hope that this clear reiteration of U.S. policy on Jerusalem will help insure that Jerusalem will remain a city at peace and bring closer the day when it will once again become a symbol of peace for all humanity.●

● Mr. MACK. Madam President, I am submitting a concurrent resolution today to congratulate the people of Israel and commemorate the 30-year unity of Jerusalem. Jerusalem must remain an undivided city. As a unified city of Israel for the past 30 years, Jerusalem has protected the rights of every ethnic and religious group. This must continue.

In spite of all that the Congress has done, recent news continues to make reference to Israeli settlements in Jerusalem. Jewish communities and neighborhoods in Jerusalem are not settlements. There is only one Jerusalem, and only one Israel. Jerusalem is an indivisible part of Israel. Israel's friends in Congress understand this. This concurrent resolution is an expression of this support.●

AMENDMENTS SUBMITTED

THE HIGHER EDUCATION ACT OF 1965 TECHNICAL CORRECTIONS ACT OF 1997

JEFFORDS (AND DOMENICI) AMENDMENT NO. 46

Mr. FRIST (for Mr. JEFFORDS, for himself and Mr. DOMENICI) proposed an amendment to the bill (H.R. 914) to make certain technical corrections in the Higher Education Act of 1965 relating to graduation data disclosures; as follows:

At the end, add the following:

SEC. 2. DATE EXTENSION.

Section 1501(a)(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6491(a)(4)) is amended by striking "January 1, 1998" and inserting "January 1, 1999".

SEC. 3. TIMELY FILING OF NOTICE.

Notwithstanding any other provision of law, the Secretary of Education shall deem Kansas and New Mexico to have timely submitted under section 8009(c)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7709(c)(1)) the States' written notices of intent to consider payments described in section 8009(b)(1) of the Act (20 U.S.C. 7709(b)(1)) in providing State aid to local educational agencies for school year 1997–1998, except that the Secretary may require the States to submit such additional information as the Secretary may require, which information shall be considered part of the notices.

SEC. 4. HOLD HARMLESS PAYMENTS.

Section 8002(h)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(h)(1)) is amended—

(1) in subparagraph (A), by striking "or" after the semicolon;

(2) in subparagraph (B), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(C) for fiscal year 1997 and each succeeding fiscal year through fiscal year 2000 shall not be less than 85 percent of the amount such agency received for fiscal year 1996 under subsection (b).".

SEC. 5. DATA.

(a) IN GENERAL.—Section 8003(f)(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(f)(4)) is amended—

(1) in subparagraph (A)—

(A) by inserting "expenditure," after "revenue,"; and

(B) by striking the semicolon and inserting a period;

(2) by striking "the Secretary" and all that follows through "shall use" and inserting "the Secretary shall use"; and

(3) by striking subparagraph (B).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to fiscal years after fiscal year 1997.

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a hearing entitled "Oversight of SBA's Non-Credit Programs." The hearing will be held on April 24, 1997, beginning at 9:30 a.m. in room 428A of the Russell Senate Office Building.

For further information, please contact Paul Cooksey or Liz Taylor at 224–5175.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Thursday, April 24, 1997, at 9:30 a.m. to hold a hearing to consider revisions to title 44.

For further information concerning this hearing, please contact Ed Edens of the Rules Committee staff at 224–6678.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Wednesday, April 30, 1997, at 9:30 a.m. to hold a hearing to consider revisions to title 44.

For further information concerning this hearing, please contact Ed Edens of the Rules Committee staff at 224–6678.

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a hearing entitled "Oversight of SBA's Finance Programs." The hearing will be held on May 1, 1997, beginning at 9:30 a.m. in room 428A of the Russell Senate Office Building.

For further information, please contact Paul Cooksey at 224–5175.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. HUTCHINSON. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Wednesday, April 16, 1997, beginning at 10 a.m. in room 215 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, April 16, 1997, at 3 p.m. to hold a briefing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. HUTCHINSON. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, April 16, 1997, at 10 a.m., for a hearing on the subject of Census 2000.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. HUTCHINSON. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, April 16, 1997, at 2 p.m. for a hearing on the Government's role in television programming.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary hold a hearing on Wednesday, April 16, 1997, at 10 a.m. in room 216 of the Senate Hart Building, on Senate Joint Resolution 6, a proposed constitutional amendment for crime victims.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on Reauthorization of Higher Education Act, during the session of the Senate on Wednesday, April 16, 1997, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, April 16, 1997, at

2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AIRLAND FORCES

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the Subcommittee on Airland Forces of the Committee on Armed Services be authorized to meet on Wednesday, April 16, 1997, at 10 a.m. in open session, to receive testimony on tactical aircraft modernization programs in review of S. 450, the National Defense Authorization Act for fiscal years 1998 and 1999.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the Science, Technology, and Space Subcommittee of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, April 16, 1997, at 2 p.m. on research and development funding trends.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON YOUTH VIOLENCE

Mr. HUTCHINSON. Mr. President, I ask unanimous consent on behalf of the Subcommittee on Youth Violence, to meet on Wednesday, April 16, 1997, at 2 p.m., in room 226, Senate Dirksen Building, on "Fixing a Broken System: The need for more juvenile bedspace and juvenile record-sharing."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE FIFTIETH ANNIVERSARY OF THE TEXAS CITY DISASTER

• Mrs. HUTCHISON. Mr. President, I want to share the memory of an important event in Texas history with my colleagues. Fifty years ago today the worst industrial accident in the history of America occurred in Texas City, TX. This morning I was in Texas City for a "rebirth" celebration the city is hosting.

It was a clear and cool spring morning on April 16, 1947, one described by author Elizabeth Lee Wheaton as "a day when just to be alive felt good." A steady northern wind blew over the Texas City harbor when the freight ship S.S. *Grandcamp* caught fire.

Curious schoolchildren and other onlookers marveled at the orange plume of smoke that curled as it rose from the ship. As firefighters worked feverishly to extinguish the flames, this ship loaded down with ammonium nitrate exploded. It was 9:22 a.m. Within moments the ferocious blast had killed 26 firefighters, scores of schoolchildren, ruined all the city's fire fighting equipment, and demolished the dock area. The explosion incinerated ships and businesses. The ship's cargo and dock equipment became missiles and were hurled into businesses, houses, and public buildings.

The explosion was so powerful that it registered on a seismograph as far away as Denver. One thousand homes and buildings throughout the city endured partial or total destruction. An eyewitness described the scene as follows: "For 1,200 feet around the location of the ship, metal shards weighing from one pound to five tons crashed down, creating geysers of water in the ship channel and landing on nearby buildings, killing or injuring the employees inside. Nearly all of the people who were on the wharf, including port officials, volunteer firefighters, and many ship's crew, disappeared, many never to be found."

It was not over yet. The S.S. *High Flyer* was in dock for repairs and also carried the volatile ammonium nitrate. The first explosion ignited the chemicals on the *High Flyer* and although emergency workers moved the ship away from the docks, it exploded just hours later. This explosion took the lives of many rescue workers who were pulling bodies from the wreckage.

In all, nearly 600 people were lost. Thousands more were injured, many severely. There were many heroes there as well. These were the thousands of individuals including those from the Red Cross, other volunteer organizations, and citizens who put out the fires, comforted the casualties while operating temporary hospitals, morgues, and shelters. Help came in from all over Texas and from many areas throughout the country.

I was almost 4 years old, riding my tricycle down Larcum Lane in La Marque when the S.S. *Grandcamp* blew in Texas City, just a couple of miles from my home. I still remember my fear as if it happened yesterday.

Little did I know then that one of the most horrific tragedies in American peacetime history had just occurred; all I knew was that the ground shook, my heart beat double-time, and I had to get home.

Approaching my front yard, I found my mom outside screaming my name. She was terrified upon hearing the explosion, feeling the house shake and the windows rattle, and not knowing where I was.

The happy ending is that we found each other. No one in the Bailey family of La Marque, TX, was injured in the blast. Such was not so for many others, however. Many of my friends grew up without fathers, fathers who had been victims of that blast.

A newspaper headline published 1 year after the tragic explosions announced that "Texas City * * * Rises Phoenix-like From the Abyss of Disaster." The mass tragedy that killed one in 50 citizens and injured 1 in 8, tested the unconquerable spirit of the surviving citizens. Remember the legend of the Phoenix; which consumed with its own fire, raised itself from the ashes as a synbol of immortality.

These resilient people of Texas City rose from the ashes that surrounded them. Through the anguish and heartbreak of such loss, they struggled and shared each others sorrow, refusing to let the dreams die. Immediately city leaders tried to restore life to normal—following the disaster, Sunday church services continued uninterrupted and within the following week the civic clubs met as usual.

As I look at this great city 50 years later, I see the qualities that have earned it honors as an all American city. The survivors and their children possess the spirit that has rebuilt one of our Nation's great industrial complexes. The city's renaissance is in full force. I was so proud to see that Readers Digest just included Texas City in their list of 1997's top 50 places in America to raise a family.

Truly that perfect spring day that became so dark, brought us together as never before. The beauty and strength of the human spirit endured and I can feel is just as evident today. That spiritual strength in retrospect has changed us all for the better.

I ask that my colleagues help me in remembering this disaster and praying that the victims' families, and those who survived the blast, have found peace in the years since.•

YANTIC FIRE ENGINE COMPANY CELEBRATION

• Mr. DODD. Mr. President, I rise today to pay tribute to the Yantic Fire Engine Company, located in my home State of Connecticut. It serves the largest territorial district in Norwich. This year, the Yantic Fire Engine Company celebrates its 150th anniversary. Perhaps the oldest volunteer fire company in Connecticut, and possibly the United States, this company has been providing an invaluable service to Yantic and the city of Norwich for 150 years.

The Yantic Fire Company was created on June 17, 1847, when the Connecticut General Assembly approved its application for charter. The official name of the fire company was Yantic Fire Company No. 1. Rich in tradition and history, this company is unique for many reasons. It still houses some of its original equipment, including an 1847 Waterman hand tub, an 1891 Silsby steamer, and a Silsby hose carriage. These pieces, well maintained and restored, are national treasures.

In July, the Village of Yantic will host a parade in honor of the Yantic Fire Engine Company's 150 years of service. This sure-to-be impressive celebration will include over 100 fire

companies and numerous marching groups.

I applaud the efforts of the Yantic Fire Engine Company to commemorate their distinguished history. This fire company has worked hard, with pride and distinction to ensure the health and safety of the members of its community. I join with them in paying tribute to those who have given their lives to protecting others, while serving the Yantic Fire Engine Company.•

TRIBUTE TO THE RECIPIENTS OF THE FIFTIETH ANNIVERSARY POLICE ATHLETIC LEAGUE AWARD

• Mr. SANTORUM. Mr. President, the Police Athletic League of Philadelphia (PAL) is celebrating fifty years of serving the youth of Philadelphia. I rise today to congratulate the dedicated men and women who have made this great success possible.

For five decades, PAL has offered an attractive alternative to street life by cultivating friendships between police officers and children. PAL currently sponsors constructive activities such as sports, substance abuse education, and tutoring programs for more than 24,000 boys and girls of Philadelphia. By providing friends, mentors, and role models for these young people, PAL has helped improve the quality of life for countless children. PAL teaches children to learn, to aspire, and to achieve. The positive impact of this program extends beyond those who are directly involved; this program benefits the entire Philadelphia community.

As we salute this program, we must also celebrate the dedication of those who have worked tirelessly to make it effective. I would also like to take this opportunity to commend the seven outstanding recipients of the 50th Anniversary PAL Award. Congratulations to Sally Berlin, John K. Binswanger, Steven Head, Lewis Klein, Ronald A. Krancer, James F. McCabe, and James E. Schleif. The efforts of these individuals to promote the safety of our children deserve the highest honor. Their service to those in need is truly inspirational.

Mr. President, I congratulate these men and women who have worked to make a difference in the lives of so many children, and I ask my colleagues to join me in recognizing them. On behalf of the Senate, I offer the recipients of the 50th Anniversary PAL Award best wishes for continued success.

Thank you, Mr. President.•

NATIONAL LIBRARY WEEK

• Mr. SARBANES. Mr. President, this week from April 13 to 19 we are celebrating the 39th anniversary of National Library Week. As a strong and vigorous supporter of Federal initiatives to strengthen and protect libraries, I am pleased to take this opportunity to draw my colleagues' attention to this important occasion and to take a few moments to reflect on the significance of libraries to our Nation.

When the free public library came into its own in this country in the 19th century, it was, from the beginning, a unique institution because of its commitment to the same principle of free and open exchange of ideas as the Constitution itself. Libraries have always been an integral part of all that our country embodies: Freedom of information, an educated citizenry, and an open and enlightened society. They are the only public agencies in which the services rendered are intended for, and available to, every segment of our society.

It has been my longstanding view that libraries play an indispensable role in our communities. From modest beginnings in the mid-19th century, today's libraries provide well-stocked reference centers and wide-ranging loan services based on a system of branches, often further supplemented by traveling libraries serving outlying districts. Libraries promote the reading of books among adults, adolescents, and children and provide the access and resources to allow citizens to obtain reliable information on a vast array of topics.

Libraries gain even further significance in this age of rapid technological advancement where they are called upon to provide not only books and periodicals, but many other valuable resources as well. In today's society, libraries provide audio-visual materials, computer services, facilities for community lectures and performances, tapes, records, videocassettes, and works of art for exhibit and loan to the public. In addition, special facilities libraries provide services for older Americans, people with disabilities, and hospitalized citizens.

Of course, libraries are not merely passive repositories of materials. They are engines of learning—the place where a spark is often struck for disadvantaged citizens who for whatever reason have not had exposure to the vast stores of knowledge available. I have the greatest respect for those individuals who are members of the library community and work so hard to ensure that our citizens and communities continue to enjoy the tremendous rewards available through our library system.

My own State of Maryland has 24 public library systems providing a full range of library services to all Maryland citizens and a long tradition of open and unrestricted sharing of resources. This policy has been enhanced by the State Library Network which provides interlibrary loans to the State's public, academic, special libraries, and school library media centers. The network receives strong support from the State Library Resource Center at the Enoch Pratt Free Library, the Regional Library Resource Centers in western, southern, and Eastern Shore counties, and a statewide data base of holdings of over 140 libraries.

The result of this unique joint State-county resource sharing is an extraordinary level of library services available to the citizens of Maryland. Marylanders have responded to this outstanding service by borrowing more public library materials per person than citizens of almost any other State, with 67 percent of the State's population registered as library patrons.

I have had a close working relationship with members of the Maryland Library Association and others involved in the library community throughout the State, and I am very pleased to join with them and citizens throughout the Nation in this week's celebration of National Library Week. I look forward to a continued close association with those who enable libraries to provide the unique and vital services available to all Americans.•

PALESTINIAN TERRORISM AGAINST ISRAEL

• Mr. ASHCROFT. Mr. President, I rise to condemn the resurgence of terrorism against Israel. We have all watched with concern as a seemingly strong peace process has been assaulted with senseless acts of violence. Most troubling to me is the role Palestinian leadership has played in facilitating that terrorism. Yasser Arafat's failure to combat consistently terrorist activity in territory administered by the Palestinian Authority is the greatest single threat to achieving a lasting peace settlement in the Middle East.

In the last few years, the Palestinian Authority has allowed terrorist attacks to reach atrocious levels of violence before finally responding to suppress these criminals. In 1996, four suicide bombings in Israel killed 59 people before Mr. Arafat got serious about combating terrorist networks in Palestinian territory. The Palestinian Authority arrested Islamic extremists, censored mosque sermons, and finally jailed almost all known operatives of Hamas and Islamic Jihad. The crackdown was successful and resulted in almost a year of silence from Hamas.

Last week's suicide bombing in Tel Aviv broke that silence, however, and revived longstanding concerns about Arafat's willingness to use terrorism as a tool of leverage in the peace process. Beginning last August, Arafat gradually released 120 of 200 Islamic activists that Israel identified as security threats. Of those 120 activists, 16 were allegedly involved in terrorist acts that killed Israelis. To make matters

worse, Arafat permitted five of the known terrorists to enter his security forces in Gaza and appointed a Hamas spokesman, Emad Falouji, to his Cabinet. Arafat also hired Adnan Ghol, one of Israel's most wanted Hamas terrorists for building the bomb used in a bus attack last year, to serve in his intelligence service in Gaza.

In his visit to the United States in early March, Arafat was warned by the United States of the danger of releasing known terrorists. Such warnings went unheeded as Arafat returned to Palestine and promptly released the most senior remaining terrorist leader, Ibrahim Maqadmeh. Maqadmeh could very well have been involved in the March 21 Tel Aviv suicide bombing. Arafat claims his release of terrorist operatives is meant to bring all elements of Palestinian society into the peace process, but it is clear that such actions merely give a green light to terrorist attacks.

Mr. President, I am troubled by the deterioration of the Middle East peace process and alarmed by the release of known terrorists from Palestinian jails. Terrorists are not welcome at the table of peace, and I call upon the Clinton administration to address this issue more forcefully in future discussions with Palestinian officials. The April 10 joint raid by Israeli and Palestinian security forces on a Hamas terrorist cell in the West Bank is a constructive step to rebuild security cooperation between Israel and the Palestinian Authority. It is my sincerest hope that Yasser Arafat and the Palestinian Authority will suppress terrorism at every turn and consistently adopt policies that preserve the security of both Israel and the occupied territories. When Palestinian terrorism ends, sincere negotiations for a lasting peace can truly begin.•

TRIBUTE TO JANET CUMMINGS AND PETER GOOD

• Mr. DODD. Mr. President, I rise today to honor two Connecticut citizens whose art, talent, and marriage are truly inspirational—Janet Cummings and Peter Good.

On April 30, Janet and Peter will receive the University of Connecticut's highest honor—the University Medal. The University Medal recognizes outstanding professional achievement, leadership, and distinguished public service on a community, State, national, or international level. As a resident of East Haddam, which is just across the Connecticut River from their home in Chester, I have long been familiar with their impressive contributions to Connecticut's artistic community, and I am very pleased that the University of Connecticut has chosen to honor their careers.

Janet and Peter first met while attending UConn's Fine Arts College in the mid-1960's, and for more than 20 years they have worked together at their own graphic design studio in the river-valley town of Chester. The philosophy of their design studio, Cummings & Good, has been to extend their own nurturing and collaborative relationship to their clients. This philosophy has proven to be immensely successful, as they have done work for many respected corporate clients.

This commercial success has allowed Cummings & Good to sustain the cost of providing quality design, but, perhaps more important, it has allowed the studio to do an inordinate amount of work for nonprofit organizations. Cummings & Good has provided designs for the International Year of the Child, the National Theatre of the Deaf in Chester, Wadsworth Atheneum in Hartford, and the Special Olympics, which were held in New Haven in 1995.

On a personal level, Peter's design of the symbol for the University of Connecticut's year-long symposium "Fifty Years After Nuremberg: Human Rights and the Rule of Law," holds special significance for me. This symposium began with the opening and dedication of the Thomas J. Dodd Research Center, which was named for my father who served as a prosecutor at the Nuremberg tribunal. The dedication of this center was one of the proudest moments of my life, and Peter's design truly captured the spirit and essence of the event.

I am also particularly fond of Peter's designs for the U.S. Postal Service's official 1993 holiday stamps. In fact, I reproduced the image of these stamps for the front of my 1993 Christmas card, and I greatly appreciate Peter's kind permission to use his designs for this purpose.

It's hard to imagine two more deserving recipients of this award than Janet and Peter, and I congratulate the University of Connecticut for its decision to bestow its highest honor on two members of the artistic community. The arts are at the root of our Nation's cultural heritage, and if we fail to promote the arts and recognize the achievements of creative individuals like Janet Cummings and Peter Good, we run the risk of becoming a society that is devoid of passion and imagination.

Again, I congratulate Janet Cummings and Peter Good on receiving University Medals, and I hope that they will enjoy at least 30 more years of collaborating in art and marriage.•

LOAN INTEREST FORGIVENESS FOR EDUCATION ACT

• Mr. GRASSLEY. Mr. President, I want to let my colleagues know that I have introduced legislation to make it easier for all Americans to bear the cost of a higher education. My legislation, which I offer with my colleague, Senator MOSELEY-BRAUN, would restore the deduction on the interest paid on student loans, which was eliminated in the 1986 Tax Reform Act.

This bill is a simple, direct proposal. Under this legislation, those who are paying off student loans will be able to claim a deduction for that amount and they would be able to claim this deduction for the time it takes to repay the loan.

When we think of investing money, we often think of investing in things—machines, natural resources, or businesses. This measure is an investment in human capabilities and talents. This bill will send the message to college students across America that their intellectual talents are valued and are worth the investment of tax dollars. Students need to know the Federal Government and the Nation value their contributions of the mind.

Then, I believe they will have a greater appreciation of the effort necessary to successfully complete a higher education.

And, increasingly, a higher education is the starting point on a successful career path. According to the Department of Labor, by the year 2000, more than half of all new jobs created will require an education beyond high school.

However, at the same time as a higher education has become increasingly necessary, it has also become increasingly expensive. In the last 10 years, total costs at public college has increased by 23 percent and at private colleges by 36 percent.

According to the General Accounting Office, this means that over the last 15 years, tuition at a public 4-year college or university has nearly doubled as a percentage of median household income. Accordingly to the Congressional Research Service, the best data available indicates that students graduating from a 4-year program leave that institution with an average loan debt of about $10,000. This, of course, represents a significant burden in itself. However, at the current capped rate of 8.25 percent for the basic Federal student loan program, students also bear nearly $1,000 in interest debt. For individuals just starting out, this extra burden adds insult to injury. We, in the Congress, can send the signal that we value higher education and recognize the financial responsibility students have by restoring the deduction on the interest on student loans.

Furthermore, this proposal is more affordable than what the President has proposed. His tuition deduction which received cost estimates ranging from $36 to $42 billion. What I and my college from Illinois are proposing addresses interest cost, which, of course, is a percentage of tuition cost. I believe our proposal provides college students with the help they really need, while at the same time being fiscally manageable. That is why I urge my colleagues

on both sides of the aisle to join Senator MOSELEY-BRAUN and I in supporting the Loan Interest Forgiveness for Education Act.•

THE 50TH ANNIVERSARY OF LARRY DOBY'S JOINING THE AMERICAN LEAGUE

• Mr. LAUTENBERG. Mr. President, another season of baseball is underway, and all of us are enjoying the crack of a bat on a hard hit ball and the thrill of a stolen base. But while this season has brought us the familiar sights and sounds, it also recalls a very special anniversary. Nineteen ninety-seven marks the 50th anniverary of the breaking of major league baseball's color barrier.

In April 1947, Jackie Robinson played his first game with the National League's Brooklyn Dodgers and ended segregation in our national pastime; simultaneously, he entered America's pantheon of heroes.

Mr. President, while we rightfully honor Mr. Robinson, we cannot forget that heroes rarely fight their battles alone. Unfortunately, we have largely ignored those other African-American baseball players who broke that barrier with Robinson.

Only 11 weeks after Jackie Robinson first graced a major league baseball diamond, Larry Doby, of Paterson, N.J., took the field with the Cleveland Indians, becoming the first African-American player in the American League. Once on the team, he brought an ability and a consistency to the game which few could match. He was the first African-American player to hit a home run in a World Series, and he was named to six straight American League All-Star teams. During his 13-year career, he attained a .283 lifetime batting average and hit 253 home runs.

But Larry Doby was not only an exciting player, he was also a courageous individual. He ignored the vile epithets hurled at him by both fans in the stands and opposing players on the field. After a road game, his teammates would go back to their hotel and make plans for the evening. Thanks to specter of Jim Crow, Mr. Doby would have to go, alone, to his own dingy hotel room in the black part of town.

Because of the manner in which he handled such adversity, many other African-American players followed him to the major leagues, and we all learned that, in the words of Dr. Martin Luther King, we must judge a person on the content of his character and not the color of his skin. In a recent New York Times article, Mr. Doby himself observed, "If Jack and I had a legacy, it is to show that teamwork, the ability to associate and communicate, makes all of us stronger." And by their example, Mr. President, we definitely are a stronger nation.

Mr. President, Larry Doby is rightfully called a legend for his consistency on the field and a hero for his character off the field. But I have the privilege of also calling him a friend. We grew up together on the working class streets of Paterson, N.J. As working class kids, we shared a simple philosophy—if you do what you love, and you do it well, that's its own reward. And that reminds me of one of my favorite anecdotes about Larry.

After his first game in July 1947, the owner of the Cleveland Indians, the renowned Bill Veeck, told Larry, "You are going to make history." Doby recalls that he thought to himself, "History? I just want to play baseball."

In 1975, Larry became the manager of the Chicago White Sox. Today, at the age of 72, he is still involved with the game, working for major league baseball in its Manhattan offices. But at one time, he was an American who just wanted to play baseball. And, given the opportunity, he played with skill and grace—and he made history.

When it comes to Larry, others may have filled his uniform, but no one will ever be able to fill his shoes. Larry Doby proves that good and great can exist in the same individual.•

ELLEN WARREN JOINS CHICAGO JOURNALISM HALL OF FAME

• Mr. DURBIN. Mr. President, I rise today to call to the attention of my colleagues a creative and talented journalist from my State—Ellen Warren. I am pleased to announce that Ellen will be inducted into the Chicago Journalism Hall of Fame on April 18.

Chicago, as many of my colleagues know, has a reputation earned over many years as a place where the news business is taken seriously, by practitioners and consumers alike. By elected officials too, I might add.

From the perceptive observations of Finley Peter Dunne's Mr. Dooley through the "Front Page" days of Ben Hecht to the latter day insights of Mike Royko, Chicago journalism has been of the highest quality—aggressive, competitive, and literary all at the same time.

This year, the name of Ellen Warren of the Chicago Tribune will be among those added to the honor roll of journalists who have, over the course of a career, produced the highest quality work in one of the toughest news markets in the country.

Ellen began her career in 1969 at the City News Bureau of Chicago, a legendary training ground for reporters. At the Chicago Daily News, she was a foreign correspondent as well as the first woman ever permanently assigned to the City Hall beat. At the Chicago Sun-Times, she covered, at various times, Congress, the Supreme Court, and the Carter White House. For Knight-Ridder newspapers, she covered the Bush White House. Since 1993, she has been based in Chicago and has carried out numerous assignments for the Tribune, including that of columnist and political writer.

Ellen Warren has gone about her job with flair, honesty, and dedication. I happen to know that she also is a hall of fame-level wife and mother. For all of her accomplishments, I wish to add my congratulations to Ellen Warren on this occasion of her induction into the Chicago Journalism Hall of Fame.•

TRIBUTE TO MICHAEL GOLDBLATT

• Mr. DODD. Mr. President, I rise today to pay tribute to Michael Goldblatt, who was recently honored as Citizen of the Year by the Eastern Connecticut Chamber of Commerce.

A longtime civic leader and lifelong resident of Norwich, CT, Michael has utilized his passion for antique cars and ice skating to help better the local community.

In 1986 he founded the Eastern Connecticut Antique Auto Show. Currently in its 12th year, the show serves as one of the largest and most successful fundraising events for the chamber of commerce. Today, he is still on the show's executive board and is its chief technical judge.

What's more, he was the catalyst for efforts to build the Norwich Municipal Ice Rink, which today is home for the New England Sharks Double A youth hockey program.

Starting with virtually no financial resources, Michael mobilized local officials and helped raise millions of dollars to make his dream of a year-round, fully enclosed ice rink a reality.

Michael Goldblatt also serves as treasurer of the Norwich Community Development Corp. and has been a member of the board of directors for the Eastern Connecticut Chamber of Commerce, the Norwich Recreation Advisory Board, and the Connecticut Society of CPA's.

In all his endeavors, Michael has been a tremendous asset to both the city of Norwich and to the entire State of Connecticut. His humanitarian and altruistic efforts are an example that all Americans should emulate.

I commend the Eastern Connecticut Chamber of Commerce on their fine choice and I once again congratulate Michael on his selection as Citizen of the Year. He is a deserving choice.•

REGARDING TERRORIST GRENADE ATTACK IN CAMBODIA

Mr. FRIST. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of Senate Resolution 69 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution.

The bill clerk read as follows:

A resolution (S. Res. 69) expressing the sense of the Senate regarding the March 30, 1997 terrorist grenade attack in Cambodia.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 69) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 69

Whereas Cambodia continues to recover from more than three decades of recent warfare, including the genocide committed by the Khmer Rouge from 1975 to 1979;

Whereas Cambodia was the beneficiary of a massive international effort to ensure peace, democracy, and prosperity after the October 1991 Paris Agreements on a Comprehensive Political Settlement of the Cambodia Conflict;

Whereas more than 93 percent of the Cambodians eligible to vote in the 1993 elections in Cambodia did so, thereby demonstrating the commitment of the Cambodian people to democracy;

Whereas since those elections, Cambodia has made significant economic progress which has contributed to economic stability in Cambodia;

Whereas since those elections, the Cambodia Armed Forces have significantly diminished the threat posed by the Khmer Rouge to safety and stability in Cambodia;

Whereas other circumstances in Cambodia, including the recent unsolved murders of journalists and political party activists, the recent unsolved attack on party officials of the Buddhist Liberal Democratic Party in 1995, and the quality of the judicial system—described in a 1996 United Nations report as "thoroughly corrupt"—raise international concern for the state of democracy in Cambodia;

Whereas Sam Rainsy, the leader of the Khmer Nation Party, was the target of a terrorist grenade attack on March 30, 1997, during a demonstration outside the Cambodia National Assembly;

Whereas the attack killed 19 Cambodians and wounded more than 100 men, women, and children; and

Whereas among those injured was Ron Abney, a United States citizen and employee of the International Republican Institute who was assisting in the advancement of democracy in Cambodia and observing the demonstration: Now, therefore, be it

Resolved, That the Senate—

(1) extends its sincerest sympathies to the families of the persons killed, and the persons wounded, in the March 30, 1997, terrorist grenade attack outside the Cambodia National Assembly;

(2) condemns the attack as an act of terrorism detrimental to peace and the development of democracy in Cambodia;

(3) calls upon the United States Government to offer to the Cambodia Government all appropriate assistance in identifying and prosecuting those responsible for the attack; and

(4) calls upon the Cambodia Government to accept such assistance and to expeditiously identify and prosecute those responsible for the attack.

MAKING TECHNICAL CORRECTIONS IN THE HIGHER EDUCATION ACT OF 1965

Mr. FRIST. Mr. President, I ask unanimous consent that the Labor Committee be discharged from further consideration of H.R. 914 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 914) to make certain technical corrections in the Higher Education Act of 1965 relating to graduation data exposures.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOMENICI. Mr. President, I rise today to speak about one of the provisions contained in H.R. 914 which is necessary for the 315,000 public school children of New Mexico. The specific provision involves the New Mexico Department of Education's intent to take credit for $30 million of Federal impact aid funds.

New Mexico is one of three States in the country which uses an equalization formula to distribute educational moneys among its school districts. Presently, 40 out of New Mexico's 89 school districts qualify for 30 million dollars' worth of impact aid. The New Mexico Department of Education relies on impact aid in calculating the amount of State funds which will be used to equalize educational funding among all 89 school districts.

Without this legislation, the New Mexico Department of Education would not be permitted to consider $30 million of impact aid in its formula for distributing State education moneys among its school districts. The inability to consider Federal funds would create an imbalance in the distribution of educational funds between non-impact aid school districts and impact aid school districts.

This legislation allows the U.S. Department of Education to recognize as timely New Mexico's written notice of intent to consider impact aid payments in providing State aid to school districts for the 1997–98 school year.

AMENDMENT NO. 46

(Purpose: To make amendments relating to a date extension and to make changes in the program under title VIII of the Elementary and Secondary Education Act of 1965)

Mr. FRIST. Mr. President, I understand Senator JEFFORDS has an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Tennessee [Mr. FRIST], for Mr. JEFFORDS, proposes an amendment numbered 46.

Mr. FRIST. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end, add the following:

SEC. 2. DATE EXTENSION.

Section 1501(a)(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6491(a)(4)) is amended by striking "January 1, 1998" and inserting "January 1, 1999".

SEC. 3. TIMELY FILING OF NOTICE.

Notwithstanding any other provision of law, the Secretary of Education shall deem Kansas and New Mexico to have timely submitted under section 8009(c)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7709(c)(1)) the States' written notices of intent to consider payments described in section 8009(b)(1) of the Act (20 U.S.C. 7709(b)(1)) in providing State aid to local educational agencies for school year 1997–1998, except that the Secretary may require the States to submit such additional information as the Secretary may require, which information shall be considered part of the notices.

SEC. 4. HOLD HARMLESS PAYMENTS.

Section 8002(h)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(h)(1)) is amended—

(1) in subparagraph (A), by striking "or" after the semicolon;

(2) in subparagraph (B), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(C) for fiscal year 1997 and each succeeding fiscal year through fiscal year 2000 shall not be less than 85 percent of the amount such agency received for fiscal year 1996 under subsection (b).".

SEC. 5. DATA.

(a) IN GENERAL.—Section 8003(f)(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(f)(4)) is amended—

(1) in subparagraph (A)—

(A) by inserting "expenditure," after "revenue,"; and

(B) by striking the semicolon and inserting a period;

(2) by striking "the Secretary" and all that follows through "shall use" and inserting "the Secretary shall use"; and

(3) by striking subparagraph (B).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to fiscal years after fiscal year 1997.

Mr. FRIST. Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 46) was agreed to.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 914), as amended, was deemed read the third time and passed.

ORDERS FOR THURSDAY, APRIL 17, 1997

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m. on Thursday, April 17. I further ask unanimous consent that on Thursday, immediately following the prayer, the routine requests through the morning hour be granted, and that there then be a period for the transaction of morning business until the hour of 2 p.m., with Senators permitted to speak for up to 5 minutes each, with the following exceptions: Senator BENNETT, 1 hour; Senator CONRAD, 10 minutes; Senator DASCHLE, or his designee, 1 hour; Senator COVERDELL, or his designee, in control of the time from 1 to 2 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, for the information of all Senators, tomorrow, following the period of morning business, it is hoped that the Senate will be able to begin consideration of S. 495. That bill, which will be discharged from the Judiciary Committee, is regarding the unlawful use or transfer of chemical weapons. It is hoped that we will be able to reach an agreement on that bill which would allow the Senate to complete action of S. 495 following a couple of hours of debate. All Senators can therefore expect rollcall votes on Thursday, possibly mid to late afternoon.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 5:21 p.m., adjourned until Thursday, April 17, 1997, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate April 16, 1997:

DEPARTMENT OF STATE

BRIAN DEAN CURRAN, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MOZAMBIQUE.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OLIVIA A. GOLDEN, OF THE DISTRICT OF COLUMBIA, TO BE ASSISTANT SECRETARY FOR FAMILY SUPPORT, DEPARTMENT OF HEALTH AND HUMAN SERVICES, VICE MARY JO BANE, RESIGNED.

NATIONAL COUNCIL ON DISABILITY

GINA MCDONALD, OF KANSAS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1998, VICE LARRY BROWN, JR., TERM EXPIRED.

BONNIE O'DAY, OF MINNESOTA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1998. (REAPPOINTMENT)

HOUSE OF REPRESENTATIVES—*Wednesday, April 16, 1997*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. LATOURETTE].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
April 16, 1997.

I hereby designate the Honorable STEVEN C. LATOURETTE to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We cry for freedom, O God, so we can use our consciences and practice our best intentions. We are grateful that we can know the gift of liberty to express our personal values and ideals. Yet we confess, O God, that we can use our liberties and freedoms to avoid the responsibilities of caring for each other, of making our own sacrifice so the pain and suffering of others might be eased. O Author of all of life, remind us that we are bound together in this world by the common creation of Your hand, and we are nurtured each day by the unity that we try to share. So teach us to use our personal freedom so we are responsible in ways that promote justice and mercy for us and for every person. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER pro tempore. 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 I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Kansas [Mr. TIAHRT] come forward and lead the House in the Pledge of Allegiance.

Mr. TIAHRT led the Pledge of Allegiance as follows:

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 Ms. McDevitt, one of its clerks, announced that the Senate had passed bills of the following titles in which concurrence of the House is requested:

S. 104. An act to amend the Nuclear Waste Policy Act of 1982.

S. 522. An act to amend the Internal Revenue Code of 1986 to impose civil and criminal penalties for the unauthorized access of tax returns and tax return information by Federal employees and other persons, and for other purposes.

ELECTION OF MEMBERS TO THE COMMITTEE ON BANKING AND FINANCIAL SERVICES

Mr. LINDER. Mr. Speaker, by direction of the Republican Conference, I call up a privileged resolution (H. Res. 114) and ask for its immediate consideration. The minority has been apprised of the contents.

The Clerk read the resolution, as follows:

H. RES. 114

Resolved, That the following Members be, and they are hereby, elected to the following standing committee of the House of Representatives:

Committee on Banking and Financial Services: Mr. Manzullo, Mr. Foley, and Mr. Jones.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TAX RELIEF

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

Mr. TIAHRT. Mr. Speaker, yesterday was the filing deadline for Federal taxes and State taxes in Kansas. But tax freedom day in Kansas is actually on May 7. That is the day we finally pay our direct Federal, State, and local taxes, our direct taxes. Some think that is the day when they can quit working for the Government and start to work for themselves. But it is not. Still remaining are indirect taxes, hidden taxes. Nearly 40 cents on a dollar of gasoline, hidden costs in the form of taxes, 28 cents on a dollar loaf of bread, 48 cents on a dollar glass of draft beer, on and on it goes. Hidden taxes buried in the products we use every day, every day. Add those hidden taxes to the direct taxes, and Americans work more than 6 months for the Government and less than 6 months for themselves.

America needs tax relief today, Mr. Speaker.

PRIORITIES FOR WORKING MEN AND WOMEN

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

Mr. BONIOR. Mr. Speaker, America does need tax relief today, but it does not need it for the top 5 percent in this country. The speaker the other day got up and suggested a $300 billion giveaway to the top 5 percent. Where is it for the rest of the working people in this country?

Mr. Speaker, it is no secret why the Republican leadership refuses to schedule campaign finance reform. The wealthy donors who contributed to the Republican Party want tax breaks. According to an article that was in the Washington Times last week, they have told the Republican leadership that they can forget about more money for their party unless they have these tax cuts for the wealthiest at the top.

What about providing health care for the 10 million kids who have no health insurance in this country? What about education for our folks? What about a tax break for education for those who want to go on to college? What about school-to-work programs for the 70 percent of our population who do not graduate from college?

Let us have priorities for working men and women in this country and their families and not for the wealthiest few in the Nation.

CAMPAIGN FINANCE REFORM

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

Mr. KINGSTON. Mr. Speaker, now we hear it from the administration that brought American school kids hepatitis strawberries. They now want to handle kids' health care. Let me see if this makes sense. I am a father of four children. I do not want the Government getting involved in my kids' health care if that is the way they are going to handle the school lunch program. It is absurd.

Are we going to talk about campaign finance reform? Let us talk about the sweet deal for the Chinese leasing an American shipyard. What is the connection here?

Let us talk about American security. Let us talk about the $235,000 in foreign funds given to the Democratic National Committee that had to be returned. Let us talk about Webster Hubbell and the money that was given to him when

he resigned. Was it hush money or was it just a mere coincidence? Let us get into the Cuban drug dealers and the Chinese arms dealers who have been wined and dined at the White House. Is this the campaign finance reform we are talking about?

I am curious. I join Democrats in trying to get to the root of this.

IN SUPPORT OF H.R. 400, THE 21ST CENTURY PATENT SYSTEM IMPROVEMENT ACT

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

Mr. DELAHUNT. Mr. Speaker, tomorrow we take up H.R. 400, the 21st Century Patent System Improvement Act, a bill supported by the entire Committee on the Judiciary and the vast majority of American inventors and developers of advanced technology.

I commend the gentleman from North Carolina [Mr. COBLE], our subcommittee chairman, and the gentleman from Massachusetts [Mr. FRANK], the ranking member, for the diligent and fair-minded way in which they have worked with all interested parties to perfect this legislation over the past 3 years.

As a new member of the subcommittee, I can sympathize with those of my colleagues who feel somewhat overwhelmed by this complex, arcane subject. Unfortunately, much of the information circulated over the past few weeks has been misinformation which has not made it any easier to get to the truth.

I cosponsored this bill because of the benefits it offers to every U.S. inventor and our Nation as a whole. Passage of this bill is absolutely essential if we are to maintain our leadership in technology and successfully compete in the global economy.

TAX RELIEF FOR AMERICA'S FAMILIES

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

Mr. THUNE. Mr. Speaker, 4 years ago Democrats in Congress passed the largest tax increase ever to hit the American taxpayer. As a result of 40 years of continuous tax and spend policies, voters decided to put Republicans in charge of Congress.

In the last Congress, Republicans made it easier for millions of families and hard-working Americans to keep more of the money that they earn. This Congress will be no different. We will maintain our commitment to reducing Government waste and to providing tax relief for millions more families and hard-working Americans.

Americans believe that no more than 25 percent of their income should be taken from them. Right now taxes at all levels consume more than half of an American worker's income. This is immoral and it is unsustainable. America's families and workers need tax relief so they can do more for themselves, their children and their communities.

EMERGENCY FOREIGN AID TO RUSSIA

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

Mr. TRAFICANT. Mr. Speaker, in 1994 Boris Yeltsin fell off a stage in Germany. He then was unable to get off a plane in Ireland. He then was on his way to a summit meeting where he begged for emergency foreign aid; and the White House complied, giving Boris and Russia $12 billion in foreign aid and millions more to build houses for Russian soldiers.

In 1994, Boris, to get the money, promised no more weapons sales to Iran. Records now show that with American dollars Boris built planes, tanks, missiles and helicopters and sold them to Iran.

Beam me up here, Mr. Speaker. The only thing we should be sending Boris is a counselor from Alcoholics Anonymous.

The truth is, under the weight of all that emergency cash Congress, Boris has fallen and he cannot get up. And if we have any money left over, let us use it in America, not Russia.

Think about that. And I yield back the balance of any money left over from these Ruskies.

MULTIMILLION-WORD TAX CODE

(Mr. BOB SCHAFFER of Colorado asked and was given permission to address the House for 1 minute.)

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, only in Washington do people systematically create a mess and then stand up before America and declare, I am just so proud of this mess that I have created.

That is right, Mr. Speaker, I am talking about the politicians who created our multimillion-word Tax Code. It just saps 40 percent of the family budget so that you cannot afford your own healthcare or any other necessity.

It is truly a bizarre Washington ritual where the politicians come to town year after year, make the Tax Code more and more complicated, more and more illogical and then leave town and tell their constituents how proud they are of their work in Washington, DC.

For 40 years my liberal friends on the other side of the aisle were in power. In 1995, that 40-year attack on freedom came to an end, but their legacy to the American people is a Tax Code of one gigantic, multivolume embarrassment, an embarrassment of which they are nonetheless enormously proud.

I, on the other hand, want no part of that legacy, Mr. Speaker. I, on the other hand, can only look to our tax system as a cruel joke that is the enemy of common sense.

CANNOT CUT TAXES AND REDUCE THE DEFICIT AT THE SAME TIME

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

Mr. CHRISTIAN-GREEN. Mr. Speaker, I am honored to be here today and follow my colleague. I am not proud of this Congress either because we are a do-nothing Congress. But before we condemn the Republican leadership for their inactivity, I would like to remind my colleagues that it could be worse.

We could have a repeat performance of 2 years ago, when the Republicans were busy trying to pass legislation that cut taxes at the expense of Medicare.

While the Republican leadership missed yesterday's deadline for a budget resolution, we are still hearing that my colleagues want to pass tax cuts again. In fact, we have Senate Republicans demanding cuts in Medicare and House Republicans wanting to eliminate estate taxes.

A great plan: We will cut your taxes after you die, but we are going to take your Medicare away from you while are you alive.

We cannot cut taxes and reduce the deficit at the same time.

Following my colleague from Ohio, beam me up, Mr. Speaker. Does this make sense?

REDUCE FEDERAL SPENDING

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

Mr. CUNNINGHAM. Mr. Speaker, my father took home about 85 percent of his paycheck. My brother will take home about 45 percent of his paycheck. My daughters, at the current rate of taxes and spending, will take home between 10 and 16 percent.

Yogi Berra once said, "Ladies and gentleman, the future ain't what it used to be." When I grew up, if you worked hard and tried to save and put money back, you may have a little bit of a life with your family. More and more, that is increasingly different.

Mr. Speaker, we need to reduce the amount of Federal spending and have an effective government. The President wants a $3 billion literacy program. There are already 14 literacy programs in education, all with bureaucracies, to where we get as little as 23 cents on the dollar down to the classroom. That is cutting education, Mr. Speaker.

We need to work on both sides because American families are endangered in this country. A billion dollars

a day, but not one penny goes to any of those.

□ 1115

HOW FAR WE HAVE COME, HOW FAR WE HAVE TO GO

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

Ms. MCKINNEY. Mr. Speaker, today I am proud to wear an official Jackie Robinson 50th anniversary shirt licensed by Terry Manufacturing, the largest African-American manufacturing apparel company in the United States.

Fifty years ago this week Jackie Robinson shattered not just the color line in baseball, he also shattered the myths upon which Jim Crow America was built.

A few brave men in major league baseball took the courageous step to hire one player. But in major league baseball, just as in other areas of American mainstream life, there are still many more barriers to tear down before we have reached our true ideal as a nation.

Monday the world watched in awe as Tiger Woods shattered every record held for the Masters Tournament at Augusta National. Unfortunately there remain golf courses in America where families like Tiger and his family are not welcome and minorities cannot play.

It is right and appropriate that we take the time now to celebrate how far we have come. Let us also reflect on how far we still have to go.

ILLINOIS' LADY INDIANS BASKETBALL TEAM DEMONSTRATE HIGHEST LEVEL OF SPORTSMANSHIP AND COMPETITION

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

Mr. SHIMKUS. Mr. Speaker, I proudly rise this morning to acknowledge an exemplary group of young athletes from Illinois who have persevered in reaching a common goal for the second year in a row. This group of young women have demonstrated the true hearts of champions, and have aspired once again to the highest level of sportsmanship and competition.

This team of student athletes hailing from Carlyle, IL, are known as the Lady Indians basketball team. In March the Lady Indians won the Illinois high school Class A women's basketball championship.

En route to their second State championship and third straight visit to the Illinois finals, Mr. Speaker, the Carlyle Lady Indians rolled to a record 33 wins and no losses, including the championships in the Cahokia Conference Tournament, the Mascoutah Holiday Tournament, and the Highlands Invitational. In the last three seasons the Carlyle ladies high school team has racked up an impressive 94 wins to only 8 losses, which demonstrates a selfless commitment to excellence and a willingness to forsake individual accolades for the good of the team.

Mr. Speaker, this team, led by Courtney Smith, the 1997 Illinois Ms. Basketball, and Angie Gherardini, the Illinois Class A coach of the year, is an outstanding example of hard work, dedication and excellence which every young athlete can learn from, and truly symbolizes the selflessness and devotion of all the people of the 20th District of Illinois.

So today Mr. Speaker, I want to congratulate these 12 devoted players and the assistants who guided this team to their second straight Illinois State Championship in 1997: Michelle Donahoo, Leslie Dumstorff, Heather Hitpas, Kristin Hustedde, who recently visited my office as part of the Congressional Youth Leadership Council, Tara Kell, Erin Knuf, Summer Knuf, Lindsay Macon, Stacey Pollman, Jessica Robert, Brie Sheathelm, and Courtney Smith.

H.R. 2 ABANDONS COMMITMENT TO HOUSING THE VERY POOR

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

Ms. VELÁZQUEZ. Mr. Speaker, this week the Speaker of the House announced that he wants to give a $300 billion tax cut to the wealthiest people in this country. This is a disgrace. But the story gets worse, much worse. Today Republicans are going to try to pay for those tax breaks by taking money from poor people in public housing.

Today in the Committee on Banking and Financial Services we will debate H.R. 2, a bill that abandons our Government's commitment to housing the very poor. Under H.R. 2 many poor families will end up spending more of their income on housing or be forced into homelessness. Meanwhile, people making over $350,000 a year will get a tax break.

Mr. Speaker, is this what the Republicans stand for: Giving tax breaks to the rich while throwing poor children onto the street? H.R. 2 is extremely unfair and must be stopped.

DO NOT CUT MEDICARE TO PAY FOR TAX BREAKS

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

Mr. MCGOVERN. Mr. Speaker, as we begin the debate over how to balance the Federal budget, I rise today to express my frustration over some of the recent proposals for dealing with our Nation's Medicare Program.

Last week I was concerned to learn of the President's offer to take an additional $18 billion out of projected Medicare spending. Then, Mr. Speaker, I was utterly outraged to learn of the response of the chairman of the Senate Committee on the Budget to the President's offer. The gentleman from New Mexico said an additional $18 billion was not nearly enough.

Republicans have threatened to call off budget negotiations with the President unless he accepts Medicare cuts of up to $30 billion or more. A cut of this magnitude without balanced reform would devastate the Medicare Program and cannot be justified.

And why are the Republicans scrambling so furiously for these deep, unsustainable cuts in Medicare? Not to extend the life of the Medicare trust fund, not to improve the quality of health care for 38 million seniors, but because they need the money to finance massive tax breaks for the very wealthy.

Mr. Speaker, I will not support any budget, whether Republican or Democrat, that uses the Medicare Program as a piggybank for giant tax breaks for the rich.

TAX CUTS FOR THE RICH AT THE EXPENSE OF MIDDLE CLASS WORKING FAMILIES

(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, it is the same old song and dance here on Capitol Hill. My colleagues on the other side of the aisle are proposing large tax cuts for the rich at the expense of middle class working families.

The latest tax proposal put forth by the Speaker of the House is to eliminate all capital gains and estate taxes, which would cost a staggering $300 billion over the next 5 years. Who benefits from these cuts? The wealthiest 5 percent of Americans. And who pays for these cuts? Working families.

Do not just take my word for it. USA Today estimated on Monday that it would cost the average American family $400 a year to pay for this tax windfall for the wealthy.

It is time to stop proposing huge tax breaks for those who need it the least and to start providing targeted tax relief for those who need it the most: Middle class American families.

REDUCTION OF TOP RATE OF CAPITAL GAINS TAX FROM 28 TO 14 PERCENT

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

Mr. DREIER. Mr. Speaker, I rise to congratulate my colleagues on both sides of the aisle, Democrats and Republicans. I have to do that, after having heard the vitriolic attacks that are emerging from the Democratic side attacking us for what clearly will be the single most important thing that we can do for working families in this country, and that is reducing the top rate on capital gains from 28 to 14 percent.

I am very gratified that we now have, I think it is 127 Democrats and Republicans as cosponsors of this measure. Why? Because Democrats and Republicans know that it is going to benefit working families. It is going to, based on every shred of empirical evidence we have, increase the flow of revenues to the Federal Treasury, as it has always done when we unleash that $7 to $8 trillion of locked-in capital that people are concerned about selling because of that rate that is so extraordinarily high.

Mr. Speaker, I encourage my colleagues to join as cosponsors of H.R. 14, Democrats and Republicans.

BAN HANDGUN POSSESSION BY ANYONE UNDER 21

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

Mr. BLAGOJEVICH. Mr. Speaker, do my colleagues know children in the United States are 12 times more likely to die because of a firearm than children in every other major industrialized nation? And that the United States has the highest rate of gun-related child homicides and child suicides of 26 major industrialized nations?

Over the last 30 years the percentage of murders committed by people under 21 in my hometown of Chicago went from 10 percent to nearly 40 percent. Over that same 30-year period, the number of murders committed nationally by those under 21 increased 5 fold.

Mr. Speaker, when we consider these facts, there can be only one conclusion: Our children are all too often the perpetrators and the victims of handgun violence.

Mr. Speaker, we in America need to ban handgun possession by anyone under 21. I have introduced a bill that would do exactly that, and I urge my colleagues to support me in this effort.

A NEW DEFENSE TO CRIMINAL PROSECUTION?

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

Mr. BARR of Georgia. Mr. Speaker, perhaps as a former U.S. attorney and a Federal prosecutor, I am particularly sensitive to new defense theories when they arise in court cases. I was mystified yesterday, though, to see a new defense to criminal prosecution raised by none other than the Attorney General of the United States.

In her letter in which she refuses to appoint an independent counsel to investigate allegations of wrongdoing for which there may be a conflict of interest or an insufficient basis, she says that the Vice President's admitted use of a telephone in the White House and the OEOB to solicit funds was not a crime because the use of the phone for something that is otherwise permissible is OK.

I can see the next time the U.S. attorney has to exercise prosecutorial discretion involving the use of a phone by a drug trafficker, and I suppose now that the Department of Justice will have to decline such prosecutions because the use of the phone is otherwise permissible, and therefore even if it is used to solicit drug monies, that is OK because use of the phone is for otherwise legal purposes.

It is a sad day indeed.

FACING BIGOTRY AND HATRED

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

Mr. CAPPS. Mr. Speaker, my remarks today are timed to coincide with tonight's television showing of the film "Not In This Town," about hate groups and racial bigotry in America.

I speak on this topic because I was in Billings, MT, just prior to what happened to Tammie and Brian Schnitzer and their family, after it had become known they are Jewish, an identity which ought to be an occasion of immense pride.

Mr. Speaker, Billings, MT, is not the only city where such events occur. In fact, in Santa Barbara, CA, where I live and work, a community forum was held just last Saturday night because of a recent incident in a local high school. Participants included Babatunde Folayemi, Judith Meisel, Michael Caston, the superintendent of schools, the Reverend Sara Moores Campbell of the Unitarian Society, the Reverend Rueben Ford of St. Paul A.M.E. Church and other community leaders.

The Santa Barbara News Press gave very extensive coverage to this event, demonstrating that a newspaper is a powerful educational instrument.

Mr. Speaker, right now, before Passover, following Easter, we must recognize that bigotry and hatred are challenges faced by the entire human community.

LET US BRING JUSTICE TO THE COMMANDOS

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

Ms. SANCHEZ. Mr. Speaker, I rise today to call attention to an injustice suffered by over 300 men of the Vietnam war, an injustice that spans three decades.

During the war, the United States Government trained a number of South Vietnamese commandos to infiltrate North Vietnam Communist operations. Many of these commandos were captured and brutally tortured during their years of imprisonment and sustained long-term injuries.

There are about 300 commandos currently living throughout the United States. It is now time for our Nation to recognize their heroic war efforts and compensate the few surviving commandos and their families.

The Pentagon has failed to carry out the unanimous will of the 104th Congress to pay these brave men an average of $40,000 each for their time in captivity. In fact, while the Pentagon has delayed, three of the commandos have perished.

The House Committee on Appropriations has the opportunity to fully recognize their service on behalf of the United States as they consider the supplemental appropriations bill this week. It is the least we can do to recognize their enormous sacrifice.

Let us not turn our backs on the commandos.

100 DAYS OF DOING NOTHING

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

Mr. LEWIS of Georgia. Mr. Speaker, today is the 100th day of this Congress. Today marks 100 days of doing nothing.

The Republican leadership has no agenda. The Republican leadership has no budget, no education bill, no children's health care bill. Why do we not have a budget? Why do we not have a children's health care bill? What can be more important? Instead of doing the people's work, we are spending our time on busy work and political posturing.

What have the Republicans done about a budget? Nothing. What have the Republicans done about children's health? Nothing. What have the Republicans done about education? Nothing, nothing, nothing.

Mr. Speaker, 100 days of nothing is enough. It is time to address the concerns of American working families. It is time for this do-nothing Congress to do something. Get to work.

PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call

up House Resolution 112 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 112

Resolved, That it shall be in order at any time on Wednesday, April 16, 1997, for the Speaker to entertain motions that the House suspend the rules. The Speaker or his designee shall consult with the minority leader or his designee on the designation of any matter for consideration pursuant to this resolution.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the gentlewoman from Fairport, NY [Ms. SLAUGHTER], 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.

□ 1130

Mr. Speaker, in a statement that is more prophetic than he might have imagined when he made it at the time, President Woodrow Wilson said,

It's not far from the truth to say that Congress in session is Congress on public exhibition, while Congress in committee rooms is Congress at work.

It is the work of Congress that we hope to accomplish with adoption of this rule. It makes in order at any time today, Wednesday, April 16, for the Speaker to entertain motions that the House suspend the rules. The rule further requires the Speaker or his designee to consult with the minority leader or his designee on the designation of any matter for consideration pursuant to the rule.

The bills that will be considered under suspension of the rules as a result of adopting this rule are noncontroversial and very narrowly tailored, thus making it impractical to bring them up under the order of business resolution from our Committee on Rules. However, scheduling them for consideration today is necessary to ensure that our colleagues are here to do very important committee work.

The Committee on Banking and Financial Services is holding an important markup on public housing reform. The Committee on the Budget members are in important negotiations with the administration over the outlines of our balanced budget proposal. The Committee on Commerce is marking up the Leaking Underground Storage Tank Trust Fund Amendments Act. Even our own Committee on Rules will have a hearing tomorrow on improving civility in the House, which is critical, as we all know, to the proper functioning of this institution.

Mr. Speaker, for those of our colleagues who are concerned with the pace and direction of our agenda in the House, adoption of this rule is a precondition to ensuring a productive and successful first session of the 105th Congress.

Also, Mr. Speaker, it is interesting to note that for 2 years during the 104th Congress, we constantly heard complaints from our friends in the minority that the committee system was being bypassed to expedite major legislation. We now have the opportunity to let our committees deliberate openly and do their work, and they are able to have the full participation of the members of their committees.

Mr. Speaker, this is obviously a totally noncontroversial rule. I hope that, unlike last week, we will proceed in a very, very amicable and noncontroversial way as we proceed with this. I urge adoption of the rule.

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

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from California [Mr. DREIER] for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, the rule serves no purpose other than to require the Members of the body to spend another day voting on measures which are noncontroversial and which could easily have been disposed of on the regular suspension days of Monday and Tuesday. Meanwhile, the real business of the House remains neglected.

As we all know, Federal law requires Congress to produce a budget resolution by April 15, 1997. That was yesterday. Well, yesterday came and went without the majority having even proposed a budget or holding a single committee vote on a budget. Nor has the majority taken any steps whatsoever toward enacting campaign finance reform.

Our constituents might wonder what has Congress been spending its time on? Well, the answer is precious little. Today marks the end of the first 100 days of the 105th Congress. Yet the House has barely been in session. This year the House has taken 2 days off for every day it has worked. In fact, the House has been in session for only 33 of the first 100 days of this Congress. Essentially, we took 2 of the first 3 months off. Hardworking families all over the country must look at us and wonder who we think we are. Is this really what we were elected to do?

Since the 105th Congress began, more than 300,000 children have lost their private health insurance. Yet the majority has refused to act on legislation to help families get health coverage for their children. More than 200,000 students have dropped out of high school. But what is our leadership doing to improve public education? More than 1,000 children have been killed, and yet the majority has yet to schedule any floor action for legislation on juvenile crime and drugs.

This Congress took only 60 votes, that is 60, in the first quarter of 1997, 60 votes in the first 90 days. Less than a vote a day, and that is counting all the votes on noncontroversial measures like those to honor democracy gains in Guatemala and Nicaragua and to thank former Secretary Warren Christopher for being Secretary of State and 11 votes for various States for voting term limits.

Now, I am not saying that those measures were unworthy of our votes, only that they do not really constitute heavy lifting. Yet the majority insists on dragging out for consideration these noncontroversial measures day after day, week after week.

Mr. Speaker, why could we not have considered the suspension bills scheduled for today on Monday or Tuesday of this week? Why are we not using the remainder of the week to work on more meaningful legislation like a budget resolution and campaign finance reform?

The rule is disrespectful of the voters we represent and their tax dollars. The majority spent a lot of time on the floor this week talking about taxes. Well, I remind my colleagues, as I did last week when this House considered an identical rule, that it costs the taxpayers of the country $280,000 each week to bring all of us back to Washington. We ought to at least give them their money's worth and get on with the business of passing a budget and enacting campaign finance reform.

Mr. Speaker, I urge my colleagues to defeat the previous question, and if the previous question is defeated, I intend to offer an amendment that would require the House to consider campaign finance reform before Memorial Day, May 31, so that a final campaign finance reform bill can be sent to President Clinton before July 4.

Mr. Speaker, I yield 4 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, here we are, another suspension day. This is one body that just seems to be in constant suspension. I do not know exactly what that means except nothing is being done. We have got some significant bills, as the gentlewoman just said. This Congress has passed bills honoring Warren Christopher for his service as Secretary of State, commending Guatemala for possibly venturing toward democracy; a whole list of things. Yes, they are nice things and they are important, but they are not the guts of legislation.

So what exactly are we here today for, Mr. Speaker? So that we can approve another suspension day doing the same kind of lifting we have been doing? If this were a weight lifting class, I think it would definitely fall under lightweight training. There is no bulking up that is going on around here. There is no heavy lifting taking

place. There is not even weight training. It is not cardiovascular. I am trying to figure out what the exercise regime is in this Congress.

But I will tell Members what is not being done when there is no heavy lifting going on in this Congress: There is no Medicare that is being restructured that is supposed to go belly up by the year 2001. There are no education opportunities being created for the many hundreds of thousands of young people that are trying to get to college. There is no pension reform taking place for the thousands, actually millions of Americans who are counting on that pension when they retire. There is no work being done on the budget.

Oh, the budget. Budget negotiations are taking place, I heard. In fact, the previous speaker on the other side talked about the outline of a balanced budget deal. The fact is, Mr. Speaker, that is all there is from the Republican leadership, is an outline because they have not brought a budget down. Yes, I know that Democrats did not bring it down on April 15 either, but I also know that Democrats had a budget. The interesting thing is that in these budget negotiations it is the White House negotiating with itself.

"How much do you want to cut Medicare, Mr. President?"

"Well, I'll cut it this much, because they do not have a budget to cut from." Yet here we are today in another suspension day where we deal only with noncontroversial bills.

Let me suggest something that could be worked on, and that is why I will vote to defeat the previous question. How about campaign finance reform? Just as there have been significant allegations against the Democratic Party, so have there been significant allegations against the Republican Party as well. No side comes out with clean hands on this. In fact today I saw in the newspaper, in one of the local papers, allegations against yet another Republican leader. And so it seems to me that campaign finance reform could be worked on today. But if it cannot be worked on today, could we work on it tomorrow or perhaps could we set a goal that there will be a campaign finance reform bill on this floor by Memorial Day? That would be a Memorial Day worth memorializing.

And so, Mr. Speaker, why are we doing more suspensions? Because there is not anything else to do, because the leadership will not bring anything to the floor. So let me suggest something: Medicare, education, balanced budget, pension reform and campaign finance reform. Campaign finance reform by Memorial Day. That is why I would urge my colleagues to vote against the previous question so that we can get that agenda up.

If my colleagues want to do some real heavy lifting around here, we are going to have to defeat the previous question. Otherwise, we are just into cardiovascular.

Mr. DREIER. Mr. Speaker, I yield 4 minutes to the gentleman from Smyrna, GA [Mr. BARR].

Mr. BARR of Georgia. Mr. Speaker, I thank the distinguished gentleman from California for yielding me this time. This is really amazing, Mr. Speaker, to hear folks on the other side get up here and beat their chests and be so sanctimonious about no work being done. One time I had a lady from Georgia who called our office and complained that I was not earning my pay because I was not on the floor of the House where she could see me on C-SPAN. I explained to her, to her satisfaction at least, and maybe some folks on the other side will understand this now, the bulk of the work of the Congress of the United States takes place in two institutions with which folks on the other side may not be familiar, committees and subcommittees. There are today, just as one example, Mr. Speaker, House committees and subcommittees debating and considering very specific measures of legislation and very important issues for the American people so that they can indeed be brought to the floor with a minimum of rancor and debate, and so forth, on the floor: Trade with Europe, commodity exchange, the appropriations bills, the small business and economic development, more appropriations bills, the ballistic missile programs, arms control, employment programs, public housing markup, storage tanks involving the public safety, OSHA, nursing home fraud, EPA rulemaking, postal service reform, refugees, bankruptcy system, defense review, patent legislation. The list goes on and on and on.

So it is rather disingenuous or evidences a great ignorance for what goes on here in the House for folks on the other side to beat their chests and complain about nothing being done in the Congress. There is in fact a great deal of work being done where it ought to be done, and that is in our House committees and subcommittees.

If I am not mistaken also, Mr. Speaker, these are the very same folks who in the last Congress complained and complained and complained and complained about us moving too quickly, doing too much without deliberating. And here we are trying to accommodate their wishes from the last Congress and be more deliberative, work these matters through the committee, and what happens? Not surprisingly, we get whipsawed and we get criticized for being more deliberative, working through the committees, and so forth, where there is a great deal more opportunity for debate and input on both sides of the aisle.

Then we have, Mr. Speaker, this smoke screen of, oh, we must have campaign finance reform. One really has to wonder, with the daily allegations that are coming out in the media concerning this administration, one wonders where the notion that clean hands are involved here. I mean, good heavens, Mr. Speaker, with the allegations that are coming out that require, that cry out for study, which the Committee on Government Reform and Oversight is trying to do but for, of course, the intransigence on the other side, which delayed for days and days and days and weeks the funding of that committee.

There is a great deal that does need to be done to look into these allegations, to get to the bottom of it, to clean this mess up, and one has to wonder whether this effort to say, oh, we have to have the matter of campaign finance reform generally brought to the floor by Memorial Day, rather a strange day it seems to me to do campaign finance reform, that this may be a smoke screen and an effort to divert the public's attention from the very serious allegations arising out of this administration's activities and the efforts by this body through its Committee on Government Reform and Oversight, exercising its proper jurisdiction, to get to the bottom of those things.

That is what would be very, very enlightening and very positive to hear from the other side about, what can we do about the tremendous current erosion of our political system and the public's faith and confidence in that system by the allegations involving the sale of our election process to foreign governments, foreign individuals, individuals with a lot of money, and so forth. That is really where the focus ought to be, Mr. Speaker.

Ms. SLAUGHTER. Mr. Speaker, I yield 6 minutes to the gentleman from Michigan [Mr. BONIOR].

□ 1145

Mr. BONIOR. Mr. Speaker, I thank my colleague from New York for yielding me the time.

Today, Mr. Speaker, this is the fourth time this Congress that the Democrats are demanding that we have a vote on campaign finance reform, and as my colleagues have said on our side of the aisle already this morning, we will once again vote to defeat the previous question in order to bring up campaign finance reform to the floor of this House so we can have a bill that eventually will reach the President's desk by the designated time that he requested, the Fourth of July.

Now let me say to my colleagues on the other side of the aisle that the American people are watching what we do on this issue. We have had votes on this campaign finance reform on the 7th of January, the opening day of this Congress, on the 13th of March, on April 9, and not one Member on this side of the aisle has joined us in support in bringing to the floor this debate.

We are not asking for a specific vehicle to be debated. There are many vehicles, some of them from this side of the aisle, that have merit, some from this side of the aisle; but what we are asking for is a debate. Our way of financing political campaigns in this country is broken, and the American people know it, and although some have proposed spending even more on campaigns, as the Speaker has suggested, the American people think that we ought to do just the opposite. More than 9 out of 10 believe that too much money is spent on political campaigns.

We need to fix the system, we need to limit the amount of money in political campaigns, we need to stop the negative advertising, and we need to get people voting again.

In 1996, I had 20,000 fewer people voting in my election, in the Presidential election, than we had 4 years earlier in 1992. Something is happening. Somewhere along the line, Mr. Speaker, our Nation's political discussion has gotten disconnected from the American people. They no longer see the link between their lives and politics, the link between their work and the forces controlling our economy and the link between their community and the challenges that face our Nation, and as a result, if we talk to them, they will tell us they feel powerless, they feel frustrated, they feel alienated.

We need to have a debate about the fundamental nature of politics in this country, questions like what is the role of our Government, what is the meaning of citizenship in a modern democracy, what is political participation? Let us have that debate.

As my colleagues know, it is no secret why the Republican leadership refuses to schedule campaign finance reform. The wealthy donors who contribute to the Republican Party want tax breaks. The Speaker just the other day said we ought to do away with $300 billion of tax giveaways to the wealthiest 5 percent of people in our country, and according to an article I have here in the Washington Times, last week they have told the Republican leadership, the wealthiest individuals and contributors, that they can forget, the party can forget, about more money unless tax cuts are enacted.

Now, that is what is going on here. Unless they get these big huge tax cuts for the wealthiest individuals in this country at the expense, I might add, of the rest of America, the other 90, 95 percent who need health care for their kids, who need educational tax breaks so they can afford to send their kids to college or to have a program like school to work where 70 percent of our kids do not go on to finish college and they participate in our society and our economy, unless they get theirs, then they are not going to contribute again to their party. So instead of meeting the needs of working families, this leadership on this side of the aisle would rather cater to the wealthy special interests.

We need to get back on track. We need to correct the situation that exists today in this country. We need to erect firewalls between the money and the politics in this country.

So the vote today is not about a particular bill, as I said, or a solution. It is about setting up a process to debate campaign finance reform. There are a lot of good ideas out there, and we simply are asking that we have a chance to debate these ideas.

Now my friend from West Virginia suggested that this has been a Congress that we really have not done much. Oh, we have praised the Nicaraguans on their election, and we have allowed the armored car people to go across the border with weapons. As my colleagues know, we have done things like that. We have praised the Ten Commandments. But we really have not done the work of this Congress. We have not put a budget out, the budget deadline passed the other day, no budget, no proposed budget by my Republican colleagues, no campaign finance reform, no questions that deal with the real issues, no movement on the issues that affect people who are struggling to make it for their families today in America, nothing on education moving, nothing for the 10 million American kids who do not have health insurance in this country, and that is increasing, by the way, by 3,300 each day; 3,300 American children lose their health insurance because their family loses their insurance. Nothing on that.

So I say let us use this time productively, let us use it to clean up our political system, and let us get on with the task of making people believe in their Government once again.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to respond to the remarks of my very good friend.

The fact of the matter is, if we look at the need for campaign finance reform, I think virtually everyone recognizes that some change needs to take place in the area of campaign finance reform. I strongly support it. I am in the process of drafting legislation right now which will empower the voter to have greater knowledge on where people gain their support. I have a number of other provisions. There are lots of things that are being discussed around here. But let us look at where we are today.

The argument is being made that we should rush to the floor immediately with campaign finance reform legislation so that we can debate this, but we need to look at what it is that has led to this very high level of frustration among the American people today. The fact that we read headline stories in virtually every major newspaper in this country on the issue of campaign finance reform, it has to do with violations of current law that are continually reported, and I think we should take a moment to review some of those things that have come to the forefront that have led to this hue and cry for change in the campaign finance law which is simply violations of the present law that now exists today. We have seen $3 million in foreign contributions that have been returned by the Democratic National Committee, 158 fundraisers reportedly held in the White House; they have been called coffees or teas or receptions, but the documents show that they were fundraisers designed to raise between $300,000 and $400,000.

Over $100,000 was raised in my area in southern California in a Buddhist temple at an event the Vice President attended among people who have taken a vow of poverty. The Washington Post reported that John Huang had tried to funnel a quarter of a million dollars in illegal donations to the Democratic National Committee through an Asian-American business group.

It seems to me that what we need to look at here, Mr. Speaker, as we have this cry for a rush to look at this thing of campaign finance reform, we need to first find out exactly what has happened under current law. And that is our goal here. But to argue that some do not want to do anything to change this system is preposterous because I know that Members of Congress very much do want to bring about a compliance.

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

Mr. DREIER. I yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, I thank my friend for yielding, and I thank him for his generous allocation of time. Well, that is exactly my point. We ought to look at what is happening out there and then have a full debate. But the problem is the committee that is investigating this in the House is not looking, they are just looking at the executive branch, and there are problems there. We know that, you have read them out.

But the fact of the matter is that particular committee and the gentleman from Indiana [Mr. BURTON] has refused to deal with the questions of this Congress, it has refused to deal with——

Mr. DREIER. If I can reclaim my time——

Mr. BONIOR. Of the Republican Party as well. It has refused to do the things that Senator THOMPSON is doing over in the Senate.

Mr. DREIER. If my friend will let me respond, I would like to respond to what my friend just said. It is totally untrue to say that the committee is not going to expend any amount of time whatsoever looking into this. If

there is evidence of any kind of wrongdoing on this side of the aisle, it clearly will be addressed, and so I mean the fact that they are focusing on this litany of items that continue to be the front page news stories time and time again, that that is their focus, it is understandable because this is what is happening.

Mr. BONIOR. Will the gentleman yield?

Mr. DREIER. I yield to the gentleman from Michigan.

Mr. BONIOR. There were more front page stories in the paper today about the gentleman from Indiana [Mr. BURTON] and his connection with the Sikh community; why is that not being looked at? There were front page stories for 3 months on the Speaker. The Speaker collected between $10 and $20 million when he was in charge of GOPAC. We have no accounting of that. Why is that not being looked at? We just had the whole investigation with respect to the 501(3)(c)'s; why is that not being looked at?

Mr. DREIER. If I can reclaim my time, I am trying to be as generous as I can. We have Members here who want to speak, and I know the gentleman has time on his side of the aisle.

Let me say that if there is evidence of wrongdoing, it is very apparent that they will be looked at on this side of the aisle, but it is so obvious with these things that have taken place from the leadership of their party they desperately need to be addressed, the American people want us to look at those, and then, then we will look at reforming the campaign finance system to take these obvious violations into consideration.

Mr. Speaker, I yield 3 minutes to the gentleman from St. Clairsville, OH [Mr. NEY].

Mr. NEY. Mr. Speaker, let us look at what is really going on here today. The Democrats are trying to pull a fast one. They want to rush a campaign finance bill, and that will help kind of cloud over a few of the things that the gentleman from California [Mr. DREIER] did not get a chance to mention here, key figures in this scandal who have fled the country. We cannot talk to them. We cannot talk to them about their activities. Charlie Trie gave $640,000 in suspicious checks; he has fled the country, we cannot serve a subpoena on him. Pauline Kanchanalak gave $235,000 in foreign funds to the DNC that had to be returned; she has fled the country so we cannot talk to her. Relatives of the Riady family, the Lippo bank, gave $450,000 to the DNC that had to be returned because it was not earned in the United States; they are no longer in the country. This is the real scandal. We can look at the Congress. But as far as rushing a bill today there is so much work to do here we are not going to be able to rush through this process and set a time frame of May or June. We ought to comprehensively look at campaign finance; sure we should. It should have been looked at the last 12 years by the U.S. Congress. But let us not try to rush through a debate on campaign finance reform legislation before we have all the facts. That is important. That is what we are looking for is all the facts.

And let me just say, Mr. Speaker, that they are right. We support campaign finance reform. I know they support campaign finance reform. But we should have a full and informed debate. Let us not try to say, well, we passed a bill, we do not need to talk about anything or look at anything. There is enough information here and enough to look at with the White House, and it was mentioned by the other side that there should be fire walls. For what is going on down on Pennsylvania Avenue we need a fire truck.

Ms. SLAUGHTER. Mr. Speaker, I yield 4½ minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, as my colleagues know, with each passing day of this Congress more and more Americans are realizing that this Gingrich House is doing less and less to address the real concerns of their everyday lives. The millions of American families who are out there struggling and cannot get health insurance for their children know that this Congress is offering no answer. The millions of Americans who are out there struggling to find the resources as the cost of going to college escalates, who need some assistance, some support, a tax break for them to help them get their kids the educational opportunity they need, they know this Gingrich Congress is not doing anything for them.

Why is that? Why is it that this Congress meets occasionally for a few hours to discuss suspension bills? Well, my colleagues, the problem is not the suspension bills but the desire of the leadership of this Gingrich Congress to suspend reality. They would suspend the reality of what it is like out there to try to struggle to make ends meet and to hope that the government would be on their side instead of dealing with some of the issues that this Congress has on occasion in its part-time sessions talked about, congratulating the Nicaraguans instead of being concerned with congratulating and supporting all those Americans who are out there trying to struggle up the economic ladder.

Why does this happen? Why is this Congress so aimless that people on both sides of the aisle recognize it is accomplishing very little? Well, clearly one of the reasons is that we have largely been leaderless throughout this House since day one.

□ 1200

But there is another explanation, and that is the influence of money and politics on this Congress, and it affects everyone in this House. When we have to raise hundreds of thousands, indeed, hundreds of millions of dollars in each congressional election, Members of Congress begin devoting more time to raising money than tending to the Nation's business, and that begins to even affect the donors.

Indeed, as my colleague from Michigan pointed out, the Washington Times reported last week, "Donors tell Republicans they are fed up. Tax cuts to talks as chiefs gather." The basic outline of the story was if we do not get our crown jewel, our big tax breaks, we are not going to be giving any more money. That is the kind of influence that I am talking about that distorts the priorities of this Congress, that allows folks to attempt to suspend reality rather than to deal with the real problems of the American people.

Of course, it is not just that this Congress has been doing very little over the last few months; it is when it does act, it does the wrong thing a good bit of the time, and one of those examples is the issue of campaign finance reform. How amusing it would be were it not so serious to hear my colleague from California and my colleague from Ohio tell the American people they want reform, they just do not want to rush into it.

Well, what do my colleagues think we have been doing around here for the last three or four months, rushing to do anything? Rushing to get out of here occasionally to go home after a day and a half of work dealing with measures that have very little to do with the real needs of American families.

We proposed on day one of this Congress that we address the issue of campaign finance reform, not in a rush but in a thoughtful and considered manner, and that effort on day one was voted down on a party-line vote.

So we came back a couple months later, not in a rush or a panic, but realizing that there are real problems that ought to be addressed in a bipartisan fashion and we were again voted down. We came back a third time and were again voted down on the issue of whether or not we would have the very type of thoughtful debate that the gentleman from Ohio says we need to have.

Today we are here for a fourth time, and for the fourth time some Members of this Congress will have an opportunity to reject reform.

The question is not whether we are going to point fingers at one party or another, but whether we will come together, not looking at somebody else's house down Pennsylvania Avenue alone. That needs to be looked at, and my friends on the other side can look at it to their heart's content. But look right here in Congress and what is happening in this Congress, when donors

tell Republicans they are fed up, if we do not get our tax breaks we are not going to be contributing to these congressional campaigns.

This issue needs to be addressed by this Congress and addressed today.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to my good friend, the gentleman from Winter Park, FL [Mr. MICA], the dynamic subcommittee chairman.

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

Mr. Speaker and my colleagues, I am trying to remember back now. Let us see. I came in 1992, in that election. 1993, I was here in 1994. I think the gentleman from California [Mr. DREIER] was here in 1993, 1994. I see my colleague on the floor, the distinguished gentleman from Georgia [Mr. KINGSTON], was here in 1993 and 1994. In fact, the gentleman from Georgia [Mr. KINGSTON] and I, I remember we came trying to get campaign finance reform brought before this House. In fact, I am trying to remember, was there ever, when the other party controlled the House, the other body, and the White House, any consideration on this floor of campaign finance reform. That was 24 months.

Now, I do recall when we took over the majority, the things that we did. We did bring to the floor campaign finance reform, and I do not think it was a good bill. In fact, I thought it was a terrible bill. I thought the Republicans had a terrible proposal and the Democrats had a terrible proposal, but it was debated, it was heard fairly and squarely.

What did the Republicans do? They passed a gift ban. In fact, we passed a pretty awesome gift ban. What else did we do? We talked about lobby reform that was long overdue. We not only talked about it, we passed legislation here on the floor. So we talked about these problems and we did something about them.

What we are hearing today is an attempt to speak against a rule that is a fair rule to proceed in an orderly fashion with the business of the House and the business of the Congress. What we are hearing is an attempt by the other side to blur the issue.

I serve on a subcommittee of the Committee on Government Reform and Oversight. We passed a protocol; in fact, we passed a protocol almost immediately, a fair protocol, to consider just about any problems that are brought to our attention, including this, even though we have committees of other areas of jurisdiction to deal with campaign finance. So those issues will, in fact, be heard and the important issues will be heard.

We also heard them say we go too fast. Last year we were going too fast. Now they are saying we are going too slow. We are trying to take the people's business in an orderly fashion, and our actions speak louder than our words.

We brought the Nation's finances into some balance. We cut $53 billion in spending without hurting Medicare, without hurting education, without hurting the environment. So we are on our way. Do not be misled, and we will get the job done.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MCGOVERN].

Mr. MCGOVERN. Mr. Speaker, I thank my colleague from New York [Ms. SLAUGHTER] for yielding me this time.

Mr. Speaker, I did not anticipate participating in this debate today, but as a new Member of this House, as a freshman, I want to rise to express my frustration over the fact that we have not been able to put real campaign finance reform on the agenda.

Mr. Speaker, we cannot pick up a newspaper without reading about another scandal. Bipartisan scandals, scandals in the White House, scandals in the Republican National Committee, scandals involving a certain chairman to investigate other scandals.

What is frustrating to me is that there are a number of good and solid proposals dealing with campaign finance reform that have been introduced in this House in a bipartisan way, and yet we cannot get a date certain in which we can debate these issues, in which we can vote on these issues, up or down.

Every major editorial board in this country has editorialized on the need for this Congress to move fast on the issue of campaign finance reform. The American people, if my colleagues read the polls, overwhelmingly believe that the time has come for us to move forward on campaign finance reform, and yet we cannot get a date, we cannot get a commitment from the leadership on the Republican side to bring this issue up and to do what the American people want us to do.

The previous speaker, the gentleman from Florida [Mr. MICA], raised the issue that in previous Congresses the Democrats did not ever bring up the issue of campaign finance reform. Well, it is my understanding that in the 102d and the 103d Congress campaign finance reform passed this House twice. It was vetoed by President Bush and then it was filibustered by the Republican majority in the U.S. Senate.

But that is beside the point in many respects. The issue here is not which party is involved with the most scandals, the issue here is not who can do the most finger-pointing, the issue should be how do we fix this broken system. There is too much money involved in politics, and we need to take the money out of the system.

Mr. DREIER. Mr. Speaker, I yield 4 minutes to my good friend from Savannah, GA [Mr. KINGSTON], the hard-working leader of our 1-minute effort.

Mr. KINGSTON. Mr. Speaker, I thank the gentleman from California for yielding me this time.

Mr. Speaker, I share the Democrats' concern for some movement on campaign finance reform. As a Member of Congress, I have supported campaign finance reform, but to hear them talk about it is similar to hearing Al Capone talk about the need to crack down on organized crime. The hypocrisy is absurd.

Let us talk about enforcement of the existing laws, Mr. Speaker, $3 million in foreign contributions have been returned by the Democrat National Committee. Where is their outrage? Where are they on this? They are not calling. The 158 fundraisers at the White House. The documents show that there have been over $300,000 to $400,000 raised at each fundraiser. Of course, they are calling them teas and coffees. I guess Starbucks would be so proud.

Over $100,000 raised by the Vice President of the United States at a Buddhist temple where everyone is sworn to a vow of poverty. Where are the Democrats? Where is there righteous indignation there? The Vice President makes fundraising phone calls from Federal Government property. Where are the Democrats? Silent again.

The Washington Post reports that John Huang tried to funnel $250,000 in illegal donations to the Democrat National Committee through an Asian American business group, and where are the Democrats? Where is their outrage? Nothing but silence.

Let us continue. Pauline Kanchanalak. Now, I might be mispronouncing that name, Mr. Speaker. I am not as intimate with foreign donors as my Democrat friends are. But Pauline Kanchanalak gave $235,000 in foreign funds to the Democrat National Committee and they had to be returned. Now, we wanted, as Members of Congress, to subpoena her and ask her about this. She has fled the country. Where are the Democrats? Where is their outrage?

Relatives of the Riady family, which of course owns the Lippo Bank, they gave $450,000 to the Democrat National Committee, which again had to be returned. By the way, did they pay interest on that? I mean because it could be a loan, I do not know. But they are no longer in the country either. Again, no subpoena, and again, I ask, where are the Democrats?

Key figures have fled the country because of their activities. Charlie Trie gave $640,000 in suspicious checks to the President's legal defense fund. He has fled the country, cannot be subpoenaed. Where are the Democrats? Cuban drug dealers and Chinese arms merchants wined and dined at the White House. Where are the Democrats? Where is their outrage?

Webster Hubbell given hundreds of thousands of dollars to keep apparently

silent when he was under investigation by the independent counsel. Was this hush money? Mr. Speaker, where are the Democrats?

Mr. Speaker, what I am interested in is although it sounds good and it is a great diversionary tactic for the Democrats to say we need campaign finance reform, why do the Democrats not join us on campaign law enforcement? Why do the Democrats not spend just a little bit of their energy having this same outrage at the folks over at 1600 Pennsylvania Avenue instead of this sideshow, instead of these diversionary tactics. Let us look ourselves in the mirror and say, we have some good laws on the books right now and why do we not enforce those?

Ms. SLAUGHTER. Mr. Speaker, I yield 6 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise in opposition to the rule because in fact we ought to be using this time to consider campaign finance reform. We all know that the system is broken, and we need to vote on campaign finance reform and we need to do something about reconnecting with the American people.

Let me have just a little stage-setting if I might. The rule before us today would allow us to consider what we call suspension bills here, today, which is a Wednesday. Suspensions are noncontroversial items and are considered on Mondays and Tuesdays, so that in fact this House of Representatives can get down to business for the rest of the week and talk about those issues that the public truly does care about, such as fixing our campaign finance system.

It is hard today to open a newspaper without reading about the lack of accomplishment of this Congress, the donothing Congress. But the worst of it is that the Congress is doing nothing when the issue of campaign finance reform cries out for action. Record sums of money, $2.7 billion, were spent in the 1996 elections, and the American people rightly are asking and saying that there is too much money in the process.

Yes, in fact, we have investigations, investigations which I support, which my side of the aisle supports and they ought to go forward. However, it is interesting that in the other body we have an investigation that is proceeding in a bipartisan way to look at how we look at the executive branch, and in fact how we look at the Congress and how they spent their money in the last campaign.

□ 1215

However, on this side of the aisle, on the Republican side of the equation, there is an investigation, but the chairman refuses to allow the investigation to be broadened to the Democrats and Republicans and the Congress.

Mr. Speaker, my colleague just before me talked about where is the outrage. I am outraged. I am outraged by the amount of money that is in this system. Let us open up the investigation on the House side to what the Congress did in the last elections. One of the reasons why my colleagues do not want to do this, let me just tell the Members a little bit about how the majority here, the Republicans, have put special interests before the public interest.

Members will see, that "Donors Tell GOP They Are Fed Up". "Tax Cuts the Talk as the Chiefs Gather." They do not want to deal with campaign finance reform because they are frightened to death that these folks are not going to give them the money that they want.

Let us talk about the last session of the Congress. Tobacco gave the RNC, the Republican National Committee, $7.4 million. The GOP passed favorable legislation, a bill that would have saved the tobacco companies millions and millions of dollars. The NRA, National Rifle Association, gave $2 million, and Members may remember that the GOP worked hard and tried to kill the assault weapons ban.

The GOP Congress let big business help to write the workplace safety bill. January 1995, big business lobbyists wrote up a 30-point item wish list for limiting certain workplace safety regulations. Life and death for American men and women in the workplace. When the bill was finished in early June, virtually every single item on that wish list had been incorporated into the final version of the bill. Business lobbyists even worked closely in drafting the bill.

GOP lawmakers let lobbyists rewrite environmental legislation. The Republican whip admitted that he let a group of big business lobbyist contributors write the plan to place a freeze on environmental legislation: clean water, clean air, safety, and health of our families in this country; that he allowed the lobbyists to write the legislation, and this is a quote from him, he says, "because they have the expertise." And many of the lobbyists had helped to funnel corporate money to Republican campaigns.

The list goes on. This is a book called the NRCCC, National Republican Congressional Campaign Committee, the tactical PAC project. If we go down the list here, we will find that every single political action committee has a rating of friendly or unfriendly in it, and this was used by the chairman of that committee to determine who would get a hearing, who could be let in the door. If they were unfriendly, in fact, they could not come in to have a conversation because they had not given enough. Friendly translates into special interest money.

Nonlegislative outrages. The chairman of the National Republican Committee threatened to limit access of business who gave to Democrats. GOP leaders kept a friendly and unfriendly PAC list of who gave to the Republicans and to the Democrats. "Two-hundred and Fifty Thousand Donors Promised Best Access to Congress by the RNC"; money bought access.

Let me just conclude by saying that in fact we have a problem in the money that is involved in our politics. We are investigating. We are open to the investigation. I, for one, as a Democrat stand here and say, open the House investigation to Republicans and Democrats in the Congress. I am not afraid. Why are you afraid? That is what we ought to be doing.

In fact, what we ought to do is get down, buckle down, get campaign finance reform legislation on this floor to debate and go through, and for the American people, to win that trust back, pass campaign finance reform before Memorial Day.

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

Mr. Speaker, let me first say I very much appreciate seeing the Washington Times regularly quoted by my colleagues on the other side of the aisle. I hope it will not be, as often is the case, maligned when Members on this side hold up articles from the Washington Times in the future.

I should also say to my friend, the gentlewoman from Connecticut, Mr. Speaker, that as we look at this issue, if there is evidence of wrongdoing on this side, there is nothing whatsoever that prevents the Committee on Government Reform and Oversight from looking at that. But every shred of evidence that we have of wrongdoing happens to emanate from the other side of the aisle. I think that is really understandably where the focus will continue to be.

Mr. Speaker, I yield 3 minutes to my good friend, the gentleman from Scotsdale, AZ [Mr. HAYWORTH].

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

Mr. Speaker, I rise today without venom or vitriol to respectfully suggest to my liberal friends that the debate we should be having today in fact is misnamed by my colleague, the gentlewoman from Connecticut, for it is not a debate about campaign finance reform.

Instead, Mr. Speaker, we stand on the precipice of a major debate concerning our national security, a question that should engage everyone, regardless of partisan label or political philosophy, because the question before us, raised not only in the Washington Times but in the Washington Post, the New York Times, the Los Angeles Times, Time, Newsweek, U.S. News and World Report, all the outlets of the main extreme media is this question: In an attempt to win an election, was

access to our executive branch conferred upon foreign interests?

Mr. Speaker, it brings me no joy to have to bring this up. This is a question of concern to every American. While I understand and to a certain degree appreciate the political tactic of trying to muddy the water, the observation is clear that the first step to genuine campaign reform is to obey existing law; is for those who now freely admit that they violate Federal law and who use the interesting term that their legal counsel informs them there is no controlling legal authority, let me simply say to those folks in the executive branch, Mr. Speaker, yes, there is a controlling legal authority; Mr. Speaker, yes, there is a controlling legal authority. It is called the Congress of the United States, in its oversight power conferred upon it by the people of the United States, who over 200 years ago ratified the Constitution of the United States.

So the challenge before us today, Mr. Speaker, again is not a question of campaign finance. The challenge that will confront this Congress, indeed that will confront every city of this Republic, is a question of national security brought to light under existing campaign finance law. It is a serious question. The question remains: Was the executive branch rewarding access to foreign interests in a pursuit of the almighty dollar for campaign activities, to hang onto the executive branch of Government?

It is a serious question we must answer.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I had hoped to sit this one out, but a previous speaker, the gentleman from Georgia, asked where is the outrage. I think after 90 days of session it is high time some of us expressed our outrage.

See, for 40 years a group of people much like the previous District of Columbia City Council said, if we could just govern, give us a chance, we will fix it. But they have discovered, much like the D.C. City Council, that either they do not want to or they cannot. Now, 90 days into the session, I would like you to tell me what you have done about any of America's major problems.

What have you done about the drug problem? The answer is absolutely nothing. What have you done about our Nation's $5.7 trillion debt, $222 billion annual operating deficit on your budget, $360 billion interest payment on that debt for your budget?

You come down here and you cry crocodile tears and say we need a tax break. We need to give the wealthiest Americans a big tax break so they can turn around and instead of paying taxes, they can lend more money to the Government at 8 percent and 9 percent, so the average Joes who live in States like Mississippi will get less in return, because the biggest expense of the Government is not those bureaucrats they blast, it is not welfare, it is not food stamps, it is not defense or health care, it is interest on the national debt, and it is getting worse by the day, and you are doing nothing about it.

What have you done to improve our Nation's defense? Defense spending is down about 10 percent since George Bush left office. Yet you all run the Congress. There are 30-year old helicopters right now flying around. Which one is going to crash next?

You have not done anything on defense. You have not done anything on the deficit. You have not done anything on drugs. When given the opportunity to set a good precedent on funding, you secretly sneak through an 8 percent increase on funding for congressional committees. You do not even tell us you are doing it. A reporter has to tell Congress after it is done that you have increased that budget by 8 percent.

The outrage is that now we are trying to take one step in looking at some of the wrongs that are happening. I would like to know how NAFTA passed. Do Members remember the approximately $15 million the Mexican Government spent in Washington promoting the passage of NAFTA? Where did it go, I would ask the gentleman from California [Mr. DREIER]? Do Members not think we ought to know that as well?

The gentleman has made some very legitimate concerns. I agree with the gentleman on every single one of those concerns.

Please, you are being rude, Mr. DREIER.

What about the money the Mexican Government spent passing NAFTA in this town?

If we are concerned about what foreigners are doing to influence our Congress, to influence our administration, should we not know that?

Should not the folks who used to work at those five garment plants just in one 435th of the country that happens to be the Fifth Congressional District of Mississippi, who lost their jobs as a result of NAFTA, do they not deserve to know? Do Members not think the gentleman from Indiana [Mr. BURTON] ought to look into that?

We are asking for just one thing today. You will not do anything about the deficit, you will not do anything about the debt, you will not do anything about drugs. Let us make a little step. Let us look at campaign finance reform so maybe in the future there will not be another Congress that makes such a blatant mistake like NAFTA, where we went from a trade surplus to a trade deficit; where the only thing we are exporting to Mexico are jobs.

That is why we need campaign finance reform. These folks are totally in the right. Give them a break for a change.

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

Mr. Speaker, I would say to my colleague who addressed me by name and then said I was rude, to ask him to yield time for me to respond that on the issue of campaign finance reform, we obviously are engaging in that debate as we proceed with this rule today. To argue that the only benefit from the North American Free-Trade Agreement has been to send jobs to Mexico is absolutely preposterous.

Anyone who looks at the record that we have on the benefits that have been accrued to this Nation from free trade with Mexico and other countries, we obviously have seen tremendous job creation here, and improvements in the standard of living in this country because of free trade.

The fact that people exercise their first amendment right to participate politically, that does not need to be investigated. What needs to be investigated is blatant violations of existing Federal law.

Mr. Speaker, I yield 1 minute to the gentleman from Winter Park, FL [Mr. MICA].

Mr. MICA. Mr. Speaker, I would just ask the gentleman if he is aware, regarding comments of the last speaker that this Republican Congress has done nothing on the drug issue, that in fact in the 103d Congress, again, when these folks controlled the House, the Senate, the White House, there was one hearing held. I was on the committee, the Committee on Government Reform and Oversight, on national drug policy.

Since January, we have held more hearings than they held in the entire 103d Congress on drug policy.

□ 1230

We have had the drug czar before us. We have had the head of DEA before us. We spent much of the House's time talking about decertifying Mexico. I introduced that resolution with the gentleman from Florida [Mr. SHAW]. There has never been before a debate to decertify, to my knowledge, on the House floor a country.

The gentleman from Florida [Mr. MCCOLLUM] just held a hearing in Puerto Rico on how they gutted when they controlled all the interdiction around Puerto Rico that is bringing drugs in unprecedented quantity into my district, heroin, and we have held hearings and gotten reports from GAO.

Just in 90 days we have done more than they did in an entire session of Congress on the drug issue.

Mr. DREIER. Mr. Speaker, I would say to the gentleman, another point to add along with that is the fact that the much pooh-poohed statement of the former First Lady, Nancy Reagan, to

just say no to drugs played a big role in decreasing the recreational use and the incentive for young people to use drugs, whereas we have from this administration seen very little focus on that issue. The byproduct of that has been a tragic and dramatic increase in the use of drugs.

Mr. Speaker, I yield 3 minutes to the gentleman from Glendale, CA [Mr. ROGAN], former majority leader of the California State Assembly.

Mr. ROGAN. Mr. Speaker, I thank my colleague and friend for yielding time to me.

Mr. Speaker, I wish first to associate myself with the remarks of the gentleman from Arizona, who made a very eloquent plea on behalf of Republicans in this Chamber to keep their eye on the ball.

I rise today not as a Republican, but as an American. The almost daily allegations engulfing the White House concern me not from a political standpoint as much as they do from a national standpoint.

Mr. Speaker, I like to think that, if these same allegations were revolving around a Republican administration, my loyalty to my country would be much higher than my loyalty to party. I would urge a thorough investigation of this sort of conduct.

When I was a new prosecutor in Los Angeles County, I first learned of a thing called the SODDI defense. There was a certain criminal that I was prosecuting, who was clearly guilty, and he was claiming someone else had committed the offense. My boss told me, "He is raising the SODDI defense." I spent a day looking for the SODDI case to figure out what it was all about. My boss laughed at me later. He told me the SODDI defense was an acronym for when a criminal claimed "some other dude did it." I later discovered that the louder a criminal professed that "some other dude did it," typically there was a correlating increase in the amount of evidence against them.

Mr. Speaker, on a daily basis we are now being treated to a political version of the old SODDI defense on this floor. And there seems to be a correlation between the decibel level raised on the other side against the desire to keep a full and thorough investigation from occurring, and the mounting incriminating evidence respecting the alleged improper fundraising conduct of the White House.

We do not take oaths on this floor, Mr. Speaker, to our party. We take an oath to the Constitution of the United States of America. I would urge my colleagues on both sides of the aisle to remember that oath. It was an oath to country, not party.

When serious allegations are raised respecting foreign influence, foreign nationals and foreign corporations being able to reach into the White House and potentially affect the outcome of elections, that is not a partisan issue, Mr. Speaker. That is an issue respecting the sanctity of our electoral process.

This House has an obligation to the Constitution and to the country not to allow a SODDI defense diversion from precluding us from fully investigating these matters.

I thank my colleague for yielding to me.

The SPEAKER pro tempore (Mr. LATOURETTE). The Chair advises that the gentleman from California [Mr. DREIER] has 30 seconds remaining, and the gentlewoman from New York [Ms. SLAUGHTER] has 45 seconds remaining.

Ms. SLAUGHTER. Mr. Speaker, I yield myself the balance of my time.

The majority manager, the gentleman from California [Mr. DREIER], will tell Members the previous question is a procedural vote on whether to close the debate and proceed to vote on the rule, but that is only half true.

If you tell the House you do not want to move on a vote on the rule, control of the House floor will revert to the opponents of the rule for a vote on an alternative course of action. We would use the opportunity to instruct the leadership by majority vote of the House to bring campaign finance reform to a vote under an open rule by the end of next month.

This is a substantive vote and the place where you can tell the leadership you want campaign finance to be a priority on the House agenda.

I include for the RECORD the text of the proposed amendment at this point, along with a brief explanation of what the vote on the previous question really means:

H. RES. 112—PREVIOUS QUESTION AMENDMENT TEXT

At the end of the resolution add the following new section:

Section 2. No later than May 31, 1997, the House shall consider comprehensive campaign finance reform legislation under an open amendment process.

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's "Precedents of the House of Representatives," (VI, 308-311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Republican majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution * * * [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the Republican Leadership "Manual on the Legislative Process in the United States House of Representatives," (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual:

"Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule * * * When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment."

Deschler's "Procedure in the U.S. House of Representatives," the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues:

"Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

The vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

To conclude my remarks, I remind my colleagues that defeating the previous question is an exercise in futility because the minority wants to offer an amendment that will be ruled out of order as nongermane to this rule and in fact they do not even have an amendment, they do not have a bill. So the vote is without substance.

The previous-question vote itself is simply a procedural motion to close debate on this rule and proceed to a vote on its adoption. The vote has no substantive or policy implications whatsoever.

I include an explanation of the previous question for the RECORD:

THE PREVIOUS QUESTION VOTE: WHAT IT MEANS

House Rule XVII ("Previous Question") provides in part that:

"There shall be a motion for the previous question, which, being ordered by a majority of the Members voting, if a quorum is present, shall have the effect to cut off all debate and bring the House to a direct vote upon the immediate question or questions on which it has been asked or ordered."

In the case of a special rule or order of business resolution reported from the House Rules Committee, providing for the consideration of a specified legislative measure, the previous question is moved following the one hour of debate allowed for under House Rules.

The vote on the previous question is simply a procedural vote on whether to proceed to an immediate vote on adopting the resolution that sets the ground rules for debate and amendment on the legislation it would make in order. Therefore, the vote on the previous question has no substantive legislative or policy implications whatsoever.

Mr. DREIER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. 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.

Ms. SLAUGHTER. 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.

Pursuant to clause 5 of rule XV, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 223, nays 199, not voting 10, as follows:

[Roll No. 79]

YEAS—223

Aderholt	Cannon	Ewing
Archer	Castle	Fawell
Armey	Chabot	Foley
Bachus	Chambliss	Forbes
Baker	Chenoweth	Fowler
Ballenger	Christensen	Fox
Barr	Coble	Franks (NJ)
Barrett (NE)	Coburn	Frelinghuysen
Bartlett	Collins	Gallegly
Barton	Combest	Ganske
Bass	Cook	Gibbons
Bateman	Cooksey	Gilchrest
Bereuter	Cox	Gillmor
Bilbray	Crane	Gilman
Bilirakis	Crapo	Goodlatte
Bliley	Cubin	Goodling
Blunt	Cunningham	Goss
Boehlert	Davis (VA)	Graham
Boehner	Deal	Granger
Bonilla	DeLay	Greenwood
Bono	Diaz-Balart	Gutknecht
Brady	Dickey	Hall (TX)
Bryant	Doolittle	Hansen
Bunning	Dreier	Hastert
Burr	Duncan	Hastings (WA)
Burton	Dunn	Hayworth
Buyer	Ehlers	Hefley
Callahan	Ehrlich	Herger
Calvert	Emerson	Hill
Camp	English	Hilleary
Campbell	Ensign	Hobson
Canady	Everett	Hoekstra
Horn	Molinari	Schaffer, Bob
Hostettler	Moran (KS)	Sensenbrenner
Houghton	Morella	Sessions
Hulshof	Myrick	Shadegg
Hunter	Nethercutt	Shaw
Hutchinson	Neumann	Shays
Hyde	Ney	Shimkus
Inglis	Northup	Shuster
Jenkins	Norwood	Skeen
Johnson (CT)	Nussle	Smith (MI)
Johnson, Sam	Oxley	Smith (NJ)
Jones	Packard	Smith (OR)
Kasich	Pappas	Smith (TX)
Kelly	Parker	Smith, Linda
Kim	Paul	Snowbarger
King (NY)	Paxon	Solomon
Kingston	Pease	Souder
Klug	Peterson (PA)	Spence
Knollenberg	Petri	Stearns
Kolbe	Pickering	Stump
LaHood	Pitts	Sununu
Largent	Pombo	Talent
Latham	Porter	Tauzin
LaTourette	Portman	Taylor (NC)
Lazio	Pryce (OH)	Thomas
Leach	Quinn	Thornberry
Lewis (CA)	Radanovich	Thune
Lewis (KY)	Ramstad	Tiahrt
Linder	Regula	Upton
Livingston	Riggs	Walsh
LoBiondo	Riley	Wamp
Lucas	Rogan	Watkins
Manzullo	Rogers	Watts (OK)
McCollum	Rohrabacher	Weldon (FL)
McCrery	Ros-Lehtinen	Weldon (PA)
McDade	Roukema	Weller
McHugh	Royce	Whitfield
McInnis	Ryun	Wicker
McIntosh	Salmon	Wolf
McKeon	Sanford	Young (AK)
Metcalf	Saxton	Young (FL)
Mica	Scarborough	
Miller (FL)	Schaefer, Dan	

NAYS—199

Abercrombie	Engel	Lampson
Allen	Eshoo	Lantos
Andrews	Etheridge	Levin
Baesler	Evans	Lewis (GA)
Baldacci	Farr	Lipinski
Barcia	Fazio	Lofgren
Barrett (WI)	Filner	Lowey
Becerra	Flake	Luther
Bentsen	Foglietta	Maloney (CT)
Berman	Ford	Maloney (NY)
Berry	Frank (MA)	Manton
Bishop	Frost	Martinez
Blagojevich	Furse	Mascara
Blumenauer	Gejdenson	Matsui
Bonior	Gephardt	McCarthy (MO)
Borski	Gonzalez	McCarthy (NY)
Boswell	Goode	McDermott
Boucher	Gordon	McGovern
Boyd	Green	McHale
Brown (CA)	Gutierrez	McIntyre
Brown (FL)	Hall (OH)	McKinney
Brown (OH)	Hamilton	McNulty
Capps	Harman	Meehan
Cardin	Hastings (FL)	Meek
Carson	Hefner	Menendez
Clay	Hilliard	Millender-McDonald
Clayton	Hinchey	Miller (CA)
Clement	Hinojosa	Minge
Clyburn	Holden	Mink
Condit	Hooley	Moakley
Conyers	Hoyer	Mollohan
Coyne	Jackson (IL)	Moran (VA)
Cramer	Jackson-Lee (TX)	Murtha
Cummings	Jefferson	Nadler
Danner	John	Neal
Davis (FL)	Johnson (WI)	Oberstar
Davis (IL)	Johnson, E. B.	Obey
DeFazio	Kanjorski	Olver
DeGette	Kaptur	Ortiz
Delahunt	Kennedy (MA)	Owens
DeLauro	Kennedy (RI)	Pallone
Dellums	Kennelly	Pascrell
Deutsch	Kildee	Pastor
Dicks	Kilpatrick	Payne
Dingell	Kind (WI)	Peterson (MN)
Dixon	Kleczka	Pickett
Doggett	Klink	Pomeroy
Dooley	Kucinich	Poshard
Doyle	LaFalce	Price (NC)
Edwards	Lantos	Rahall
Ehlers	Levin	Rangel
Ehrlich	Lewis (GA)	Reyes
Emerson	Lipinski	Rivers
English	Lofgren	Roemer
Ensign	Lowey	Rothman
Everett	Luther	Roybal-Allard
Ewing	Maloney (CT)	Rush
Fawell	Maloney (NY)	Sabo
Foley	Manton	Sanchez
Forbes	Martinez	Sanders
Fowler	Mascara	Sandlin
Fox	Matsui	Sawyer
Franks (NJ)	McCarthy (MO)	Schumer
Frelinghuysen	McCarthy (NY)	Scott
Gallegly	McDermott	Serrano
Ganske	McGovern	Sherman
Gibbons	McHale	Sisisky
Gilchrest	McIntyre	Skaggs
Gillmor	McKinney	Skelton
Gilman	McNulty	Slaughter
Goodlatte	Meehan	Smith, Adam
Goodling	Meek	Snyder
Goss	Menendez	Spratt
Graham	Millender-McDonald	Stabenow
Granger	Miller (CA)	Stark
Greenwood	Minge	Stenholm
Gutknecht	Mink	Stokes
Hall (TX)	Moakley	Strickland
Hansen	Mollohan	Stupak
Hastert	Moran (VA)	Tanner
Hastings (WA)	Murtha	Tauscher
Hayworth	Nadler	Taylor (MS)
Hefley	Neal	Thompson
Herger	Oberstar	Thurman
Hill	Obey	Tierney
Hilleary	Olver	Torres
Hobson	Ortiz	Towns
Hoekstra	Owens	Traficant
Horn	Pallone	Turner
Hostettler	Pascrell	Velazquez
Houghton	Pastor	Vento
Hulshof	Payne	Visclosky
Hunter	Peterson (MN)	Waters
Hutchinson	Pickett	Watt (NC)
Hyde	Pomeroy	Wexler
Inglis	Poshard	Weygand
Jenkins	Price (NC)	Wise
Johnson (CT)	Rahall	Woolsey
Johnson, Sam	Rangel	Wynn
Jones	Reyes	Yates
Kasich	Rivers	
Kelly	Roemer	
Kim	Rothman	
King (NY)	Roybal-Allard	
Kingston	Rush	
Klug	Sabo	
Knollenberg	Sanchez	
Kolbe	Sanders	
LaHood	Sandlin	
Largent	Sawyer	
Latham	Schumer	
LaTourette	Scott	
Lazio	Serrano	
Leach	Sherman	
Lewis (CA)	Sisisky	
Lewis (KY)	Skaggs	
Linder	Skelton	
Livingston	Slaughter	
LoBiondo	Smith, Adam	
Lucas	Snyder	
Manzullo	Spratt	
McCollum	Stabenow	
McCrery	Stark	
McDade	Stenholm	
McHugh	Stokes	
McInnis	Strickland	
McIntosh	Stupak	
McKeon	Tanner	
Metcalf	Tauscher	
Mica	Taylor (MS)	
Miller (FL)	Thompson	

NOT VOTING—10

Ackerman	Istook	Waxman
Costello	Markey	White
Fattah	Pelosi	
Gekas	Schiff	

□ 1256

Mr. COYNE changed his vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV. Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

HOMEOWNERS INSURANCE PROTECTION ACT

Mr. LEACH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 607) to amend the Truth in Lending Act to require notice of cancellation rights with respect to private mortgage insurance which is required by a creditor as a condition for entering into a residential mortgage transaction, and for other purposes, as amended.

The Clerk read as follows:

H.R. 607

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Homeowners Insurance Protection Act".

SEC. 2. PROVISIONS RELATING TO PRIVATE MORTGAGE INSURANCE.

(a) IN GENERAL.—Section 6 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605) is amended—

(1) by redesignating subsections (f), (g), (h), (i), and (j) as subsections (k), (l), (m), (n), and (o), respectively; and

(2) by inserting after subsection (e) the following new subsections:

"(f) DISCLOSURES RELATING TO PRIVATE MORTGAGE INSURANCE.—

"(1) DISCLOSURE AT SETTLEMENT RELATING TO EXISTENCE OF PMI.—With regard to any covered mortgage loan, the lender shall disclose, in writing at or before the settlement of such covered mortgage loan, whether any private mortgage insurance will be required to be obtained or maintained with respect to such mortgage loan, including any lender-paid private mortgage insurance, and the period during which such insurance will be required to be in effect.

"(2) DISCLOSURE AT SETTLEMENT RELATING TO TERMINABILITY OF PMI.—If the lender requires, as a condition for entering into a covered mortgage loan, the borrower to assume an obligation to make separately designated payments toward the premiums for private mortgage insurance with respect to such loan, the lender shall disclose, in writing at or before the settlement of such covered mortgage loan any of the following notices which are applicable with respect to such loan:

"(A) PMI OBLIGATIONS TERMINABLE UPON REQUEST.—In the case of a loan described in paragraph (3), that—

"(i) the borrower's obligation to make separately designated payments toward the premiums for private mortgage insurance may be able to be terminated while the mortgage is outstanding (including a cancellation permitted before the date of automatic termination under subsection (g)); and

"(ii) the borrower will be notified by the servicer not less frequently than annually of an address and a toll-free or collect-call telephone number which the borrower may use to contact the servicer to determine—

"(I) whether the borrower's obligation to make separately designated payments toward the premium for private mortgage insurance may be terminated while the mortgage loan is outstanding (or before the date of automatic termination); and

"(II) if such obligation may be terminated while the loan is outstanding (or before such date), the conditions and procedures for such termination.

"(B) PMI OBLIGATIONS TERMINABLE BY OPERATION OF LAW.—That the borrower's obligation to make separately designated payments toward the premiums for private mortgage insurance will be terminated by operation of law under subsection (g).

"(C) NONTERMINABLE PMI OBLIGATIONS.—In the case of a loan not described in paragraph (3), that the borrower's obligation to pay any amount to be applied to any portion of the premiums for private mortgage insurance will not be terminated at the request of the borrower.

"(3) DISCLOSURE WITH ANNUAL STATEMENTS OR OTHER COMMUNICATIONS.—If—

"(A) private mortgage insurance is required as a condition for entering into a covered mortgage loan; and

"(B) the borrower's obligation to make separately designated payments toward the premiums for such insurance may be terminated at the borrower's request,

the servicer shall, not less frequently than annually, disclose to the borrower a clear and conspicuous statement containing the disclosures set forth in subparagraphs (A) and (B) of paragraph (2), including the address and telephone number referred to in such paragraph, based on the servicer's knowledge at the time such periodic communication is given. Such disclosure shall be included with any annual statement of account, escrow statement, or related annual communications provided to the borrower, while such private mortgage insurance is in effect.

"(4) DISCLOSURES FURNISHED WITHOUT COST TO BORROWER.—No fee or other cost may be imposed on any borrower for preparing and delivering any disclosure to the borrower pursuant to this subsection.

"(g) MANDATORY TERMINATION OF PMI OBLIGATIONS AT 75 PERCENT LOAN-TO-VALUE RATIO.—

"(1) IN GENERAL.—Notwithstanding any provision of a covered mortgage loan, any obligation of the borrower to make separately designated payments toward the premiums for any private mortgage insurance in effect with respect to such loan shall terminate, except as provided in paragraph (3), by operation of law as of the 1st day of the 1st month which begins after the date on which the principal balance outstanding on all residential mortgages on the property securing the loan is equal to or less than 75 percent of the lesser of—

"(A) if the loan was made for purchase of the property, the sales price of the property under such purchase; or

"(B) the appraised value of the property, as determined by the appraisal conducted in connection with the making of the loan.

"(2) DISCLOSURE UPON TERMINATION.—Not later than 45 days after the date of termination pursuant to paragraph (1) of a private mortgage insurance requirement for a covered mortgage loan, the servicer shall notify the borrower under the loan, in writing, that—

"(A) the private mortgage insurance has terminated and the borrower no longer has private mortgage insurance: and

"(B) no further premiums, payments, or other fees shall be due or payable by the borrower in connection with the private mortgage insurance.

"(3) EXCEPTION FOR DELINQUENT BORROWERS.—

"(A) IN GENERAL.—Paragraph (1) shall not apply with respect to any covered mortgage loan on which the payments are not current as of the date that the obligation to make private mortgage insurance premium payments in connection with the loan would otherwise terminate pursuant to paragraph (1).

"(B) EFFECTIVENESS ONCE PAYMENTS ARE CURRENT.—In the case of any covered mortgage loan to which subparagraph (A) applies, paragraph (1) shall apply with respect to such loan as of the 1st day of the 1st month which begins after the date that such payments become current.

"(4) RETURN OF PAYMENTS TOWARD PREMIUMS.—

"(A) RETURN OF PAYMENTS TO BORROWER.—The servicer for a covered mortgage loan shall promptly return to the borrower any payments toward the premiums for any private mortgage insurance for such loan covering any period occurring after the date of automatic termination for such loan under this subsection.

"(B) RETURN OF PAYMENTS TO SERVICER.—The private mortgage insurer for a covered mortgage loan shall promptly return to the servicer any payments received from the servicer toward the premiums for any private mortgage insurance for such loan covering any period occurring after the date of automatic termination for such loan under this subsection.

"(h) LENDERS' CONDITIONS FOR PMI.—

"(1) CONDITIONS FOR TERMINATION OF BORROWER'S OBLIGATION TO PAY PMI.—The conditions for the termination of the borrower's obligation to make separately designated payments toward the premium for private mortgage insurance with respect to a covered mortgage loan, including any changes in such conditions, shall be reasonably related to the purposes for which the requirement for private mortgage insurance was imposed at the time the loan was made.

"(2) BORROWER'S RIGHT TO TERMINATE IN ACCORDANCE WITH CONDITIONS.—In the case of any covered mortgage loan described in subsection (f)(3), the borrower shall have the right under this paragraph to terminate the borrower's obligation to make separately designated payments toward the premiums for such insurance if the conditions and procedures for such termination most recently communicated to the borrower (pursuant to a request by the borrower pursuant to notice under subsection (f)(3) or otherwise) have been met.

"(i) EFFECT ON OTHER AGREEMENTS.—The provisions of subsections (f), (g), and (h) shall supersede any conflicting provision contained in any agreement relating to the servicing of a covered mortgage loan entered into by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or any private investor or noteholder (or any successors thereto). A servicer which cancels private mortgage insurance on a covered mortgage loan in compliance with the provisions of subsection (g) or (h) or in accordance with investor guidelines in existence at the time concerning the cancellation of private mortgage insurance (regardless of whether the cancellation by the servicer was mandated by such subsections or initiated by the borrower) shall not be required to repurchase such mortgage loan from the investor or holder of such mortgage loan solely on the grounds that the private mortgage insurance was canceled in accordance with the provisions of such subsections or investor guidelines, as applicable.

"(j) LIMITATIONS ON LIABILITY.—If the servicer for a covered mortgage loan has complied with the requirements under subsections (f) and (g) to provide disclosures, the servicer shall not be considered to have violated any provision of subsection (f), (g), or (h) and shall not be liable for any such violation—

"(1) due to any failure on the part of the servicer to provide disclosures required under such subsections resulting from the failure of any mortgage insurer, any mortgage holder, or any other party to timely provide accurate information to the servicer necessary to permit the disclosures; or

"(2) due to any failure on the part of any private mortgage insurer, any mortgage holder, or any other party to comply with the provisions of such subsections.

Each private mortgage insurer and each mortgage holder for a covered mortgage loan shall provide accurate and timely information to the servicer for such loan necessary to permit the disclosures required by subsections (f) and (g). In the event of a dispute regarding liability for a violation of subsection (f), (g), or (h), and upon request by the borrower, a servicer shall provide the borrower with information stating the identity of the insurer or mortgage holder.".

(b) DEFINITIONS.—Subsection (n) of section 6 of the Real Estate Settlement Procedures Act of 1974 (as redesignated by subsection (a)(1)) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (5), and (6), respectively;

(2) by inserting before paragraph (2) (as redesignated by paragraph (1) of this subsection) the following new paragraph:

"(1) COVERED MORTGAGE LOAN.—The term 'covered mortgage loan' means a federally related mortgage loan under which the property securing the loan is used by the borrower as the borrower's principal residence."; and

(3) by inserting after paragraph (2) (as so redesignated) the following new paragraphs:

"(3) MORTGAGE INSURANCE.—The term 'mortgage insurance' means insurance, including any mortgage guaranty insurance, against the nonpayment of, or default on, a mortgage or loan involved in a residential mortgage transaction, the premiums for which are paid by the borrower.

"(4) PRIVATE MORTGAGE INSURANCE.—The term 'private mortgage insurance' means mortgage insurance other than mortgage insurance made available under the National Housing Act, title 38 of the United States Code, or title V of the National Housing Act of 1949.".

SEC. 3. SCOPE OF APPLICABILITY.

(a) NOTICE AT OR BEFORE SETTLEMENT.—Paragraphs (1) and (2) of section 6(f) of the Real Estate Settlement Procedures Act of 1974 (as added by section 2(a) of this Act) shall apply only with respect to covered mortgage loans made after the end of the 1-year period beginning on the date of the enactment of this Act.

(b) NOTICE OF PMI OBLIGATION TERMINABILITY.—Paragraphs (3) and (4) of section 6(f) of the Real Estate Settlement Procedures Act of 1974 (as added by section 2(a) of this Act) shall apply beginning upon the end of the 1-year period that begins on the date of the enactment of this Act and with respect to any covered mortgage loan without regard to the date on which such loan was made.

(c) TERMINATION OF PMI OBLIGATION BY OPERATION OF LAW.—Subsections (g) and (h) of section 6 of the Real Estate Settlement Procedures Act of 1974 (as added by section 2(a) of this Act) shall apply only with respect to covered mortgage loans made after the end of the 1-year period beginning on the date of the enactment of this Act.

SEC. 4. CONFORMING AMENDMENTS.

(a) SECTION 6.—Section 6(m) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605) (as redesignated by section 2(a)(1) of this Act) is amended—

(1) by inserting "(not including subsection (f))" before "regarding timing"; and

(2) by adding at the end the following new sentence: "The preceding sentence shall not apply to any State law or regulation relating to notice or disclosure to a borrower regarding obtaining, maintaining, or terminating private mortgage insurance and such State laws and regulations shall be subject to the provisions of section 18.".

(b) SECTION 10.—Section 10(b) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2609(b)) is amended by striking "section 6(i)" and inserting "section 6(n)".

(c) SECTION 12.—Section 12 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2610) is amended by striking "section 6(i)" and inserting "section 6(n)".

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to the rule, the gentleman from Iowa [Mr. LEACH] and the gentleman from Texas [Mr. GONZALEZ] each will control 20 minutes.

The Chair recognizes the gentleman from Iowa [Mr. LEACH].

□ 1300

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

Mr. LEACH. Mr. Speaker, before the House today is H.R. 607, the Homeowners Insurance Protection Act of 1997, introduced by the distinguished gentleman from Utah [Mr. HANSEN].

Mr. Speaker, before presenting a committee perspective, I yield such time as he may consume to the gentleman from Utah [Mr. HANSEN], who deserves full credit for bringing this legislation to the attention of the House and also the thanks of thousands, perhaps millions, of American homeowners. It is not only fair but 100 percent accurate to say that without his leadership, this bill would not be before the House today.

Mr. HANSEN. Mr. Speaker, I wish to thank the distinguished gentleman from Iowa for yielding me this time and thank him for the great work that he has done on this piece of legislation, the ranking member and many others who have joined in this.

Let me just say to the people of America, what is private mortgage insurance? It is a very necessary tool that the mortgage industry uses. Without that, when that young couple finally gets the opportunity to buy their first house, they are looking forward to it, they can hardly wait to get their keys, they walk in and they sign papers about that deep.

There is probably not one person in America, well, maybe one or two, that really understands what he is even signing, but he gets down to the time and he signs something on private mortgage insurance, and what is it that he just bought? He bought something that does not protect him. It is not a homeowner's, it is not a title insurance. What it does is it protects the person who is lending him the money. Why does he have private mortgage insurance? Because he could not come up with 20 percent down payment.

So literally thousands of these are across America. Are they necessary? Yes. Are they good? Yes. Should we have them? Absolutely. But what happens when he gets it down to the 20 percent? We are finding that very, very few lenders take it off. They think of one way after another to hassle people. "Oh, the price of your house isn't right" or "Maybe you didn't make your payment exactly on time." So it goes on and on and on and there are horror stories all over America.

Go anywhere and some people say, "I've been paying that all the way down to the last." So what does that mean? That means some servicers, banks, insurance companies, are literally putting millions of dollars in their back pocket, and people do not realize they are doing it.

All we are asking in this bill is basically when you take out the loan, you have the opportunity to understand, full disclosure, what is PMI. On your annual statement that all of us get at the end of the year, it will say on there what you paid in principal, what you paid in interest, what you paid in taxes, and what you paid in PMI and where it stands and when you can get it off. That is very important.

If they can say "Happy birthday, Mr. HANSEN," they can surely put that on there. It always bothers me when they say it is a big deal when they cannot put it on. They do that constantly.

All we are saying now is there are millions of people that are overinsured. There are millions of dollars, multimillions of dollars going into pockets, that should not be there and those who can afford it the least are those who are paying this. These are the people who cannot come up with the 20 percent. Those of us that sit around here, probably very few of them do it. I have personally experienced this. I cannot believe the hassle one goes through.

So this bill will take care of those things plus one thing I have not mentioned, it has an automatic cancellation at 75 percent. I would urge Members to vote for this. Members are doing a good thing for consumers of America. They are doing something right. I urge Members' support of the bill.

Mr. Speaker, I appreciate the opportunity to bring this important bill to the floor. H.R. 607, the Homeowners Insurance Protection Act, puts this Congress squarely on the side of the hard working American homeowners. First, I would like to thank the chairman and ranking minority member of the Banking Committee for their bipartisan leadership in bringing this important bill to the floor in a timely manner. I would also like to thank their fine staff for all their hard work and assistance, and leadership for their support in bringing this good piece of consumer legislation before the House.

H.R. 607 raises the important issue of what homeowners should know when they obtain a home mortgage, and more importantly, when they can stop paying for insurance they no longer need.

The last decade has seen many positive changes within the mortgage industry. These changes have allowed millions of American families to achieve the American dream and become homeowners. I applaud the industry for making home ownership a reality for millions of families by developing alternative mortgage instruments that help get more families into homes than otherwise could have afforded one.

One widespread, and little understood, instrument in the current mortgage industry is private mortgage insurance [PMI]. Private mortgage insurance enables homeowners to purchase homes with as little as a 3-to-5 percent down payment by insuring the mortgage lender against default. As such, PMI does not insure the borrower and should not be confused with a homeowner's property protection policy. For conventional mortgages, PMI is normally required whenever a borrower does not have a 20 percent down payment. PMI plays an important part of the mortgage industry by making home ownership more accessible. The problem arises when homeowners are not informed of what PMI is and when and

how they can stop paying it. Overpayment of PMI is potentially costing hundreds of thousands of homeowners millions of dollars per year.

To get some idea of how widespread this problem may be, consider that in 1996 of the 2.1 million home mortgages that were insured, over 1 million required private mortgage insurance. The remainder were either FHA or VA guaranteed. One industry group estimates that at least 250,000 homeowners are overpaying PMI and other estimates suggest this figure represents the low end. At an average monthly cost of $30–$100 dollars, overpayment of PMI can easily cost homeowners thousands of dollars in unnecessary payments over the life of their loan. Each of these cases has one thing in common—homeowners do not understand what PMI is and are not informed of their right to cancel PMI under certain circumstances.

Consider the following example. Eighteen years ago, a woman and her now-deceased husband purchased a home for $20,700. The couple financed $18,700 and were required by their lender to purchase private mortgage insurance. At no time were they told that they were entitled to cancel the mortgage insurance. The last payment on the loan, made in June, 1996, included a private mortgage insurance payment of $13.99. This widow paid private mortgage insurance premiums for the life of her loan! Her mortgage company continued to charge these premiums every month even though they knew that the PMI was unnecessary, that it could be canceled under their own guidelines and that there was no longer any risk to the lender.

In another case, a secretary in Texas, purchased a home for $26,000 19 years ago. She financed $22,950 and was required by her lender to purchase PMI because she did not have a 20 percent down payment. At no time was she told she could cancel PMI after certain requirements were met. Over 19 years later, she and her husband were still paying PMI. Why? She has paid off over 90 percent of the balance of her mortgage, leaving her debt at less than 10 percent of the value of her property. Her mortgage servicer continues to charge her PMI premiums every month even though it knows that the PMI has been unnecessary for years. In fact, her mortgage servicer has been charging her for PMI, even though the owner of her mortgage no longer requires the insurance.

Even Members of Congress are not immune from this problem. When I first came to the Congress I bought a small condominium in Northern Virginia with less than 20 percent down. As I paid my monthly mortgage to the mortgage servicer, I noticed that I was paying $20 a month for PMI. I called the mortgage servicer to find out what this payment was and what I could do to stop paying it. Just like thousands of other homeowners, that is when the real adventure began.

After a short conversation with my mortgage service representative I was told that I needed to pay $4,000 to arrive at the loan of value [LTV] ration required by the investor. If the LTV ratio was less than 80 percent, I would not be considered a risky investment, and I would no longer need PMI. After paying down to the correct LTV, as required, I realized that my mortgage servicer was still charging me for PMI. I assumed this was an error and called the mortgage servicer again. I was now informed that additional requirements needed to be met. One month I was told to get an appraisal. The next month I had to prove that I had a good payment history. The next month I needed to use their appraiser. Each month it was a new requirement and at no time did my mortgage servicer indicate everything needed to cancel the PMI. After 4 years of wrangling with my mortgage servicer it finally required direct intervention by the mortgage investor to cancel PMI on my behalf. As I soon discovered, mine was not an isolated case.

Now you may not think that $20, or even $100 a month is a lot of money, but when its paid by millions of homeowners we soon start talking about real money. In the business world we call this the law of small sums. As any good businessman can tell you, if you can get a little bit of money from a whole lot of people you really have something.

As a small businessman for most of my life, including a short stint in the mortgage industry, I also learned that if an industry polices itself the Government should not interfere. I firmly believe that the Government should stay out of the private marketplace. However, when an industry does not follow even its own guidelines—I believe it is our responsibility to draw the line. That is why I proposed the Homeowner's Insurance Protection Act (H.R. 607), which requires full disclosure of what PMI is, who it insures, and how it can be canceled. H.R. 607 would also require clear periodic notification to the homeowner of both their right to cancel PMI and any preconditions which must be met.

One issue included in H.R. 607 that does merit careful attention is the question of automatic cancellation. I believe that some form of automatic cancellation is the right thing to do. In some segments of the mortgage industry, for example Navy Federal Credit Union, PMI is automatically canceled when the loan to value ratio [LTV] reaches 80 percent. New mortgage servicing guidelines from Fannie Mae, one of the largest investors in home mortgages, also supports some form of automatic cancellation of PMI. This is both good for the consumer and good business. However, I would not want to see automatic cancellation provisions prevent lenders from insuring themselves against consumers who do not have a good record of payment or against a severely depreciated real estate market. In addition, I do not want to create the unintended consequence of shifting costs to lower risk consumers in the form of higher PMI premiums. I believe the 75 percent LTV automatic cancellation provision for only new loans with a good payment history is a responsible compromise in this regard—and which has broad within the industry.

The bottom line is that thousands of hard working American homeowners overpay PMI each year because they don't know what it is or how to get rid of it. Even worse, with PMI overpayment, it is usually the people who can afford it least that end up paying the most. There is nothing more frustrating than paying for something that is not needed. We would not let an auto mechanic charge customers for work that is not needed or a doctor charge patients for procedures that were not performed. PMI plays an important role in the mortgage industry, but when that role is fulfilled the American homeowner should not keep paying for something that serves no legitimate purpose.

H.R. 607 is a good bill which puts this Congress squarely on the side of the American consumer and I would ask for its swift passage.

The Truth Behind Private Mortgage Insurance

(By Representative James Hansen)

The last decade has seen many positive changes within the mortgage industry. These changes have allowed millions of American families to achieve the American dream and become homeowners. I applaud the industry for making homeownership a reality for millions of families by developing alternative mortgage instruments that help get more families into homes than otherwise could have afforded them.

One widespread, and little understood, instrument in the current mortgage industry is private mortgage insurance (PMI). Private mortgage insurance enables homeowners to purchase homes with as little as a 3 to 5 percent down by insuring against default.

But PMI does not insure the borrower and should not be confused with a homeowner's property protection policy. For conventional mortgages, PMI is normally required whenever a borrower does not put 20 percent down.

PMI plays an important part in the mortgage industry by making homeownership more accessible. The problem arises when homeowners are not informed of what PMI is and when and how they can stop paying it. Overpayment of PMI is potentially costing hundreds of thousands of homeowners millions of dollars per year.

To get some idea of how widespread this problem may be, consider that in 1996, of the 2.1 million home mortgages that were insured, more than one million required private mortgage insurance. One industry group estimates that at least 250,000 homeowners are overpaying PMI, and other estimates suggest this figure represents the low end. At an average monthly cost of $30 to $100, overpayment of PMI can easily cost homeowners thousands of dollars in unnecessary payments over the life of their loan.

Each of these cases has one thing in common—homeowners do not understand what PMI is and are not informed of their right to cancel PMI under certain circumstances.

Consider the following example: Eighteen years ago, a woman and her now-deceased husband purchased a home for $20,700. The couple financed $18,700 and were required by their lender to purchase private mortgage insurance. At no time were they told that they were entitled to cancel the mortgage insurance. The last payment on the loan, made in June 1996, included a private mortgage insurance payment of $13.99.

This widow paid private mortgage insurance premiums for the life of her loan. Her mortgage company continued to charge these premiums every month even though they knew that the PMI was unnecessary, that it could be canceled under their own guidelines, and that there was no longer any risk to the lender.

Even Members of Congress are not immune from this problem.

When I first came to Congress, I bought a small condominium in Northern Virginia with less than 20 percent down. As I paid my

monthly mortgage to the mortgage servicer, I noticed that I was paying $20 a month for PMI. I called the mortgage servicer to find out what this payment was and what I could do to stop paying it.

Just like thousands of other homeowners, that is when the real adventure began.

After a short conversation with my mortgage service representative, I was told that I needed to pay $4,000 to arrive at the loan to value (LTV) ratio required by the investor. If the LTV ratio was less than 80 percent, I would not be considered a risky investment and I would no longer need PMI. After paying down to the correct LTV, as required, I realized that my mortgage servicer was still charging me for PMI. I assumed this was an error and called the mortgage servicer again. I was now informed that additional requirements needed to be met.

One month I was told to get an appraisal. The next month I had to prove that I had a good payment history. The next month I needed to use their appraiser. Each month, it was a new requirement, and at no time did my mortgage servicer indicate everything that I needed in order to cancel the PMI.

After four years of wrangling with my mortgage servicer, it finally required direct intervention by the mortgage investor to cancel PMI on my behalf. As I soon discovered, mine was not an isolated case.

As a small businessman for most of my life, including a short stint in the mortgage industry, I also learned that if an industry polices itself, the government should not interfere. I firmly believe that the government should stay out of the private marketplace. However, when an industry does not follow even its own guidelines, I believe it is our responsibility to draw that line.

That is why I have proposed the Homeowners Insurance Protection Act (H.R. 607), which would require full disclosure of what PMI is, who it insures, and how it can be canceled. H.R. 607 would also require clear periodic notification to the homeowner of both their right to cancel PMI and any preconditions that must be met.

Sen. Alfonse D'Amato (R-NY), chairman of the Senate Banking, Housing, and Urban Affairs Committee, has also introduced similar legislation. Hearings were held in the Senate committee on Feb. 25; the House Banking and Financial Services Committee will be looking into this issue in the near future. This legislation is straight forward and long overdue.

One issue that is not addressed in H.R. 607 but does merit attention is the question of automatic cancelation. I believe some form of automatic cancelation is the right thing to do. In some segments of the mortgage industry, for example, the Navy Federal Credit Union, PMI is automatically canceled when the loan to value ratio reaches 80 percent. New mortgage-servicing guidelines from Fannie Mae, one of the largest investors in mortgages, also support some form of automatic cancelation of PMI.

This is both good for the consumer and good business. However, I would not want to see automatic cancelation provisions prevent lenders from insuring themselves against consumers who do not have a good record of payment or against a severely depreciated real estate market. If we are not careful, we may have the unintended consequence of shifting costs to consumers in the form of higher PMI premiums.

The bottom line is that thousands of hard-working American homeowners overpay PMI each year because they don't know what it is or how to get rid of it. Even worse, with PMI overpayment, it is usually the people who can afford it least that end up paying the most.

There is nothing more frustrating than paying for something that is not needed. We would not let an auto mechanic charge customers for work that is not needed or a doctor charge patients for procedures that were not performed. PMI plays an important role in the mortgage industry, but when that role is fulfilled, the American homeowner should not keep paying for something that serves no legitimate purpose.

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

As has been noted, this legislation provides for automatic cancellation of private mortgage insurance once homeowners' equity reaches 75 percent of the original value of the house, and as long as the homeowner is current in making mortgage payments.

In addition, it extends important new consumer disclosure provisions to this little understood type of insurance which protects the mortgage holder, but is paid by the homeowner.

The bill is thus designed to strike a balance which protects the homeowner and at the same time provides an incentive for lenders to make loans at competitive rates in circumstances where otherwise credibly priced loans would not be available.

This insurance product has been around for a number of years and typically costs affected homeowners between $300 and $900 annually. But until the gentleman from Utah [Mr. HANSEN] raised the issue of whether coverage was necessary after homeowners' equity reached a certain level, it has not been the subject of congressional action. Since coming to the attention of the Committee on House Banking and Financial Services earlier this year, H.R. 607 has been on a fast track.

The committee held a public hearing on March 18 and approved H.R. 607 on a vote of 36 to 1 just 2 days later, on the eve of our departure for the spring recess. Frankly, it had been my original intention to mark up the legislation in committee on the day of the hearing, but we postponed committee consideration at the request of the minority.

Subsequent to the committee's action, I asked the leadership to schedule this bill for a vote by the full House in the first or second week after the recess. Here we are today, on schedule, with a bill that has been brought to the floor, unmodified from the committee product.

In my judgment, the committee has crafted in a bipartisan fashion an approach which deserves the support of this House. Homeowners should not be stuck with paying insurance to protect others on a home that becomes protected by its own collateral value. If insurance fees continue past the point where 25 percent of the value of the loan has been paid, one group of homeowners; that is, those who originally may not be able to make a large down payment, will be prejudiced against in relation to those able to afford a larger down payment. This bill is thus, above anything else, about common sense equity. I urge its adoption.

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

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

Mr. Speaker, mortgage insurance is and always has been a powerful tool for American home buyers. Of course, what it does is to reduce the risk of making a low down payment, long-term mortgage, by insuring that the lender, or the investor in that mortgage, will be paid in the event the borrower defaults. With mortgage insurance, tens of millions of Americans have been able to afford a home. Without mortgage insurance, buyers would have to come up with a down payment of about 20 percent, and probably would be able to get only a short-term mortgage.

Before the advent of mortgage insurance, only about a third of Americans owned a home. Today more than two-thirds do. As great as mortgage insurance is, the truth is that a vast number of people are paying for insurance they no longer need. To the average buyer, it costs anywhere from $30 to $100 a month. Anyone who has a good payment record and at least 20 percent equity probably does not need mortgage insurance. But the truth is buyers who should not be paying for insurance are paying millions of dollars in premiums. Some buyers who know this, like our colleague, the gentleman from Utah [Mr. HANSEN], have run into brick walls when they have sought to cancel.

This bill does two things. It preserves mortgage insurance as the valuable and vital tool that it is. Second, it guarantees future buyers that their mortgage insurance will be canceled when they have a 25-percent equity stake and allow them to seek cancellation sooner if they qualify. This bill does not affect contracts, but it does set us on the path of correcting real abuses and it will save home buyers many millions of dollars.

This is a good bill. Of course, like everything else, it is not perfect. Some of us would have liked greater reforms. Some of us wanted less. But this is a consensus bill with virtually unanimous support in the Committee on Banking and Financial Services. It deserves Members' support. I urge an "aye" vote.

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

Mr. LEACH. Mr. Speaker, I yield 2½ minutes to the gentleman from North Carolina [Mr. BURR].

Mr. BURR of North Carolina. Mr. Speaker, I thank the chairman of the full committee for yielding me this time.

I rise today, Mr. Speaker, in support of this legislation. Last week I had

concerns on this legislation. Today I still have several concerns with this bill. I would like to address those concerns in a colloquy with the gentleman from Iowa, the chairman of the Committee on Banking and Financial Services.

Mr. Speaker, I say to the gentleman from Iowa [Mr. LEACH], the chairman, that I am concerned about the effect the bill will have on pool mortgage insurance, insurance which covers a whole pool of mortgages as opposed to insurance on individual mortgages. If pool insurance was covered, would this not increase home ownership costs?

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

Mr. BURR of North Carolina. I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Speaker, I will tell the gentleman, this is an extremely important inquiry. The intent of the legislation is to cover individual private primary mortgage insurance covering individual loans and not insurance for an entire pool of mortgages.

The reason it is important that pool insurance not be covered is that it allows mortgages with PMI to be intermingled in the secondary market with those without, thus providing more flexibility in their securitization and lower cost for the homeowner.

Mr. BURR of North Carolina. It is my understanding that in requiring new disclosure requirements concerning PMI, this bill could add costs to the private sector, especially mortgage servicers and lenders. This is of particular concern to me as well as my colleagues in the North Carolina delegation, because 44 percent of all private mortgage insurance is issued in my State.

Mr. LEACH. This concern is also a valid one, but certain issues should be kept in perspective. Generally, mortgage servicers and lenders already have to make a number of disclosures to homeowners at settlement and during the life of the mortgage under the Truth in Lending Act and the Real Estate Settlement Procedures Act. The intent of the committee in drafting this legislation was to ensure that most of the notices concerning PMI are made in conjunction with the notice requirements of these acts.

In addition, I think it should be noted that the biggest and most reputable mortgage servicers in the country, including one headquartered in my State, are beginning to provide borrowers notices on PMI. Finally, a number of States already require or are considering requiring notices on PMI. For instance, the States of California and New York, which comprise 20 percent of the home mortgage market, require disclosure to borrowers on this kind of insurance. This law would provide a disclosure standard for the entire country, which may make other State legislatures less likely to impose new State standards on this subject.

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

Mr. BURR of North Carolina. I yield to the gentleman from North Carolina.

Mr. COBLE. I thank the gentleman for yielding.

Mr. Speaker, I say to the chairman that I would like to extend some of the remarks uttered by the gentleman from North Carolina [Mr. BURR]. I share his concerns, but not at all as to the intent of the bill. You start going after homeowners and you are opening up a bucket of snakes. I am not against homeowners at all. But I have a concern, Mr. Speaker, and I would be happy to hear from the chairman as to whether or not we may be encouraging and nurturing unnecessary and frivolous litigation.

Mr. LEACH. I would tell the gentleman, this is a very legitimate concern. I too want to benefit the homeowner and not the class-action lawyer. Because of some of the industry practices concerning PMI, such as not providing borrowers sufficient information on how to terminate the insurance or requiring PMI long after it is needed, mortgage servicers and insurers are facing more and more lawsuits. This legislation will clarify what the responsibilities of market participants are concerning PMI. Without this legislation, in States which do not have State PMI laws, it will be the courts who will determine by judicial fiat the legal liability of the mortgage industry participants on an ad hoc basis. This bill provides more certainty to the law concerning a borrower's rights and PMI and thus is intended to make litigation less likely.

Mortgage market players have expressed some concern that the provision of the bill requiring the conditions for terminating PMI be reasonably related to the requirements for private mortgage insurance may precipitate unnecessary litigation. This is not the intent of the committee. It is the expectation of the committee that HUD, which has rule making authority, would put forth commonsense interpretations of this provision designed to preclude unreasonable lawsuits.

Mr. COBLE. I thank the gentleman from North Carolina and the gentleman from Iowa, the chairman.

Mr. BURR of North Carolina. Mr. Speaker, I would like to thank the chairman for his willingness to address the concerns of the gentleman from North Carolina [Mr. COBLE] and my concerns with this legislation. I am hopeful that our colleagues that are involved in the completion of this legislation and the process will continue to refine it and to make it the best bill in the coming weeks that they possibly can.

Mr. LEACH. I thank both the gentlemen from North Carolina for their concerns, which are very thoughtful and constructive. I appreciate that.

□ 1315

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

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Speaker, after listening to the previous dialog, I must point out that this is a good bill, this is a consumer bill, this is not a bill that we have to bring up by a vote of the Committee on Banking and Financial Services 36 to 1 and then hear apologies for. Not at all.

Mr. Speaker, the fact of the matter is, the gentleman from Utah [Mr. HANSEN] did us a great service when he pointed out that lenders, banks, insurance companies, et cetera, have been ripping the consumer off for years and years to the tune of hundreds of millions of dollars. And then we took his bill, and we asked for a 2-day delay, and we negotiated with the majority to make it not simply a bill which would advise us of the problem, but actually terminate, cancel, these premiums that were no longer warranted, no longer justified, at least with respect to future mortgages.

This is the most significant consumer bill brought up in Congress this year. It is probably going to be the most significant consumer bill brought up in Congress during this session and the next session. We should not be apologetic about it. We should rejoice in it, and we should make sure that this is not amended or refined away by the Senate or in conference with the Senate.

We have a good bill, let us pass it virtually unanimously, and then let us hold onto it in conference.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Speaker, I rise to have a colloquy with the gentleman from Iowa, the chairman of the committee. Mr. Speaker, I commend him for bringing this important consumer legislation to the House floor today, and I particularly commend our colleague, the gentleman from Utah [Mr. HANSEN], for introducing it. This bill provides meaningful financial relief of $50 or $100 a month to millions of American families. Best of all, Mr. Speaker, it provides us relief at no cost to the U.S. Treasury.

I also commend the chairman for the genuine bipartisan way this legislation was considered by the committee, which is why it was reported out of the committee 36 to 1. The entire Democratic membership of the House Committee on Banking and Financial Services enthusiastically supported this bipartisan initiative and hopes that the bipartisanship that was demonstrated on this legislation will be a model for subsequent legislation from our committee.

I do have one question for him however. Since the legislation was reported

out of committee, it has been brought to my attention that there are mortgage products in the marketplace that may require mortgage insurance of a different type or for a period of time that is not prescribed in statute. I am not aware of all the products, and since the products in the marketplace are evolutionary in nature and we cannot always anticipate what tomorrow may bring in the marketplace, I hope that as the process goes through, the chairman and the members of the conference pay very close attention to this so that in the final end the private mortgage insurance disclosure that we are requiring and the cancellation we are requiring under this act does, in fact, accomplish the best results for the consumer and for the consumer in the marketplace by lower interest rates that will be provided.

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

Mr. KANJORSKI. I yield to the gentleman from Iowa.

Mr. LEACH. If I could respond briefly to the gentleman, I share his concerns. I would tell him, though, as we move forward we do want to be very sensitive to possible new products, but we also have to take very great care to insure that poor people do not come under a different standard than others, and if we developed two different standards, we might put complications in the home lending market as well.

So I am open to any of the concerns the gentleman may have, but I am unprepared to make firm commitments.

Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I do rise in support of this legislation. PMI is a little understood, complicated issue as we have heard through the colloquies that have gone on and the description by the chairman and ranking member, but bottom line, PMI does enable homeowners to purchase homes with as little as 3 to 5 percent down payment and insures the mortgage lender against that default. PMI plays an important part in the mortgage industry by making home ownership more accessible, and we should not lose sight of that.

This is, as my colleague from New York stated, it is a good consumer protection bill. I support it. That, however, does not mean we should close our eyes to the fact that we are taking this up under suspension, that there might not be some issues as outlined in the colloquies that deserve perhaps closer attention. It does not mean we should be voting against this, but we should understand that we must weigh very carefully the costs to the consumer as well as the industry, because if we too adversely affect the industry we might be charging higher fees for everybody in the mortgage market, and I think that is important for us to understand.

Someone earlier did also, and I think it was in the colloquy, referenced the issue that is of concern to me, and that is we do not want to have the unintended consequences of providing an incentive for unnecessary and frivolous litigation. I think we can absolutely protect against that in the confines within the strictures of this bill and gain the important consumer protection and at the same time not play a detrimental role in the mortgage market.

So I am confident that as the bill moves through conference, if there are any unintended consequences that we can examine, we can take care of it at that time. But I stand four square behind the legislation, it is an important consumer protection reform, and we should pass it today without exception.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in support of the legislation and commend my colleague from Utah for persisting in bringing a problem to us, so often as personal experiences are reflected on the House floor, and this one in which he experienced a difficulty is one frankly that affects millions of American homeowners across this Nation. There is so much that happens at closing on a home: the types of insurance, title insurance, property insurance, other types of insurance. I am certain that many homeowners, their eyes sort of glaze over, they sign the documents not realizing that they have had the necessity of having private mortgage insurance which, incidentally, facilitates the purchase of homes just as other types of VA and FHA insurance may facilitate the purchase of homes, with low down payments. But candidly, on a hundred thousand dollar mortgage it can add anywhere from 35 to a hundred dollars extra payment a month. On a home that is $200,000 the consumer can double that cost, and that occurs in many markets.

And so it is important, and I would point out that PMI on an informal basis, these companies working with lenders have tried and do terminate the insurance, but it is sometimes a frustrating and confusing experience. What this legislation does is provide some mandates. It provides some predictability and certainty to cancel that insurance, some rights for that homeowner so that they get disclosure, they get notice, they get to know what is going on at closing and through the years of the mortgage. It also, while not mandating, provides an opportunity to in fact extinguish that insurance at a higher than 75 percent loan-to-value ratio and to go back and deal with those that have that insurance in effect today that is retroactive. But prospectively it will mandate the lapse of that insurance at 75-percent saving, literally saving millions of dollars of payments for insurance that homeowners do not need, and while such insurance is obviously to the benefit of the lender it is an extreme cost when added to the homeowner.

But I would point out that the secondary markets, the insurance companies and others, have had informal policies in place in some instances, but this measure will provide a more efficient and effective way of dealing with private mortgage insurance, treating I think consumers and treating those that provide these services more fairly, making that American dream that much more attainable, and I commend the chairman and the Members and am pleased to have played a small role in working to write and pass this legislation in the Banking Committee.

Mr. Speaker, I rise in support of H.R. 607 as amended by the Banking Committee and ask my colleagues to support the bill. I would like to commend Mr. HANSEN for introducing and pushing this legislation forward.

Throughout the week of March 17, the House Banking Committee worked on a strong bipartisan basis to develop consensus legislation. We ultimately passed H.R. 607 after a lengthy hearing occurred and all the witnesses from private mortgage insurance industry, consumer groups, mortgage bankers, and thrifts, agreed with the substance of the core issues and the improved substitute product. In the March 20 markup, the committee worked its will on the bipartisan substitute and in the end passed out a bill, 36–1.

Our goal was to produce a bill for the suspension calendar which served the needs of millions of American homeowners covered by private mortgage insurance and to expedite the work of the House of Representatives. The Banking Committee worked quickly and well in a manner that bodes well for future work on financial modernization and possibly housing bills. I am pleased that our good work product has been able to jump the hurdle presented last week by industry groups who had effectively squelched our bill.

Consumers spend hundreds of dollars a year extra in mortgage insurance even though they have paid down the mortgage by 20 percent, 25 percent or more to a point where such insurance is not required or necessary. H.R. 607 as reported by committee will provide some equity for those home buyers who make their payments faithfully for years. The reported bill was praised by consumer groups who, in fact, sought more protections and rights for consumers, but had accepted the "bird-in-hand", noncontroversial measure as an acceptable action in this 105th Congress.

The bill prospectively—1 year after enactment—provides for the automatic cancellation of private mortgage insurance when borrowers have 25 percent equity, or a 75-percent loan-to-value ratio, in their homes—based on the original value of the home. Premiums paid past that date will be refunded.

In a significant addition, the reported bill gives borrowers prospective rights to terminate premiums once they have met industry conditions. The bill also provides for the disclosure of borrowers' rights. Existing loans will get annual statements that their PMI may be

cancelable. Future borrowers will be informed of their rights at or before closing along with the annual disclosure.

Mortgage insurance helps provide an opportunity to people to purchase homes when they cannot come up with a 20-percent down payment. On a $100,000 home, that would be a hefty $20,000 plus closing costs. Private mortgage insurance on a $100,000 house ranges from $28 to $76 a month depending on amount of the down payment. That works out to $336 to $912 a year. And of course, in many cities in this Nation, including Washington, DC area, you cannot buy most homes for $100,000, so down payments are tougher to make and premiums also go up proportionately.

In the last 40 years, 17 million homeowners have paid PMI to become homeowners. According to the Mortgage Insurance Companies of America [MICA] more than a million home buyers bought PMI last year alone.

Although we were unsuccessful in committee in trying to ensure cancellation rights to those who have purchased PMI already that is retroactively or automatic cancellation for mortgages which reach the requisite 20 percent equity on their loans, an amendment I offered, we were successful in working in good faith with Chairman LEACH and our counterparts on the Banking Committee to write the initial substitute and a good consensus bill to bring to our colleagues in the House. Importantly while not requiring cancellation this measure "provides a right to cancel" working with lenders. The mortgage servicer, PMI companies terminate the insurance at loan amount higher than 75 percent and permit cancellation to apply retroactively as specific conditions are met.

Mr. Speaker, I urge my colleagues to support this very important consumer legislation. This bill will provide hundreds of dollars in relief to home buyers who have paid their way out of PMI. More than phantom tax cut measures, the bill will produce real consumer savings right away. Let's pass this proconsumer legislation now.

Mr. LEACH. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Texas [Mr. PAUL].

Mr. PAUL. Mr. Speaker, I hesitate to speak out on this legislation, but having been the only dissenter in the committee I feel compelled to explain my vote.

I am confident this bill will neither destroy Western civilization nor save it. However, it does nothing to help it. What we have here is another problem, another law and another form to fill out, and all along I thought our new mandate was to reduce government rules and regulations. Every time Congress passes a new law to solve some problem, several new unsuspected consequences emerge, requiring even more problem solving regulations. This new piece of regulatory law, I am sure, will do the same. This bill will limit consumer choice, raise costs on consumers and limit availability of consumers to purchase a home.

Just this past weekend, Alan Greenspan explained why consumers are often better served by private market regulations rather than government intervention. He said that, quote: Government regulation can undermine the effectiveness of private market regulation and can itself be ineffective in protecting the public interest.

With this I concur. If Congress were really serious about making it easier for first-time home buyers and others to secure financing, it would do what it could do to lower the cost of capital. Interest rates are high because of the lack of sound monetary and fiscal policies pursued by our government.

What should we do? We should cut taxes. We should cut spending. We should cut regulations, not add a new regulation. And follow sound monetary policy. This approach would lower the interest rates on mortgages for all homeowners and potential homeowners. This lower interest rate climate could benefit home buyers in the way that greater reliance on the nanny state cannot. The Constitution limits the power of Congress and clearly states that powers not delegated to Congress are reserved to the States or to the people. We should not interfere in the private, voluntary, noncoercive contracts of individuals in a free society. This legislation tramples on States rights. Some States, notably California and New York, already have laws on the books dealing with this issue. Congress should not be involved in this issue.

Perhaps this bill is just a veiled attempt to put all mortgages, public and private, under the control of HUD. Private mortgage insurance has benefited 20 million consumers over the past 40 years. Now Congress wants to do for them what they have done for our public housing tenants. Any new regulatory mandates by Congress would only add to the cost of private mortgage insurance and hurt the very people the proponents of the legislation are trying to help.

I suggest that a no vote is the proper vote on this bill. H.R. 607 will limit consumer choice, it will raise the cost to the consumer, it will push home ownership further from the grasp of poor Americans. If my colleagues want to vote for the consumer and if they want to help all potential home buyers, vote no on H.R. 607.

I hesitate to speak out for this legislation, but having been the lone dissenter in committee, I feel compelled to explain my vote.

I'm confident this bill will neither destroy Western civilization nor save it. However, it does nothing to help it.

What we have here is another problem, another law, and another form to fill out. And all along I thought our new mandate was to reduce government rules and regulations.

Every time Congress passes a new law to solve some problem, several new unsuspected consequences emerge requiring even more problem-solving regulations. This new piece of regulatory law, I'm sure, will do the same.

This bill will limit consumer choice, raise costs on consumers, and limit the ability of consumers to purchase a home.

Just this past weekend, Alan Greenspan explained why consumers are often better served by private market regulation rather than government intervention. He said that "government regulation can undermine the effectiveness of private market regulation and can itself be ineffective in protecting the public interest." With this I concur.

He continued,

> The real question is not whether a market should be regulated. Rather, it is whether government intervention strengthens or weakens private regulation, and at what cost. At worst, the introduction of government rules may actually weaken the effectiveness of regulation if government regulation is itself ineffective or, more importantly, undermines incentives for private market regulation. Regulation by government unavoidably involves some element of perverse incentives.

The perversity of this bill is its effect on consumers. It will increase premiums on consumers, limit choices, and make home ownership less affordable.

If Congress were really serious about making it easier for first-time home buyers and others to secure financing, it would do what it could to lower the cost of capital. Interest rates are high because of the lack of sound monetary and fiscal policies pursued by our Government.

What should we do? We should cut taxes, cut spending, cut regulations—not add a new one—and follow sound monetary policies. This approach would lower the interest rates on mortgages for all homeowners and potential homeowners. This lower interest rate climate would benefit the home buyer in a way that greater reliance on the nanny State cannot.

The Constitution limits the power of Congress and clearly states that powers not delegated to Congress are reserved to the States or to the people. We should not interfere in the private, voluntary, noncoercive contracts of individuals in our society.

This legislation tramples on States rights. Some States, notably California and New York, already have laws on the books dealing with this issue. Congress should not be involved in this issue.

It was that wonderful competition of experiments at the State level that brought consumers such benefits as private mortgage insurance, adjustable rate mortgages, and automatic teller machines [ATM's]. Private markets make home ownership more affordable while Washington interference perversely hurts the consumer.

H.R. 607 is harmful and unnecessary. The overwhelming majority of homeowners have no problem canceling their private mortgage insurance, if it is not canceled automatically. In fact, Fannie Mae has studied this concern and is currently setting clear guidelines regarding PMI. These guidelines would quickly become industry standard given the influence they have in the market.

If Congress were so concerned about consumers' alleged overpayment regarding PMI, then we should do something about the mortgages in which we have a vested interest; namely, FHA loans. But this bill exempts FHA

homeowners even though it is the FHA mortgages where the Government has some influence.

Perhaps this bill is just a veiled attempt to put all mortgages, public and private, under the control of HUD. Private mortgage insurance has benefited 20 million consumers over the past 40 years. Now Congress wants to do for them what they have done to our public housing tenants.

A dynamic, free market is the best vehicle for prosperity. By overregulating the marketplace, the flexibility to deal with the law of unforseen consequences is lost. Loan to current value is a better indication of the current situation than loan to original value. Forcing mortgage companies to only look at the loan to original value ignores potential changes in that value. In short, it ignores reality.

We cannot ignore the realities of the marketplace. Real values of real estate declined as much as 50 to 60 percent over a 6-month period in the late 1980's. Mortgage decisions should include a combination of factors and individual choices.

Any new regulatory mandates by Congress would only add to the cost of private mortgage insurance and hurt the very people the proponents of the legislation are trying to help. There is a cost to any regulatory burden imposed on the economy. This misguided legislation would increase the cost, and thus limit the availability, of mortgage insurance for everyone. Since very few people would gain from this legislation, it punishes the vast majority for the benefit of the few. We should reject this special interest favoritism and get our own fiscal house in order so all of us can benefit. We should not impose unfunded mandates on those that are helping consumers realize their goal of home ownership.

H.R. 607 will limit consumer choice.

H.R. 607 will raise costs to the consumer, and push home ownership further from the grasp of poor Americans. If you want to vote for the consumer and all potential home buyers, vote "no" on H.R. 607.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. WATERS].

□ 1330

Ms. WATERS. Mr. Speaker, I rise in support of H.R. 607. This is a rather proud moment in the history of this Congress and certainly of the 105th Congress.

I would like to commend the gentleman from Utah [Mr. HANSEN] for his work on this legislation. I would like to commend the members of the Committee on Banking and Financial Services who joined together from both sides of the aisle to do something real for the consumers.

I am so proud we beat the special interests on this bill. I am proud that the leadership understood finally and brought this bill to the floor.

Simply put, American consumers who had home mortgages that paid less than perhaps 20 percent down on those mortgages had to have private mortgage insurance. They should have been able to opt out and not to have to pay that after they had paid 20 or 25 percent, but the mortgage insurance companies did not tell them, their mortgage holders did not tell them, and so we have people paying for insurance beyond the point that they need to pay for it after they had paid and have about 25-percent equity.

This bill would create automatic disclosure. Those families that are giving up $35 and $40 and $50, $100 a month paying this insurance they do not need can now put this money in their pocket, they can put it in their savings account, they can keep the money.

This is a strong consumer bill. I am proud that I amended it so that I could protect States who have strong disclosure laws. Me, the most unlikely person to talk about States' rights, was joined by all of the Members and said yes, that makes good sense.

This bill is going to pass off the floor because it should. Those people who are not going to support it should be dealt with by the consumers. This is indeed a proud moment. I am pleased to be a part of it. I would urge an "aye" vote. Hooray for the consumers. We have won one for a change.

Mr. LEACH. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Washington [Mr. METCALF].

Mr. METCALF. Mr. Speaker, I rise to thank the gentleman from Utah [Mr. HANSEN] for bringing this important issue to our attention, and to thank the gentleman from Iowa [Mr. LEACH] and the gentleman from New York [Mr. LAZIO], the housing subcommittee chairman.

Nothing is more frustrating than paying for something one no longer needs. Clearly, some homeowners have unknowingly paid private mortgage insurance without the knowledge that they could cancel it when it reached a prescribed equity level. This bipartisan bill addresses that issue, protecting consumers by ensuring automatic cancellation of private mortgage insurance at the proper time. It is a fairness issue for homeowners and potential homebuyers.

As chairman of the Republican Housing Opportunity Caucus, I have heard many stories of people who have been overcharged for this particular insurance. We must protect the consumer from unnecessary costs while balancing the needs of the industry in providing this insurance.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY of New York. Mr. Speaker, I rise in strong support of this pro-consumer legislation. Owning a home is the centerpiece of the American dream. It is difficult enough for working families to come up with enough money necessary to purchase and maintain a home. When that family is overcharged, it is unfair, it is anticonsumer.

Mr. Speaker, it has come to light that some lenders are allowing homeowners to unknowingly continue to carry private insurance long after it is required. The lender simply looks the other way while the homeowner continues to struggle, making overpayments amounting to as much as $900 per year. They are not asking for the money; they are just taking it.

People who need private mortgage insurance are often low and moderate income families who can ill afford to make these extra payments. Today, members of the Committee on Banking and Financial Services, Democrats and Republicans, are coming together on the floor to say we will not tolerate this rip-off of the American consumer.

The bipartisan agreement before us today requires mandatory, full disclosure of all private mortgage insurance terms and places an automatic termination of PMI payments once a homeowner has paid back 25 percent of the original value of the home.

Mr. Speaker, when anyone attacks the ability of hard-working American families to afford a home, it is not partisan concern, it is an American concern.

I want to thank the bill's sponsor, the gentleman from Utah [Mr. HANSEN], our committee chairman, the gentleman from Iowa [Mr. LEACH], and our ranking committee member, the gentleman from Texas [Mr. GONZALEZ], for working together effectively to help preserve the American dream.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. LEACH. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts [Mr. KENNEDY].

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from Massachusetts [Mr. KENNEDY] is recognized for 2½ minutes.

Mr. KENNEDY of Massachusetts. Mr. Speaker, first of all, let me speak very frankly about the efforts of my good friend, the gentleman from Utah [Mr. HANSEN] to bring this issue to the floor of this House. This is really a tribute to one individual Member's persistence.

While this bill has been knocked off track more times than a dog sled in the Iditarod, the truth is that the gentleman has every time come to its rescue, and I think everyone here on both sides of the aisle recognizes the tremendous work that he has put into essentially bringing back into the pocket of the American taxpayer about $200 million a year in overpayments due to private mortgage insurance overreach once the insurance level has hit the automatic 20 percent.

We ought to keep in mind that private mortgage insurance is in fact a good thing, and it has helped millions of homeowners be able to buy homes in this country that, without that, industry could not in fact borrow funds from

the banks and the savings and loans and other lending institutions in order to have the highest homeownership in the world.

However, the truth is that within the wonderful work of this industry, there has been a simple overreach into the back pockets of taxpayers and into the back pockets of mortgage owners who have reached the 20 percent equity provisions that private mortgage insurance is designed to fulfill, and yet the industry continues to charge those individuals despite the fact that they have met all of the requirements of the contract that the insurance policy initially created.

While we have seen Freddie and Fannie and others in the secondary market try to provide for some relief in terms of what has gone on, the truth of the matter is that there are still over 250,000 individual mortgages in this country that have reached the 20 to 25 percent equity levels.

The point is that despite the fact that we have seen 250,000 mortgages paid off at the 20- to 25-percent level, there are still thousands more that are out there that, simply because the equity value in the mortgages have reached that 20- to 25-percent, are still not taken into account.

This is a good consumer bill, this is important legislation, and it is a demonstration of one individual's willingness to take on the system and win.

I thank the gentleman from Iowa [Mr. LEACH], the chairman of the Committee on Banking and Financial Services, and I also thank the former chairman, the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, I thank my colleague from Texas for yielding me this time.

Let me echo my colleague from Massachusetts. Private mortgage insurance is good. It has helped a lot of Americans who can put down as little as 5 percent, 6, 7, 8, 9, 10 percent, to get into a house. This is one of the reasons why homeownership is so high in this country and has been rising. What it does, and I think Members need to understand what it does, is it covers the first 20 percent of the exposure. It limits the exposure for the investor of the overall mortgage.

Now, what happens is once one has paid down that amount, the investor is already protected because they hold a first lien on the property and it is assumed, it is now universal, that the property is going to cover the additional 80 percent.

So what happens, and the problem that we are dealing with here, is people are paying for something they no longer need, and it may be $30 a month, which adds up to more than $300 a year over a 15-year life of a 30-year mortgage when somebody would have gotten to 75 percent. That is real money to a lot of Americans. So that is what we are trying to deal with.

I think this is a sound bill, as well. It only affects future mortgages, so it does not affect existing contracts, it does not affect existing mortgage pools, which protects investors. It protects the credit structure of traditional mortgage products and again protects investors and does not affect the efficiency of the mortgage market which we enjoy today.

With respect to the mortgage insurance companies that our colleagues from North Carolina were talking about, I do not believe it is going to affect their business, because their primary business is at the front end of the mortgage product and that is where they make the bulk of their money. So I think they will come out of this just fine.

Finally, it protects the intermediaries within the payment structure of mortgages; the mortgage brokers, the servicers, the bankers. I think the committee has taken great pains to do that.

So this is a very good consumer bill; it is also a very sound bill. That is why it passed 36 to 1 in the committee. I do not think it will have any effect on interest rates, as one of my colleagues suggested, but what I think it will do is put money back into the pockets of consumers, and I think that is good for the American people.

Mr. GONZALEZ. Mr. Speaker, we have no additional requests for time, and I yield back the balance of my time.

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

In conclusion, I would like to thank again the gentleman from Utah [Mr. HANSEN] for his thoughtfulness and dedication to this issue; the gentlewoman from New Jersey [Mrs. ROUKEMA], whose subcommittee had thoughtful jurisdiction; the minority for their substantive participation, particularly the gentleman from Texas [Mr. GONZALEZ], the gentleman from Massachusetts [Mr. KENNEDY], and the gentlewoman from California [Ms. WATERS], who passed a very significant amendment.

In the final measure, this bill is pro-consumer, pro-homeowner, pro States' rights, and above anything else, it underscores decency and fairness under the law.

Finally, I would also like to say that it is symbolic of a Congress able to work together in trying political times for the public interest.

Mr. HILL. Mr. Speaker, I rise today to oppose House Resolution 607 and urge my colleagues to vote no on this legislation so that parts of the bill can be corrected under regular order.

Mr. Speaker, I am very concerned that House Resolution 607 would adversely affect new home buyers in Montana and throughout the country. As the bill is currently written, it will drive new home buyers, with a low downpayment, to pay higher interest rates and higher premiums for their private mortgage insurance. Due to the bill's automatic cancellation trigger of private mortgage insurance at the 75 percent loan to value ratio, the available pool of insurance funds will shift the risk to lenders which in turn will raise interest rates for low downpayment mortgages. In addition, the bill would increase the premiums significantly for new homeowners who would be required to purchase private mortgage insurance below the 75 percent loan to value ratio.

In addition to the automatic trigger provisions, I am also concerned with the bill's section (h) which is so loosely worded that it exposes the mortgage industry and lender to frivolous class action lawsuits that will benefit only a handful of trial lawyers, without commensurate benefit to borrowers. As a result, the increased cost of these lawsuits would be passed on to home buyers in the form of higher costs for mortgages.

Finally, Mr. Speaker, this bill has gone from a simple disclosure bill to one that attempts to micro manage the day-to-day business transactions of the mortgage market. This is done by making the Department of Housing and Urban Development [HUD], a bureaucratic agency that cannot manage its own affairs, responsible for regulating of the mortgage insurance industry.

Mr. Speaker, House Resolution 607 is onerous legislation that aims high but misses the mark. Under suspension it cannot be amended. Therefore, I urge my colleagues to defeat this bill under suspension so that a better bill can be worked out for all home buyers.

Mr. SESSIONS. Mr. Speaker, I rise to commend Chairman LEACH and the Banking Committee for working on this legislation as well as Congressman JIM HANSEN for his hard work in bringing this issue before the House for the American taxpayer. I cosponsored the original bill, House Resolution 607, because I support full and increased consumer disclosure regarding private mortgage insurance.

Private mortgage insurance provides a valuable role in expanding the American dream of homeownership. With PMI, families can buy homes with as little as 3 to 5 percent down rather than the usual 20 percent downpayment required.

I want to work with the committee as this bill moves forward to the Senate to ensure that some of the concerns expressed in the markup are addressed. The role of mortgage insurance should be preserved because consumers benefit by being allowed to put a lower downpayment down on their home. But I understand that it's difficult to craft perfect legislation, and I want to ensure that any technical problems or unintended consequences like frivolous litigation with this bill get worked out as we move to conference.

I also want to ensure that the automatic cancellation standards are set at a reasonable level to protect both the consumer and the mortgage industry from problems such as downturns in the economy such as we had in Texas in the eighties. We all benefit from a fair mortgage insurance system that remains safe and sound and also allows consumers to be fully aware of their rights.

Mr. HOYER. Mr. Speaker, I rise today in enthusiastic support of the bill House Resolution 607, the Homeowner's Insurance Protection Act of 1997.

This bill will ensure that millions of homeowners who pay private mortgage insurance [PMI] will no longer pay needlessly and unknowingly once the benefits of paying PMI expire.

Private Mortgage Insurance [PMI] provides important protection to mortgage lenders against losses in the event a homeowner defaults on a mortgage loan. PMI works to the immense benefit of lenders and borrowers alike. By offsetting the risk to lenders of providing low downpayment loans—less than 20 percent of the purchase value—PMI substantially expands homeownership opportunities across America while preventing economic catastrophe for lenders during downturns in the housing market.

PMI has helped make the dream of homeownership a reality for more than 17 million American families who have been able to purchase a home with downpayments as low as 3 to 5 percent of the value of their home. Recently, however, problems with PMI have come to light.

Thousands of American homeowners, Mr. Speaker, are overpaying their PMI—making payments well after PMI becomes cancellable and after the risk to the lender of making a low downpayment loan has expired. In many cases, these homeowners are unaware that their PMI is cancellable or that they are receiving no benefit from continuing to make PMI payments. In other cases, informed homeowners who have attempted to cancel their PMI have encountered difficulty in doing so.

House Resolution 607 addresses this problem by providing for automatic termination of PMI payments once the loan-to-value ratio reaches 75 percent of the value of the home at the time of purchase and by requiring mortgage lenders to notify homeowners as to whether, when and under what conditions their PMI is cancellable.

House Resolution 607 thus empowers homeowners by requiring lenders to inform them of their PMI cancellation rights and by guaranteeing that homeowners will no longer pay for PMI once they have built up 25 percent equity in their new home.

Homeowner beneficiaries of PMI, by and large, are middle-income Americans who are not in a position to invest hard-earned income in overinsuring against a risk to mortgage lenders. This bill preserves the intended protection of lenders provided by PMI while ensuring that the equally important aim of preserving the American dream of homeownership for families is not defeated.

Mr. Speaker, I want to commend Congressman JIM HANSEN for introducing this important legislation which will provide valuable protection to homeowners in the Fifth Congressional District of Maryland and across this great Nation. I strongly urge my colleagues to join me in supporting passage of this important bill.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. LEACH] that the House suspend the rules and pass the bill, H.R. 607, as amended.

The question was taken.

Mr. LEACH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

AMENDING U.S. CODE TO ALLOW REVISION OF VETERANS BENEFITS DECISIONS BASED ON CLEAR AND UNMISTAKABLE ERROR

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1090) to amend title 38, United States Code, to allow revision of veterans benefits decisions based on clear and unmistakable error.

The Clerk read as follows:

H.R. 1090

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

SECTION 1. REVISION OF DECISIONS BASED ON CLEAR AND UNMISTAKABLE ERROR.

(a) ORIGINAL DECISIONS.—(1) Chapter 51 of title 38, United States Code, is amended by inserting after section 5109 the following new section:

"§ 5109A. Revision of decisions on grounds of clear and unmistakable error

"(a) A decision by the Secretary under this chapter is subject to revision on the grounds of clear and unmistakable error. If evidence establishes the error, the prior decision shall be reversed or revised.

"(b) For the purposes of authorizing benefits, a rating or other adjudicative decision that constitutes a reversal or revision of a prior decision on the grounds of clear and unmistakable error has the same effect as if the decision had been made on the date of the prior decision.

"(c) Review to determine whether clear and unmistakable error exists in a case may be instituted by the Secretary on the Secretary's own motion or upon request of the claimant.

"(d) A request for revision of a decision of the Secretary based on clear and unmistakable error may be made at any time after that decision is made.

"(e) Such a request shall be submitted to the Secretary and shall be decided in the same manner as any other claim.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5109 the following new item:

"5109A. Revision of decisions on grounds of clear and unmistakable error.".

(b) BVA DECISIONS.—(1) Chapter 71 of such title is amended by adding at the end the following new section:

"§ 7111. Revision of decisions on grounds of clear and unmistakable error

"(a) A decision by the Board is subject to revision on the grounds of clear and unmistakable error. If evidence establishes the error, the prior decision shall be reversed or revised.

"(b) For the purposes of authorizing benefits, a rating or other adjudicative decision of the Board that constitutes a reversal or revision of a prior decision of the Board on the grounds of clear and unmistakable error has the same effect as if the decision had been made on the date of the prior decision.

"(c) Review to determine whether clear and unmistakable error exists in a case may be instituted by the Board on the Board's own motion or upon request of the claimant.

"(d) A request for revision of a decision of the Board based on clear and unmistakable error may be made at any time after that decision is made.

"(e) Such a request shall be submitted directly to the Board and shall be decided by the Board on the merits, without referral to any adjudicative or hearing official acting on behalf of the Secretary.

"(f) A claim filed with the Secretary that requests reversal or revision of a previous Board decision due to clear and unmistakable error shall be considered to be a request to the Board under this section, and the Secretary shall promptly transmit any such request to the Board for its consideration under this section.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"7111. Revision of decisions on grounds of clear and unmistakable error.".

(c) EFFECTIVE DATE.—(1) Sections 5109A and 7111 of title 38, United States Code, as added by this section, apply to any determination made before, on, or after the date of the enactment of this Act.

(2) Notwithstanding section 402 of the Veterans Judicial Review Act (38 U.S.C. 7251 note), chapter 72 of title 38, United States Code, shall apply with respect to any decision of the Board of Veterans' Appeals on a claim alleging that a previous determination of the Board was the product of clear and unmistakable error if that claim is filed after, or was pending before the Department of Veterans Affairs, the Court of Veterans Appeals, the Court of Appeals for the Federal Circuit, or the Supreme Court on, the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona [Mr. STUMP] and the gentleman from Illinois [Mr. EVANS] each will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. STUMP].

GENERAL LEAVE

Mr. STUMP. 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 material on H.R. 1090, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

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

This bill was introduced by the gentleman from Illinois [Mr. EVANS] last year as H.R. 1483. It passed the House in May 1986, but was never considered in the other body.

H.R. 1090 extends the grounds upon which a veteran may appeal an adverse benefit decision to the Board of Veterans Appeals and to the Court of Veterans Appeals. The bill allows appeals based on what is known as a clear and unmistakable error. Veterans who have

been denied benefits which have been in error like this must be given the right to have their claims reexamined. This should greatly improve the recourse provided to veterans when they believe that the VA has reached the wrong conclusion in a VA benefit decision.

Mr. Speaker, I would like to commend the gentleman from Illinois [Mr. EVANS], the ranking minority member of the committee, for introducing this bill and for all the hard work that he has put into this.

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

□ 1345

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

Mr. Speaker, first of all, I want to thank the gentleman from Arizona, BOB STUMP, for helping us get this bill through the committee process so quickly this year. Without his diligence we would not be here this afternoon. I appreciate it very much, Mr. Speaker.

Mr. Speaker, the most significant change made by this bill would be the new authority for veterans with prior claims involving clear and unmistakable errors to resubmit their claims for new review by the Board of Veterans Appeals. Under present law, a veteran has no right to obtain review of clear and unmistakable errors in the previous decision of the board, no matter how blatant that error.

In the cases where the asserted error was made by the regional office of the Department of Veterans Affairs, this right already exists by regulation. My bill would codify this regulation in title 38.

The kinds of errors which this bill would rectify are those which are undebatable. These are errors which when called to the attention of a subsequent reviewer, compel the conclusion that but for the error, the result would have been manifestly different.

The bill also addresses the situations where evidence in the veteran's file at the time of the prior decision was ignored or wrongfully evaluated under the law as it existed at the time of the original decision. This legislation would give veterans the same kind of opportunity to pursue an erroneous claim decision now provided to Social Security beneficiaries when they had been given misinformation. Veterans deserve the same rights as Social Security recipients to have errors corrected.

H.R. 1090 also provides for a limited expansion of the right for judicial review. Veterans who initiate a claim of clear and unmistakable error in either a prior regional office decision or a prior Board of Veterans Appeals decision would be able to appeal that claim through the administrative process to the Court of Veterans Appeals. Once the court had ruled on the issue, no further claims of clear and unmistakable error could be pursued at the administrative level.

This bill is identical to legislation passed by the Congress last session, and it has strong support from the Disabled American Veterans, as well as other veterans' service organizations.

This legislation is about justice for our veterans. Veterans who have given first-class service to our country should not be experiencing anything less than first-class justice. I want to thank my colleagues for their support of this legislation.

Mr. Speaker, thank you for your willingness to cosponsor this important bill. The most significant change made by this bill is to authorize veterans with prior claims involving clear and unmistakable errors to resubmit their claims for a new review by the Board of Veterans Appeals. Because there is presently no statute or regulation allowing a veteran to claim clear and unmistakable error in a prior decision of the Board of Veterans Appeals, the erroneous decision is binding on the veteran no matter how obvious and egregious the error.

In cases where the asserted error was made by a Regional Office of the Department of Veterans Affairs [VA], a VA regulation permits the veteran to assert clear and unmistakable error in a prior decision. H.R. 1090 would codify this regulation in title 38. The absence of a statute addressing the issue of clear and unmistakable error creates an anomaly by which a veteran who previously appealed a claim to the Board of Veterans Appeals on the basis of clear and unmistakable error is placed in a worse position than a veteran who never appealed the original Regional Office decision.

The kind of errors which this bill will rectify are those which are egregious and undebatable. These are errors which when called to the attention of a subsequent reviewer compel the conclusion that, but for that error, the result would have been manifestly different. The need for this legislation is illustrated by Precedent Opinion 2–97 recently issued by the Department of Veterans Affairs General Counsel. That opinion, which is binding on all levels of the administrative process, affirmed that if a BVA decision is rendered based upon an erroneous interpretation of the law, that decision is final and binding on all VA components unless the Board reconsiders the decision. Under present law, only the VA, and not the veteran has the right to obtain reconsideration of a Board decision. Unlike other actions of the Board, reconsideration decisions are not subject to judicial review.

The following cases brought by veterans who sought review of prior decisions illustrate the kinds of clear and unmistakable errors which would be subject to correction under this legislation.

A veteran with an above-the-knee amputation due to a service-connected condition was entitled to a 60 percent rating under existing law. If at the time of the original rating, the veteran's file showed that he had an above-the-knee amputation, but received only a 40 percent rating, clear and unmistakable error would exist. Under present law, if the Board of Appeals had previously found that their was no clear and unmistakable error in the rating, this veteran could seek, but not compel reconsideration and would have no remedy if the request was denied. Under this bill, the veteran would have the right to have the Board review his claim of clear and unmistakable error and, if dissatisfied with that decision, could seek review in the Court of Veterans Appeals.

A veteran was shot by a single bullet traveling through both the upper and lower leg while in combat. He was awarded service-connection for the injury to the lower leg, but not for the injury to the thigh. Since the record at the time of the original decision showed through and through wounds of both the upper and lower leg, both wounds should have been rated. The failure to rate both wounds would constitute clear and unmistakable error. Since a Regional Office of the VA had made the original clear and unmistakable error, present regulations allow it to be corrected. Under this bill, such a condition could be similarly revisited even if the clear and unmistakable error had been made at the Board of Veterans Appeals.

The bill also addresses those situations where evidence in the veteran's file at the time of the prior decision was ignored or wrongly evaluated under the law as it existed at the time of the original decision. For example, if a dependent's benefit had been wrongly denied because a legal and valid adoption was not recognized by the VA, the bill would allow for correction of the error.

This legislation would provide veterans an opportunity similar to that presently provided to Social Security beneficiaries under title 42 of the United States Code, sections 402(j)(5) and 1383(e)(5). Under those provisions an individual may receive retroactive benefits when a claim for benefits was not pursued due to misinformation provided by any officer or employee of the Social Security Administration. The standard for claims of clear and unmistakable error is similar to the standard currently contained in Social Security regulations at 42 Code of Federal Regulations, section 404.988, for revision of a claim at any time due to error that appears on the face of the evidence considered when the determination or decision was made. Veterans deserve the same right as Social Security beneficiaries to have manifest errors corrected.

The bill does not alter the standard for evaluation of claims of clear and unmistakable error. In order to sustain such a claim, the veteran must specifically identify the alleged error. The claim must assert either a basic error of law or fact in the prior decision or must give persuasive reasons as to why the outcome would be manifestly different had the error not been made. Once a claim of clear and unmistakable error has been raised and decided, the veteran may not raise the same claim again.

This legislation also provides for a limited expansion of the right to judicial review. This expansion is premised upon an understanding that the error in the original adjudication of the claim was so egregious that it should be revised to conform to the true state of the law and the facts as they existed at the time of the original decision. Veterans who initiate a claim of clear and unmistakable error in either a

prior Regional Office decision or a prior Board of Veterans Appeals decision would be able to appeal that claim through the administrative process to the Court of Veterans Appeals. Once the court had ruled on the issue, no further claims of clear and unmistakable error could be pursued at the administrative level.

H.R. 1090 is identical to legislation approved by the House last Congress. It is not concerned with minor disputes or the weight given to evidence. Instead it provides an avenue of correction of only those serious and obvious errors about which there can be no doubt. The bill has strong support from the veterans service organizations.

This legislation is about justice for veterans. Veterans who have honorably served our country deserve no less. Where the prior adjudication of claims are found to contain egregious violations of law, veterans should have an opportunity for a full and fair consideration of the errors. Our Nation's veterans are entitled to this.

I thank my colleagues, including the 46 cosponsors of this bill, for their support of H.R. 1090.

Mr. QUINN. Mr. Speaker, H.R. 1090 will provide important new appeal rights to veterans whose claims have been denied by the Veterans Administration.

Mr. Speaker, this bill will put current VBA regulations on clear and unmistakable error into law. Those regulations now apply only to VA Regional Offices. It will also allow veterans to appeal on the basis of clear and unmistakable error at the Board of Veterans Appeals. Currently, veterans may file a motion for reconsideration at the Board on the grounds of obvious error, which the Court of Veterans Appeals has determined to be the same as clear and unmistakable error. Unfortunately, that motion for reconsideration falls short of a right of appeal and is allowable only at the discretion of the Chairman of the Board of Veterans Appeals.

Mr. Speaker, this bill sets a high standard for appeal. The grounds on which such an appeal may be made must be so obvious that a reasonable person would allow the appeal. The error must also materially contribute to a faulty decision by the VA. The court has stated that a mere allegation of such error is not sufficient to automatically grant the appeal.

Mr. Speaker, this right of appeal is long overdue and I urge my colleagues to support H.R. 1090.

Mr. EVANS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUMP. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 1090.

The question was taken; and (two-thirds of those present having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXTENDING AUTHORITY TO ENTER INTO ENHANCED-USE LEASES, AND RENAMING U.S. COURT OF VETERANS APPEALS AND NATIONAL CEMETERY SYSTEM

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1092) to amend title 38, United States Code, to extend the authority of the Secretary of Veterans Affairs to enter into enhanced-use leases for Department of Veterans Affairs property, to rename the U.S. Court of Veterans Appeals and the National Cemetery System, and for other purposes.

The Clerk read as follows:

H.R. 1092

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

SECTION 1. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—ENHANCED-USE LEASES OF DEPARTMENT OF VETERANS AFFAIRS REAL PROPERTY

SEC. 101. EXPANSION OF AUTHORITY FOR ENHANCED-USE LEASES OF DEPARTMENT OF VETERANS AFFAIRS REAL PROPERTY.

(a) FIVE-YEAR EXTENSION OF AUTHORITY.—Section 8169 is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 2002".

(b) REPEAL OF LIMITATION ON NUMBER OF AGREEMENTS.—(1) Section 8168 is repealed.

(2) The table of sections at the beginning of chapter 81 is amended by striking out the item relating to section 8168.

TITLE II—RENAMING PROVISIONS

SEC. 201. RENAMING OF THE COURT OF VETERANS APPEALS.

(a) IN GENERAL.—(1) The United States Court of Veterans Appeals shall hereafter be known and designated as the United States Court of Appeals for Veterans Claims.

(2) Section 7251 is amended by striking out "United States Court of Veterans Appeals" and inserting in lieu thereof "United States Court of Appeals for Veterans Claims".

(b) CONFORMING AMENDMENTS.—

(1) The following sections are amended by striking out "Court of Veterans Appeals" each place it appears and inserting in lieu thereof "Court of Appeals for Veterans Claims": sections 5904, 7101(b), 7252(a), 7253, 7254, 7255, 7256, 7261, 7262, 7263, 7264, 7266(a)(1), 7267(a), 7268(a), 7269, 7281(a), 7282(a), 7283, 7284, 7285(a), 7286, 7291, 7292, 7296, 7297, and 7298.

(2)(A)(i) The heading of section 7286 is amended to read as follows:

"§ 7286. Judicial Conference of the Court of Appeals for Veterans Claims".

(ii) The item relating to section 7286 in the table of sections at the beginning of chapter 72 is amended to read as follows:

"7286. Judicial Conference of the Court of Appeals for Veterans Claims.".

(B)(i) The heading of section 7291 is amended to read as follows:

"§ 7291. Date when United States Court of Appeals for Veterans Claims decision becomes final".

(ii) The item relating to section 7291 in the table of sections at the beginning of chapter 72 is amended to read as follows:

"7291. Date when United States Court of Appeals for Veterans Claims decision becomes final.".

(C)(i) The heading of section 7298 is amended to read as follows:

"§ 7298. Court of Appeals for Veterans Claims Retirement Fund".

(ii) The item relating to section 7298 in the table of sections at the beginning of chapter 72 is amended to read as follows:

"7298. Court of Appeals for Veterans Claims Retirement Fund.".

(3) The item relating to chapter 72 in the table of chapters at the beginning of title 38 and the item relating to such chapter in the table of chapters at the beginning of part V are amended to read as follows:

"72. United States Court of Appeals for Veterans Claims ..... 7251".

(c) CONFORMING AMENDMENTS TO OTHER LAWS.—

(1) The following provisions of law are amended by striking out "Court of Veterans Appeals" each place it appears and inserting in lieu thereof "Court of Appeals for Veterans Claims":

(A) Section 8440d of title 5, United States Code.

(B) Section 2412 of title 28, United States Code.

(C) Section 906 of title 44, United States Code.

(D) Section 109 of the Ethics in Government Act of 1978 (5 U.S.C. App.).

(2)(A) The heading of section 8440d of title 5, United States Code, is amended to read as follows:

"§ 8440d. Judges of the United States Court of Appeals for Veterans Claims".

(B) The item relating to such section in the table of sections at the beginning of chapter 84 of such title is amended to read as follows:

"8440d. Judges of the United States Court of Appeals for Veterans Claims.".

(d) OTHER LEGAL REFERENCES.—Any reference in a law, regulation, document, paper, or other record of the United States to the United States Court of Veterans Appeals shall be deemed to be a reference to the United States Court of Appeals for Veterans Claims.

SEC. 202. REDESIGNATION OF NATIONAL CEMETERY SYSTEM.

(a) REDESIGNATION AS NATIONAL CEMETERY ADMINISTRATION.—(1) The National Cemetery System of the Department of Veterans Affairs shall hereafter be known and designated as the National Cemetery Administration. The position of Director of the National Cemetery System is hereby redesignated as Assistant Secretary of Veterans Affairs for Memorial Affairs.

(2) Section 301(c)(4) is amended by striking out "National Cemetery System" and inserting in lieu thereof "National Cemetery Administration".

(3) Section 307 of such title is amended—

(A) in the first sentence, by striking out "a Director of the National Cemetery System" and inserting in lieu thereof "an Assistant Secretary for Memorial Affairs"; and

(B) in the second sentence, by striking out "The Director" and all that follows through "National Cemetery System" and inserting in lieu thereof "The Assistant Secretary is the head of the National Cemetery Administration".

(b) CONFORMING AMENDMENTS.—

(1)(A) The heading of section 307 is amended to read as follows:

"§ 307. Assistant Secretary for Memorial Affairs".

(B) The item relating to section 307 in the table of sections at the beginning of chapter 3 is amended to read as follows:

"307. Assistant Secretary for Memorial Affairs.".

(2) Section 308 is amended—

(A) in subsection (a), by inserting before the period at the end of the first sentence ", in addition to the Assistant Secretary for Memorial Affairs";

(B) in subsection (b), by inserting "other than the Assistant Secretary for Memorial Affairs" after "Assistant Secretaries"; and

(C) in subsection (c), by inserting "pursuant to subsection (b)" after "Assistant Secretary".

(3) Section 2306(d) is amended by striking out "within the National Cemetery System" each place such term appears and inserting in lieu thereof "under the control of the National Cemetery Administration".

(4) Section 2400 is amended—

(A) in subsection (a)—

(i) by striking out "National Cemetery System" and inserting in lieu thereof "National Cemetery Administration responsible"; and

(ii) in the second sentence, by striking out "Such system" and all that follows through "National Cemetery System" and inserting in lieu thereof "The National Cemetery Administration shall be headed by the Assistant Secretary for Memorial Affairs";

(B) in subsection (b), by striking out "National Cemetery System" and inserting in lieu thereof "national cemeteries and other facilities under the control of the National Cemetery Administration"; and

(C) by amending the heading to read as follows:

"§ 2400. Establishment of National Cemetery Administration; composition of Administration".

(5) The item relating to section 2400 in the table of sections at the beginning of chapter 24 is amended to read as follows:

"2400. Establishment of National Cemetery Administration; composition of Administration.".

(6) Section 2402 is amended in the matter preceding paragraph (1) by striking out "in the National Cemetery System" and inserting in lieu thereof "under the control of the National Cemetery Administration".

(7) Section 2403(c) is amended by striking out "in the National Cemetery System created by this chapter" and inserting in lieu thereof "under the control of the National Cemetery Administration".

(8) Section 2405(c) is amended—

(A) by striking out "within the National Cemetery System" and inserting in lieu thereof "under the control of the National Cemetery Administration"; and

(B) by striking out "within such System" and inserting in lieu thereof "under the control of such Administration".

(9) Section 2408(c)(1) is amended by striking out "in the National Cemetery System" and inserting in lieu thereof "under the control of the National Cemetery Administration".

(10) Section 5315 of title 5, United States Code, is amended—

(A) by striking out "(6)" after "Assistant Secretaries, Department of Veterans Affairs" and inserting in lieu thereof "(7)"; and

(B) by striking out "Director of the National Cemetery System.".

(c) SAVINGS PROVISIONS.—

(1) Any reference in a law, map, regulation, document, paper, or other record of the United States to the National Cemetery System shall be deemed to be a reference to the National Cemetery Administration.

(2) Any reference in a law, map, regulation, document, paper, or other record of the United States to the Director of the National Cemetery System shall be deemed to be a reference to the Assistant Secretary of Veterans Affairs for Memorial Affairs.

(d) INITIAL APPOINTMENT.—The initial appointment of an individual to the position of Assistant Secretary of Veterans Affairs for Memorial Affairs may be made by the President alone if the individual appointed is the individual who was serving as the Director of the National Cemetery System on the day before the date of the enactment of this Act.

TITLE III—CODIFICATION OF PRIOR COMPENSATION RATE INCREASES

SEC. 301. DISABILITY COMPENSATION.

Section 1114 is amended—

(1) by striking out "$87" in subsection (a) and inserting in lieu thereof "$94";

(2) by striking out "$166" in subsection (b) and inserting in lieu thereof "$179";

(3) by striking out "$253" in subsection (c) and inserting in lieu thereof "$274";

(4) by striking out "$361" in subsection (d) and inserting in lieu thereof "$391";

(5) by striking out "$515" in subsection (e) and inserting in lieu thereof "$558";

(6) by striking out "$648" in subsection (f) and inserting in lieu thereof "$703";

(7) by striking out "$819" in subsection (g) and inserting in lieu thereof "$887";

(8) by striking out "$948" in subsection (h) and inserting in lieu thereof "$1,028";

(9) by striking out "$1,067" in subsection (i) and inserting in lieu thereof "$1,157";

(10) by striking out "$1,774" in subsection (j) and inserting in lieu thereof "$1,924";

(11) in subsection (k)—

(A) by striking out "$70" each place it appears and inserting in lieu thereof "$74"; and

(B) by striking out "$2,207" and "$3,093" and inserting in lieu thereof "$2,393" and "$3,356", respectively;

(12) by striking out "$2,207" in subsection (l) and inserting in lieu thereof "$2,393";

(13) by striking out "$2,432" in subsection (m) and inserting in lieu thereof "$2,639";

(14) by striking out "$2,768" in subsection (n) and inserting in lieu thereof "$3,003";

(15) by striking out "$3,093" each place it appears in subsections (o) and (p) and inserting in lieu thereof "$3,356";

(16) by striking out "$1,328" and "$1,978" in subsection (r) and inserting in lieu thereof "$1,441" and "$2,145", respectively; and

(17) by striking out "$1,985" in subsection (s) and inserting in lieu thereof "$2,154".

SEC. 302. ADDITIONAL COMPENSATION FOR DEPENDENTS.

Section 1115(1) is amended—

(1) by striking out "$105" in clause (A) and inserting in lieu thereof "$112";

(2) by striking out "$178" and "$55" in clause (B) and inserting in lieu thereof "$191" and "$59", respectively;

(3) by striking out "$72" and "$55" in clause (C) and inserting in lieu thereof "$77" and "$59", respectively;

(4) by striking out "$84" in clause (D) and inserting in lieu thereof "$91";

(5) by striking out "$195" in clause (E) and inserting in lieu thereof "$211"; and

(6) by striking out "$164" in clause (F) and inserting in lieu thereof "$177".

SEC. 303. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.

Section 1162 is amended by striking out "$478" and inserting in lieu thereof "$518."

SEC. 304. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.

Section 1311 is amended—

(1) in subsection (a)(1), by striking out "$769" and inserting in lieu thereof "$833";

(2) in subsection (a)(2), by striking out "$169" and inserting in lieu thereof "$182";

(3) in subsection (a)(3), by striking out the table therein and inserting in lieu thereof the following:

"Pay grade	Monthly rate
E–7	$861
E–8	909
E–9	[1]949
W–1	880
W–2	915
W–3	943
W–4	997
O–1	880
O–2	909
O–3	972
O–4	1,028
O–5	1,132
O–6	1,276
O–7	1,378
O–8	1,510
O–9	1,618
O–10	[2]1,774

"[1]If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be $1,023.

"[2]If the veteran served as Chairman or Vice-Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be $1,902.";

(4) in subsection (b), by striking out "$100 for each such child" and all that follows through "thereafter" and inserting in lieu thereof "$211 for each such child";

(5) in subsection (c), by striking out "$195" and inserting in lieu thereof "$211"; and

(6) in subsection (d), by striking out "$95" and inserting in lieu thereof "$102".

SEC. 305. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.

(a) DIC FOR ORPHAN CHILDREN.—Section 1313(a) is amended—

(1) by striking out "$327" in clause (1) and inserting in lieu thereof "$354";

(2) by striking out "$471" in clause (2) and inserting in lieu thereof "$510";

(3) by striking out "$610" in clause (3) and inserting in lieu thereof "$662"; and

(4) by striking out "$610" and "$120" in clause (4) and inserting in lieu thereof "$662" and "$130", respectively.

(b) SUPPLEMENTAL DIC FOR DISABLED ADULT CHILDREN.—Section 1314 is amended—

(1) by striking out "$195" in subsection (a) and inserting in lieu thereof "$211";

(2) by striking out "$327" in subsection (b) and inserting in lieu thereof "$354"; and

(3) by striking out "$166" in subsection (c) and inserting in lieu thereof "$179".

SEC. 306. EFFECTIVE DATE.

The amendments made by this title shall take effect as of December 1, 1996.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona [Mr. STUMP] and the gentleman from Illinois [Mr. EVANS] each will control 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. STUMP].

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1092.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

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

Mr. Speaker, H.R. 1092 has several provisions which, one, extends the authority of the VA to enter into enhanced-use leases for VA property, renames the U.S. Court of Veterans Appeals, renames the National Cemetery System, codifies the increased compensation rates authorized in last year's COLA bill.

Enhanced-use leasing is a tool with which the VA can work with the private sector to develop VA property for mutual beneficial uses. This authority has proven effective in developing child care centers, parking facilities, and regional offices on VA campuses. We want to encourage the Department to continue and expand these efforts.

The bill also changes the name of the U.S. Court of Veterans Appeals to the U.S. Court of Appeals for Veterans Claims. According to Chief Judge Nebeker, this will clarify that the court is independent of the Department of Veterans Affairs.

Changing the name of the National Cemetery System to the National Cemetery Administration would make it consistent with other administrations within the VA.

Finally, the bill codfies the compensation and D-I-C increase we enacted in last year's COLA bill. This will make the correct rates available to more people, and has no effect on the amounts actually paid.

I would like to thank all the members of the Committee on Veterans' Affairs, and in particular the gentleman from Illinois [Mr. EVANS], the ranking member, for their willingness to move these provisions through the committee very expeditiously.

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

This legislation is an important measure for our Nation's veterans. I encourage all of our colleagues to support its approval today by the House.

In the interests of time, Mr. Speaker, I would limit my comments on H.R. 1092 to title II of the bill. Title II of this bill renames the Court of Veterans Appeals. This title of the bill incorporates the provisions of H.R. 1089, which I introduced on March 18, 1997.

Too often veterans and others have been confused with the Court of Veterans Appeals and with the Board of Veterans Appeals. I understand this confusion has caused the court to record a message advising callers that they had reached the Court of Veterans Appeals. The caller is then instructed to dial a different number if he or she is inquiring about the status of a case before the Board of Veterans Appeals.

This change was requested and recommended by the chief judge of the court, Judge Nebeker, in recent testimony before the committee. The new name, the U.S. Court of Appeals for Veterans Claims, is consistent with the name of other similar appellate courts and should help end this widespread confusion.

Title II also changes the name of the National Cemetery System to the National Cemetery Administration, and designates the head of the National Cemetery Administration as the Assistant Secretary for Memorial Affairs. The reference to Memorial Affairs reflects the broader functions assigned to the Office of the Assistant Secretary.

Title III of this bill will simply codify the fiscal year 1997 compensation rate increase previously adopted. Mr. Speaker, I am pleased to have joined with Chairman STUMP in the introduction of this legislation, and I urge my colleagues to support it.

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

Mr. STUMP. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. STEARNS], chairman of the Subcommittee on Hospitals and Health Care.

Mr. STEARNS. Mr. Speaker, I thank the chairman of the full committee for yielding time to me.

Mr. Speaker, I rise in support of H.R. 1092, and commend my chairman for bringing this bill to the floor for consideration early in this session. I believe we are sending the VA an important signal today in taking early action on this legislation.

With this bill, we are not only extending a good program but expanding it to encourage highly productive public-private partnerships. This bill would extend for 5 years the VA's authority to enter into long-term leases of underutilized VA property in order to foster development of projects which will benefit the VA as well as the lessee.

This authority has been effective in encouraging development of construction projects that have proven both directly and monetarily beneficial to the Department. Mr. Speaker, existing law imposes certain limits on this authority, which I believe have outlived their usefulness. It limits to 10 the number of enhanced-use leases that the VA may execute in any year, and caps at 20 the total number of such projects under this authority. In lifting these limitations, H.R. 1092 should help spark an expansion of an important partnership concept.

Mr. Speaker, I urge all of the Members to support H.R. 1092.

Mr. EVANS. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Speaker, I thank the gentleman for yielding time to me, and the chairman of the full committee, the gentleman from Arizona [Mr. STUMP] for his leadership, and the chairman of the subcommittee, the gentleman from Florida [Mr. STEARNS] for helping bring this to the floor.

Mr. Speaker, I, too, support H.R. 1092. As we have heard from the chairman, it will expand the ability of the Veterans Administration to enter into what is called enhanced-use leases. These leases, with both private and public entities, require that underused VA property be improved to contribute to the VA mission. The leases that have been established in the past under this authority have, without any exception, helped the VA to better serve our Nation's veterans.

So not only are we leasing for revenue, but we are improving the ability of the VA to serve our veterans in the future. I am looking forward to an expansion of this important and very successful program.

As the ranking member, the gentleman from Illinois [Mr. EVANS] said, H.R. 1092 would rename the Court of Veterans Appeals as the U.S. Court of Appeals for Veterans Claims.

The committee has been told by veterans and attorneys representing them that the court, an independent judicial body, is frequently confused with the Board of Veterans Appeals, which is an administrative arm of the VA. We expect this name change to eliminate the widespread confusion. This renaming would also be consistent with recent changes in the names of other courts.

Last, Mr. Speaker, the National Cemetery System would be redesignated as the National Cemetery Administration under this legislation. The cemetery system would thus have the same organizational status within the VA as the other VA major components responsible for delivering benefits; that is, the Veterans Benefit Administration and the Veterans Health Administration.

The bill would also redesignate the director of the National Cemetery System as the assistant secretary for memorial affairs, thus assuring that this position has the status which reflects its responsibilities.

There is a provision also in H.R. 1092 that would protect our veterans by putting into law the increase in veterans compensation benefits that took effect December 1, 1996. H.R. 1092 is supported by the entire Committee on Veterans Affairs, under the leadership of the gentleman from Arizona [Mr. STUMP], as well as the major veterans service organizations. I, too, urge my colleagues to approve this measure.

Mr. BISHOP. Mr. Speaker, I rise today in support of H.R. 1092, a bill to extend the VA's authority to enter into enhanced use leases; rename the U.S. Court of Veterans' Appeals the U.S. Court of Appeals for Veterans Claims; and codify the fiscal year 1997 VA compensation rates to reflect cost-of-living adjustments effective December 1, 1996. Additionally, I support H.R. 1090, a bill to allow

veterans to appeal certain claims which may have been erroneously denied by the VA. Both of these bills will assist us with our efforts to provide a suitable quality of life for our Nation's veterans. I want to commend Chairman STUMP, Congressman EVANS, and the Veterans Committee for continued leadership and hard work on these measures and others affecting the veterans community.

America owes its freedom and prosperity to its veterans. So many of them put their lives on the line so that the guiding principles we hold so dear remain protected. Just as they fought on the front lines protecting the security of our great Nation, we must be on the front lines fighting for their well-being and security.

The two veterans bills on the floor today will assist us in this endeavor. H.R. 1092 will extend the authority of the Secretary of Veterans Affairs to enter into enhanced use leases for underutilized VA property. The public-private partnerships created as a result of these leases has proven to be worthwhile. Enhanced use leasing authority has led to the development of a number of beneficial projects: child care centers, parking facilities, and VA office space. These projects and others currently in the development stage greatly contribute to the strength of the VA and its mission. Also, additional revenue received from these leases is used for critical medical care services and nursing homes.

I also support provisions of the bill renaming the U.S. Court of Veterans Appeals. Because of its name, many veterans and attorneys have been highly confused about the jurisdiction and authority of this body. The name change established by the bill will prove beneficial by clarifying that this is an independent judicial body and not an administrative tribunal within the Department of Veterans Affairs.

Additionally, the bill codifies fiscal year 1997 VA compensation rates to reflect cost-of-living adjustments effective December 1, 1996. This is important so that we can protect veterans compensation by locking in rates established by the adjustment.

Again, I want to commend the committee for passing H.R. 1090. This bill would make an important change by allowing veterans to appeal decisions by the Board of Veterans Appeals for clear and unmistakable errors. The veterans' community has been pointing out for some time that the restrictions against appealing VA decisions for clear and unmistakable error are grossly unfair. This bill is very important because it gives veterans an adequate recourse when there has been grave error by the VA. More importantly, it ensures that if the VA makes an error, veterans will not be denied compensation benefits.

H.R. 1092 and H.R. 1090 are tools to be used in the tireless fight on behalf of the veterans community. Again, I express my support and thank the Veterans Committee for its work. I urge my colleagues to support these bills.

Mr. QUINN. Mr. Speaker, H.R. 1092 eliminates the current cap on enhanced use leases for the VA. These leases are models of how Federal agencies may enter into agreements with developers and other entities to get the most out of VA-owned real property. These leases allow developers to build on VA property to provide space to both the VA and private concerns. The result is a lower cost VA infrastructure for the taxpayers and quality commercial space for local businesses.

The bill also changes the name of the National Cemetery System to the National Cemetery Administration and the title of the Director to the Assistant Secretary for Memorial Affairs to more accurately describe the scope of the position's responsibilities.

Additionally, the bill changes the name of the Court of Veterans Appeals to the U.S. Court of Appeals for Veterans Claims.

Finally, the bill codifies the increased rates of veterans service-connected compensation resulting from the cost-of-living allowance effective last December.

Mr. Speaker, I urge my colleagues to support H.R. 1092.

Mr. EVANS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUMP. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 1092.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

TRAVEL AND TRANSPORTATION REFORM ACT OF 1997

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 930) to require Federal employees to use Federal travel charge cards for all payments of expenses of official Government travel, to amend title 31, United States Code, to establish requirements for prepayment audits of Federal agency transportation expenses, to authorize reimbursement of Federal agency employees for taxes incurred on travel or transportation reimbursements, and to authorize test programs for the payment of Federal employee travel expenses and relocation expenses, as amended.

The Clerk read the bill, as follows:

H.R. 930

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Travel and Transportation Reform Act of 1997".

SEC. 2. REQUIRING USE OF THE TRAVEL CHARGE CARD.

(a) IN GENERAL.—Under regulations issued by the Administrator of General Services after consultation with the Secretary of the Treasury, the Administrator shall require that Federal employees use the travel charge card established pursuant to the United States Travel and Transportation Payment and Expense Control System, or any Federal contractor-issued travel charge card, for all payments of expenses of official Government travel. The Administrator shall exempt any payment, person, type or class of payments, or type or class of personnel from any requirement established under the preceding sentence in any case in which—

(1) it is in the best interest of the United States to do so;

(2) payment through a travel charge card is impractical or imposes unreasonable burdens or costs on Federal employees or Federal agencies; or

(3) the Secretary of Defense or the Secretary of Transportation (with respect to the Coast Guard) requests an exemption with respect to the members of the uniformed services.

(b) LIMITATION ON RESTRICTION ON DISCLOSURE.—

(1) IN GENERAL.—Section 1113 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3413) is amended by adding at the end the following new subsection:

"(q) Nothing in this title shall apply to the disclosure of any financial record or information to a Government authority in conjunction with a Federal contractor-issued travel charge card issued for official Government travel.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) is effective as of October 1, 1983, and applies to any records created pursuant to the United States Travel and Transportation Payment and Expense Control System or any Federal contractor-issued travel charge card issued for official Government travel.

(c) COLLECTION OF AMOUNTS OWED.—

(1) IN GENERAL.—Under regulations issued by the Administrator of General Services and upon written request of a Federal contractor, the head of any Federal agency or a disbursing official of the United States may, on behalf of the contractor, collect by deduction from the amount of pay owed to an employee of the agency any amount of funds the employee owes to the contractor as a result of delinquencies not disputed by the employee on a travel charge card issued for payment of expenses incurred in connection with official Government travel. The amount deducted from the pay owed to an employee with respect to a pay period may not exceed 15 percent of the disposable pay of the employee for that pay period, except that a greater percentage may be deducted upon the written consent of the employee.

(2) DUE PROCESS PROTECTIONS.—Collection under this subsection shall be carried out in accordance with procedures substantially equivalent to the procedures required under section 3716(a) of title 31, United States Code.

(3) DEFINITIONS.—For the purpose of this subsection:

(A) AGENCY.—The term "agency" has the meaning that term has under section 101 of title 31, United States Code.

(B) EMPLOYEE.—The term "employee" means an individual employed in or under an agency, including a member of any of the uniformed services. For purposes of this subsection, a member of one of the uniformed services is an employee of that uniformed service.

(C) MEMBER; UNIFORMED SERVICE.—Each of the terms "member" and "uniformed service" has the meaning that term has in section 101 of title 37, United States Code.

(d) REGULATIONS.—Within 270 days after the date of enactment of this Act, the Administrator of General Services shall promulgate regulations implementing this section, that—

(1) make the use of the travel charge card established pursuant to the United States

Travel and Transportation System and Expense Control System, or any Federal contractor-issued travel charge card, mandatory for all payments of expenses of official Government travel pursuant to this section;

(2) specify the procedures for effecting under subsection (c) a deduction from pay owed to an employee, and ensure that the due process protections provided to employees under such procedures are no less than the protections provided to employees pursuant to section 3716 of title 31, United States Code;

(3) provide that any deduction under subsection (c) from pay owed to an employee may occur only after reimbursement of the employee for the expenses of Government travel with respect to which the deduction is made; and

(4) require agencies to promptly reimburse employees for expenses charged on a travel charge card pursuant to this section, and by no later than 30 days after the submission of a claim for reimbursement.

(e) REPORTS.—

(1) IN GENERAL.—The Administrator of General Services shall submit 2 reports to the Congress on agency compliance with this section and regulations that have been issued under this section.

(2) TIMING.—The first report under this subsection shall be submitted before the end of the 180-day period beginning on the date of enactment of this Act, and the second report shall be submitted after that period and before the end of the 540-day period beginning on that date of enactment.

(3) PREPARATION.—Each report shall be based on a sampling survey of agencies that expended more than $5,000,000 during the previous fiscal year on travel and transportation payments, including payments for employee relocation. The head of an agency shall provide to the Administrator the necessary information in a format prescribed by the Administrator and approved by the Director of the Office of Management and Budget.

SEC. 3. PREPAYMENT AUDITS OF TRANSPORTATION EXPENSES.

(a) IN GENERAL.—(1) Section 3322 of title 31, United States Code, is amended in subsection (c) by inserting after "classifications" the following: "if the Administrator of General Services has determined that verification by a prepayment audit conducted pursuant to section 3726(a) of this title for a particular mode or modes of transportation, or for an agency or subagency, will not adequately protect the interests of the Government".

(2) Section 3528 of title 31, United States Code, is amended—

(A) in subsection (a) by striking "and" after the semicolon at the end of paragraph (3), by striking the period at the end of subsection (a)(4)(C) and inserting "; and", and by adding at the end the following new paragraph:

"(5) verifying transportation rates, freight classifications, and other information provided on a Government bill of lading or transportation request, unless the Administrator of General Services has determined that verification by a prepayment audit conducted pursuant to section 3726(a) of this title for a particular mode or modes of transportation, or for an agency or subagency, will not adequately protect the interests of the Government.";

(B) in subsection (c)(1), by inserting after "deductions" the following: "and the Administrator of General Services has determined that verification by a prepayment audit conducted pursuant to section 3726(a) of this title for a particular mode or modes of transportation, or for an agency or subagency, will not adequately protect the interests of the Government"; and

(C) in subsection (c)(2), by inserting after "agreement" the following: "and the Administrator of General Services has determined that verification by a prepayment audit conducted pursuant to section 3726(a) of this title for a particular mode or modes of transportation, or for an agency or subagency, will not adequately protect the interests of the Government".

(3) Section 3726 of title 31, United States Code, is amended—

(A) by amending subsection (a) to read as follows:

"(a)(1) Each agency that receives a bill from a carrier or freight forwarder for transporting an individual or property for the United States Government shall verify its correctness (to include transportation rates, freight classifications, or proper combinations thereof), using prepayment audit, prior to payment in accordance with the requirements of this section and regulations prescribed by the Administrator of General Services.

"(2) The Administrator of General Services may exempt bills, a particular mode or modes of transportation, or an agency or subagency from a prepayment audit and verification and in lieu thereof require a postpayment audit, based on cost effectiveness, public interest, or other factors the Administrator considers appropriate.

"(3) Expenses for prepayment audits shall be funded by the agency's appropriations used for the transportation services.

"(4) The audit authority provided to agencies by this section is subject to oversight by the Administrator.";

(B) by redesignating subsections (b), (c), (d), (e), (f), and (g) in order as subsections (d), (e), (f), (g), (h), and (i), respectively;

(C) by inserting after subsection (a) the following new subsections:

"(b) The Administrator may conduct pre- or postpayment audits of transportation bills of any Federal agency. The number and types of bills audited shall be based on the Administrator's judgment.

"(c)(1) The Administrator shall adjudicate transportation claims which cannot be resolved by the agency procuring the transportation services, or the carrier or freight-forwarder presenting the bill.

"(2) A claim under this section shall be allowed only if it is received by the Administrator not later than 3 years (excluding time of war) after the later of the following dates:

"(A) The date of accrual of the claim.

"(B) The date payment for the transportation is made.

"(C) The date a refund for an overpayment for the transportation is made.

"(D) The date a deduction under subsection (d) of this section is made.";

(D) in subsection (f), as so redesignated, by striking "subsection (c)" and inserting "subsection (e)", and by adding at the end the following new sentence: "This reporting requirement expires December 31, 1998.";

(E) in subsection (i)(1), as so redesignated, by striking "subsection (a)" and inserting "subsection (c)"; and

(F) by adding after subsection (i), as so redesignated, the following new subsection:

"(j) The Administrator of General Services may provide transportation audit and related technical assistance services, on a reimbursable basis, to any other agency. Such reimbursements may be credited to the appropriate revolving fund or appropriation from which the expenses were incurred.".

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective 18 months after the date of enactment of this Act.

SEC. 4. REIMBURSEMENT FOR TAXES ON MONEY RECEIVED FOR TRAVEL EXPENSES.

(a) IN GENERAL.—Title 5, United States Code, is amended by inserting after section 5706b the following new section:

"§ 5706c. Reimbursement for taxes incurred on money received for travel expenses

"(a) Under regulations prescribed pursuant to section 5707 of this title, the head of an agency or department, or his or her designee, may use appropriations or other funds available to the agency for administrative expenses, for the reimbursement of Federal, State, and local income taxes incurred by an employee of the agency or by an employee and such employee's spouse (if filing jointly), for any travel or transportation reimbursement made to an employee for which reimbursement or an allowance is provided.

"(b) Reimbursements under this section shall include an amount equal to all income taxes for which the employee and spouse, as the case may be, would be liable due to the reimbursement for the taxes referred to in subsection (a). In addition, reimbursements under this section shall include penalties and interest, for the tax years 1993 and 1994 only, as a result of agencies failing to withhold the appropriate amounts for tax liabilities of employees affected by the change in the deductibility of travel expenses made by Public Law 102-486.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 57 of title 5, United States Code, is amended by inserting after the item relating to section 5706b the following new item:

"5706c. Reimbursement for taxes incurred on money received for travel expenses.".

(c) EFFECTIVE DATE.—This section shall be effective as of January 1, 1993.

SEC. 5. AUTHORITY FOR TEST PROGRAMS.

(a) TRAVEL EXPENSES TEST PROGRAMS.—Subchapter I of chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

"§ 5710. Authority for travel expenses test programs

"(a)(1) Notwithstanding any other provision of this subchapter, under a test program which the Administrator of General Services determines to be in the interest of the Government and approves, an agency may pay through the proper disbursing official for a period not to exceed 24 months any necessary travel expenses in lieu of any payment otherwise authorized or required under this subchapter. An agency shall include in any request to the Administrator for approval of such a test program an analysis of the expected costs and benefits and a set of criteria for evaluating the effectiveness of the program.

"(2) Any test program conducted under this section shall be designed to enhance cost savings or other efficiencies that accrue to the Government.

"(3) Nothing in this section is intended to limit the authority of any agency to conduct test programs.

"(b) The Administrator shall transmit a copy of any test program approved by the Administrator under this section to the appropriate committees of the Congress at least 30 days before the effective date of the program.

"(c) An agency authorized to conduct a test program under subsection (a) shall provide to the Administrator and the appropriate committees of the Congress a report

on the results of the program no later than 3 months after completion of the program.

"(d) No more than 10 test programs under this section may be conducted simultaneously.

"(e) The authority to conduct test programs under this section shall expire 7 years after the date of enactment of the Travel and Transportation Reform Act of 1997.".

(b) RELOCATION EXPENSES TEST PROGRAMS.—Subchapter II of chapter 57 of title 5, United States Code, is further amended by adding at the end the following new section:

"§ 5739. Authority for relocation expenses test programs

"(a)(1) Notwithstanding any other provision of this subchapter, under a test program which the Administrator of General Services determines to be in the interest of the Government and approves, an agency may pay through the proper disbursing official for a period not to exceed 24 months any necessary relocation expenses in lieu of any payment otherwise authorized or required under this subchapter. An agency shall include in any request to the Administrator for approval of such a test program an analysis of the expected costs and benefits and a set of criteria for evaluating the effectiveness of the program.

"(2) Any test program conducted under this section shall be designed to enhance cost savings or other efficiencies that accrue to the Government.

"(3) Nothing in this section is intended to limit the authority of any agency to conduct test programs.

"(b) The Administrator shall transmit a copy of any test program approved by the Administrator under this section to the appropriate committees of the Congress at least 30 days before the effective date of the program.

"(c) An agency authorized to conduct a test program under subsection (a) shall provide to the Administrator and the appropriate committees of the Congress a report on the results of the program no later than 3 months after completion of the program.

"(d) No more than 10 test programs under this section may be conducted simultaneously.

"(e) The authority to conduct test programs under this section shall expire 7 years after the date of enactment of the Travel and Transportation Reform Act of 1997.".

(c) CLERICAL AMENDMENTS.—The table of sections for chapter 57 of title 5, United States Code, is further amended by—

(1) inserting after the item relating to section 5709 the following new item:

"5710. Authority for travel expenses test programs.";

and

(2) inserting after the item relating to section 5738 the following new item:

"5739. Authority for relocation expenses test programs.".

SEC. 6. DEFINITION OF UNITED STATES.

Chapter 57 of title 5, United States Code, is amended—

(1) in section 5721—

(A) in paragraph (4), by striking "and" following the semicolon at the end;

(B) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

"(6) 'United States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the territories and possessions of the United States, and the areas and installations in the Republic of Panama that are made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979); and

"(7) 'Foreign Service of the United States' means the Foreign Service as constituted under the Foreign Service Act of 1980.";

(2) in section 5722—

(A) in subsection (a)(2), by striking "outside the United States" and inserting "outside the continental United States"; and

(B) in subsection (b), by striking "United States" each place it appears and inserting "Government";

(3) in section 5723(b), by striking "United States" each place it appears and inserting "Government";

(4) in section 5724—

(A) in subsection (a)(3), by striking ", its territories or possessions" and all that follows through "1979"; and

(B) in subsection (i), by striking "United States" each place it appears in the last sentence and inserting "Government";

(5) in section 5724a, by striking subsection (j);

(6) in section 5725(a), by striking "United States" and inserting "Government";

(7) in section 5727(d), by striking "United States" and inserting "continental United States";

(8) in section 5728(b), by striking "an employee of the United States" and inserting "an employee of the Government";

(9) in section 5729, by striking "or its territories or possessions" each place it appears;

(10) in section 5731(b), by striking "United States" and inserting "Government"; and

(11) in section 5732, by striking "United States" and inserting "Government".

SEC. 7. TECHNICAL CORRECTIONS TO THE FEDERAL EMPLOYEE TRAVEL REFORM ACT OF 1996.

Section 5724a of title 5, United States Code, is amended—

(1) in subsections (a) and (d)(1) and (2), by striking "An agency shall pay" each place it appears and inserting "Under regulations prescribed under section 5738, an agency shall pay";

(2) in subsections (b)(1), (c)(1), (d)(8), and (e), by striking "An agency may pay" each place it appears and inserting "Under regulations prescribed under section 5738, an agency may pay";

(3) by amending subsection (b)(1)(B)(ii) to read as follows:

"(ii) an amount for subsistence expenses, that may not exceed a maximum amount determined by the Administrator of General Services.";

(4) in subsection (c)(1)(B), by striking "an amount for subsistence expenses" and inserting "an amount for subsistence expenses, that may not exceed a maximum amount determined by the Administrator of General Services,";

(5) in subsection (d)(2)(A), by striking "for the sale" and inserting "of the sale";

(6) in subsection (d)(2)(B), by striking "for the purchase" and inserting "of the purchase";

(7) in subsection (d)(8), by striking "paragraph (2) or (3)" and inserting "paragraph (1) or (2)";

(8) in subsection (f)(1), by striking "Subject to paragraph (2)," and inserting "Under regulations prescribed under section 5738 and subject to paragraph (2),"; and

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. HORN] and the gentlewoman from New York [Mrs. MALONEY] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. HORN].

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

Mr. Speaker, the Federal Government's travel expenditures are massive. In fiscal year 1994, the last year for which precise figures are available, the Government spent more than $7.6 billion on travel, including transportation, lodging, rental cars, and other related expenses.

There were ample opportunities to save money from this huge sum without restricting important travel. Administrative costs, for example, are shockingly bloated. The cost of completing a travel voucher is about $15 in the private sector, while it can run as high as $123 for each voucher in the Federal Government.

There are several obstacles standing in the way of efficient and affordable Government travel. Agency managers simply do not have complete travel information available to them because of inconsistent payment methods. As a result, it is impossible to effectively analyze their travel budgets in order to locate waste and reduce costs.

Related agencies are often unable to verify that travel charges are business related. They need clear authority to obtain information regarding the credit cards issued to employees for official Government travel. This information will make the Federal Government a better customer, which will in turn increase the size of the rebate the Government receives from businesses that provide services to Federal workers. Private firms currently receive larger rebates from businesses than does the Government.

We should learn from private sector techniques. The Travel and Transportation Act of 1997 contains four major provisions that will clear away obstacles to better management.

□ 1400

By applying lessons from the private sector, it will encourage a concerted effort to improve the efficiency and the cost effectiveness of Federal travel. Section 1 of H.R. 930 specifies its short title, the Travel and Transportation Reform Act of 1997.

Section 2 concerns the Federal travel charge card. H.R. 930 contains several changes to charge card policy that would save money and make the system work better. Use of the charge card provides managers with valuable information about their agency's travel costs. Currently, however, the card is used inconsistently and, therefore, valuable information that would be recorded on the charge card invoice is never gathered.

As a result, agency managers lack the kind of detailed travel information necessary to effectively analyze their

travel budgets, locate waste, and reduce costs. Congress realizes that not every merchant can accept charge cards, but the travel charge card should be used to the maximum extent possible. In addition, there may be some employees, Mr. Speaker, who may not be eligible for the travel charge card due to their poor credit histories or for some other reason. Obviously, the employee may be required to travel for official Government purposes, and an exemption may be required for these personnel.

Universal use of the card would improve information available to managers, increase the rebate due to the Federal Government, and expedite the processing of travel reimbursements. H.R. 930 provides for universal use of the travel card throughout the Government by requiring the Administrator of General Services [GSA] to mandate use of the travel charge card. There are some exceptions that are permitted by the administrator. The intent behind this legislation is that use of the card will be used to the maximum extent practicable by Federal travelers.

The definition of a travel charge card also includes a centrally billed account maintained by the agency. Agencies must be able to verify that charges on the travel card are business related. The Government's ability to access this information has been in question because of the Right to Financial Privacy Act, which restricts the release of an individual's financial records, including accounts maintained by the credit card issuer.

This bill clarifies that the Government has the authority it needs to gather this information to ensure that the card is used properly. It also authorizes the head of a agency to conduct salary offset for Federal employees delinquent on their Federal travel charge accounts. This provision would make the Federal Government a better customer, as I noted earlier, and simplify administration for Federal agencies. The result would be an increase in the size of the Federal Government's rebate.

H.R. 930 also includes an offset program to allow Federal agencies with travel charge card delinquency problems to deduct from the pay of an employee amounts needed to satisfy a delinquent debt owed to a card vendor. It is the intent of Congress that this deduction be made in coordination with the disbursing official in the U.S. Government. If the Treasury Department's financial management service cannot coordinate with agencies, Federal contractors may be paid prior to payments being made to Federal agencies. It it the intent of Congress that, when there is a conflict between a debt owed to a Federal contractor and a debt owed to a Federal agency, the Federal agency will be paid first.

H.R. 930 also requires that GSA write regulations implementing this act. One portion of these regulations calls for timely disbursement of travel repayments due to employees. GSA will be responsible for determining what constitutes submission of travel expense vouchers in its regulatory process. Our committee, on both sides of the aisle, looks forward to working with GSA to ensure that the intent of Congress is reflected. In implementing this section and the remaining portions of the act, it is of utmost importance that GSA do so in a manner that will not impair competition among different vendors in the travel card program and will not unfairly affect Federal workers.

Specifically, the inclusion of interest, fines, penalties or fees charged by bank charge card issuers should not be prohibited, eliminated or complicated by GSA regulations promulgated under this section. We in Congress believe that any such action limiting competition ultimately will not be in the best interest of the United States.

Section 3 of the Travel and Transportation Reform Act of 1997 concerns prepayment audits of travel charges. GSA's office of transportation audits conducted a pilot program that used audit contractors to perform prepayment audits on some transportation vouchers. This pilot identified overpayments worth four times the amount of the payments to the contractors, proving that this is a cost-effective tool. All other invoices submitted to the Federal Government are reviewed for accuracy by the agency incurring the expense prior to payment. The bill authorizes prepayment audits by contractors to verify that the charges are correct prior to disbursement of transportation expenses. According to the General Services Administration, this change would save $50 million per year in reduced transportation expenses.

Section 4 corrects an unjust tax liability. This will be of great interest to a number of Federal employees. The bill authorizes reimbursement to employees who were subjected to a tax liability in tax years 1993 and 1994, due to their service with the Federal Government. This tax liability was established by the 1992 Energy Act. The Energy Act limited the income tax deduction for business related travel to expenses incurred on trips of 1 year or less in duration. Most Federal agencies were unaware of this requirement because the IRS did not notify them until late December, 4 days to go before the new year in December 1993. And they did not withhold tax payments from the employees' salaries.

Many of the affected Federal employees were liable for a lump sum payment, plus penalty and interest charges. In some instances, the tax liability exceeds $1,000 per employee. According to GSA, this correction would cost $4 million on a one-time basis.

Section 5 encourages innovation in Federal travel. The sections of the U.S. Code relating to travel are extremely proscriptive and limit agency flexibility in developing improved benefit systems. This section allows Federal agencies to participate in travel pilot tests that would, it is hoped, save taxpayer dollars.

Saving taxpayer dollars and enhancing Federal travel operations is the goal of this section. Agencies wishing to initiate pilot projects would need approval from the General Services Administration and would be required to submit proposals to the appropriate committees of Congress 30 days before the initiation of the pilot. This authority is limited to 10 pilot programs in each of the temporary duty travel and relocation travel areas.

Mr. Speaker, the Congressional Budget Office estimates that the Travel and Transportation Reform Act of 1997 will save $105 million. I believe the actual amount will be higher, as GSA suggests, particularly if implementation is performed diligently. Poor management of the Federal Government's massive travel expenditures is wasting millions of tax dollars every year. The Travel and Transportation Reform Act of 1997 will improve Federal agency operations and enhance efficiency. I look forward to the passage of H.R. 930.

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

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume.

My thanks to the chairman for working with the minority in drafting the manager's amendment to this bill. The Government spends over $7.5 billion annually on travel and relocation costs. I rise in support of this bill and in support of streamlining Government paperwork and saving the taxpayers millions in Government travel expenses.

It is so simple. H.R. 930 just calls for the use of one travel card, one bill to pay, one bill to check. If every Government employee simply used this card for all travel related expenses, taxpayers would gain $105 million. The card comes with a 30-day money-back guarantee. Employees must be reimbursed within a month of their payment. H.R. 930 does allow the agency to deduct certain unpaid travel charges from paychecks, unless the employee is disputing the charges.

Even those deductions will not exceed 15 percent of the traveler's wages. H.R. 930 also calls for a review of shipping and other transportation expenses before they are paid. That seems extremely reasonable.

Do not we all look at our bills before we pay them? This measure alone will save $50 million a year. Simplicity saves. Complications cost. I urge my colleagues to support this bill.

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

Mr. Speaker, I want to commend the gentlewoman from New York [Mrs.

MALONEY], the ranking Democrat on the subcommittee, for her complete cooperation in this further economy which the subcommittee has made over the last 2½ years.

I think we saved $2 to $3 billion in legislation last year. And, as was noted, GSA says we will save $50 million this year. The Congressional Budget Office says we will save $150 million over the next 5 years.

In any case, it is real money and it is money the taxpayers do not have to expend by more efficiency and effectiveness.

Mr. Speaker, today, the House will pass H.R. 930, the Travel and Transportation Reform Act of 1997 under suspension of the rules. I would like to discuss a provision of that bill which was not raised today concerning the pilot programs on travel which agencies may conduct under the bill.

Mr. Speaker, one of the pilot programs which I would like to see conducted involves not only sound management practices, but family values as well. Last year, H.R. 3637, the Travel Reform and Savings Act, contained a provision which would have given discretionary authority to an agency to pay employment assistance services to a spouse of an employee relocated to another duty station by the agency. That provision was not specifically included in H.R. 930. However, there is authority under section 4 of that bill to test this worthy provision, subject to certain congressional oversight procedures. GSA's general counsel's office concurs with this reading of the legislation, and Chairman HORN indicated a positive reaction to this suggestion at a subcommittee hearing held on the bill.

Authorizing employment services on behalf of a spouse of a relocated employee is one of the recommendations of an indepth report by the interagency Joint Financial Management Improvement project. As that report points out, private sector companies have already discovered that to recruit and retain the best work force and ensure that relocated employees are fully productive, some form of employment assistance for relocating spouses represents money well spent. I am persuaded that what makes sense for the private sector makes sense in most cases for the Government. We need to determine if that is the case here.

As I said, section 4 of H.R. 930 authorizes GSA to approve test programs in connection with payment of employee relocation. I believe that such a test program may well show that such assistance is in the best interest of the Government. And I believe it would be cost effective in terms of improved employee performance and reliability. We need to find out. In that regard, it is important to note that Congress will have an opportunity to preview proposed test programs and to review a report of their results. We can then make a fully informed decision about the extent to which these services are in the Government's interest.

In conclusion, Mr. Speaker, I believe we need to test this proposal and urge GSA to favorably consider such a pilot program.

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

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

The SPEAKER pro tempore (Mr. UPTON). The question is on the motion offered by the gentleman from California [Mr. HORN] to suspend the rules and pass the bill, H.R. 930, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DONATING RETIRING FEDERAL LAW ENFORCEMENT CANINES TO HANDLERS

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 173) to amend the Federal Property and Administrative Services Act of 1949 to authorize donation of surplus Federal law enforcement canines to their handlers, as amended.

The Clerk read as follows:

H.R. 173

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

SECTION 1. AUTHORIZATION TO DONATE SURPLUS LAW ENFORCEMENT CANINES TO THEIR HANDLERS.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end of the following:

"(r) The head of a Federal agency having control of a canine that has been used by a Federal agency in the performance of law enforcement duties and that has been determined by the agency to be no longer needed for official purposes may donate the canine to an individual who has experience handling canines in the performance of those duties.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. HORN] and the gentlewoman from New York [Mrs. MALONEY] will each control 20 minutes.

The Chair recognizes the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Speaker, this measure concerns Federal surplus property in the form of dogs. Typically, these dogs are trained in law enforcement and drug interdiction. The bulk of the 500 dogs currently serving the Federal Government are used by the Customs Service, the Immigration and Naturalization Service, and other law enforcement agencies.

Under current law, when an agency no longer needs a dog, it is screened to see if another Federal agency needs that dog. If no Federal use is required, the dog can be donated to a State or local law enforcement agency.

Mrs. MALONEY of New York. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, the minority has no objection to this bill. We support it.

Mr. Speaker, I yield back my time.

Mr. HORN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. GALLEGLY], the author of this innovative piece of legislation.

Mr. GALLEGLY. Mr. Speaker, I rise today in support of H.R. 173, legislation I introduced to address the unique situation encountered when Federal law enforcement canines are no longer able to perform the duties for which they were trained.

Essentially, this bill streamlines the adoption of Federal law enforcement canines by handlers and allows for a more humane end to the canine's career. As my colleagues know, these trained dogs are considered Federal property, but when their service comes to an end, they are declared surplus property.

Under GSA regulations to dispose of Federal property, agencies must follow certain procedures that ensure the maximum amount competition for the purchase of such property.

In many cases, such as the Border Patrol, Park Police, Customs, and Secret Service, this surplus property is a canine that has served alongside officers enforcing our laws. Because of their unique role, many of these animals have had protection training, which could make them a danger to public safety if they are handled by someone who had not been trained in this capacity.

As a result, these canines should not simply be sold to the highest bidder at an auction to be taken home as a family pet. Unfortunately, if no appropriate trained handler comes forward to bid on the property, there is a possibility that this dog would be caged or even in some cases destroyed.

This is hardly humane, a hardly humane treatment of an animal that has spent its life protecting Americans and upholding our laws.

□ 1415

According to the CRS research, there are over 500 canines in service of the Federal Government. H.R. 173 would allow the surplus canines to be donated to their handlers, who would thereby assume all the costs and responsibilities related to the care of that animal.

This is a simple solution to a unique problem that confronts our Federal law enforcement canine units. H.R. 173 removes the hoops agencies must jump through to place a canine that has served our country with a handler and a nurturing home.

Mr. Speaker, I want to thank the gentleman from California [Mr. HORN] and the gentleman from Indiana [Mr. BURTON] and the committee's action on this bill, and I urge my colleagues to support H.R. 173 to ease the adoption of Federal law enforcement canines.

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

The SPEAKER pro tempore (Mr. UPTON). The question is on the motion offered by the gentleman from California [Mr. HORN] that the House suspend the rules and pass the bill, H.R. 173, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize donation of Federal law enforcement canines that are no longer needed for official purposes to individuals with experience handling canines in the performance of law enforcement duties."

A motion to reconsider was laid on the table.

HONORING THE LIFETIME ACHIEVEMENTS OF JACKIE ROBINSON

Mr. HORN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 61) honoring the lifetime achievements of Jackie Robinson.

The Clerk read as follows:

H. CON. RES. 61

Whereas Jackie Robinson was the first four sport letterman at the University of California at Los Angeles;

Whereas on April 15, 1947, Jackie Robinson was the first African-American to cross the color barrier and play for a major league baseball team;

Whereas Jackie Robinson, whose career began in the Negro Leagues, went on to be named Rookie of the Year and subsequently led the Brooklyn Dodgers to six National League pennants and a World Series championship;

Whereas Jackie Robinson's inspiring career earned him recognition as the first African-American to win a batting title, lead the league in stolen bases, play in an All-Star game, win a Most Valuable Player award, play in the World Series and be elected to baseball's Hall of Fame;

Whereas after retiring from baseball Jackie Robinson was active in the civil rights movement and founded the first bank owned by African-Americans in New York City;

Whereas his legacy continues to uplift the Nation through the Jackie Robinson Foundation that has provided 425 scholarships to needy students;

Whereas Jackie Robinson's courage, dignity, and example taught the Nation that what matters most is not the color of a man's skin but rather the content of his character;

Whereas Jackie Robinson, in his career, consistently demonstrated that how you play the game is more important than the final score;

Whereas Jackie Robinson's life and heritage help make the American dream more accessible to all; and

Whereas April 15, 1997, marks the 50th anniversary of Jackie Robinson's entrance into major league baseball: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the achievements and contributions of Jackie Robinson be honored and celebrated; that his dedication and sacrifice be recognized; and that his contributions to African-Americans and to the Nation be remembered.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. HORN] and the gentlewoman from New York [Mrs. Maloney] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Speaker, I ask unanimous consent that I may yield my time to the gentleman from Oklahoma, [Mr. WATTS], and that he be permitted to yield blocks of time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oklahoma [Mr. WATTS].

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

Mr. Speaker, today I rise in support of House Concurrent Resolution 61. This resolution encourages all Americans to remember the achievements of Jackie Robinson at this important time in our country's history.

There is something magical about the firsts in our society. I sometimes think God gave them broader shoulders to carry the tremendous load they have had to bear to make life better and provide greater opportunities for the rest of us.

The list of firsts is long and should never be forgotten. The Rosa Parkses, the Frederick Douglasses, the Arthur Ashes, the Marian Andersons, the James Mereditths, the Jesse Owenses and, in Oklahoma, Prentiss Gautt and Ada Louis Sipuels, and most recently in our Nation we know of Tiger Woods. These are all men and women who had the courage, heart and insight to be the first to create change in our society.

Being the first can often be lonely, but these American heroes have had the strength to push ahead and find justice where injustice had prevailed.

As a former professional athlete, I am thankful for the Jackie Robinsons and the firsts of this world. They have gone before and not only opened the door but they have left it wide open for people like me.

April 15, 1947, was the first day that Jackie Robinson crossed the color barrier with the Brooklyn Dodgers. What made Jackie Robinson so memorable was that his list of achievements did not stop with that crashing of racial barriers. His accomplishments, including being named Rookie of the Year and leading the Dodgers to six National League pennants, including a World Series championship, matched his bravery.

Jackie Robinson understood that he could lock arms with other blacks and fight racism and fight bigotry, but he also understood that success is determined by the individual effort, not by the group.

Jackie was a true entrepreneur. His life did not stop with baseball. He went on to be active in the Civil Rights movement during the 1960's. He served in Governor Nelson Rockefeller's administration and started the first black-owned bank in New York City, as well as a construction firm.

Last night the Nation celebrated this anniversary during the fifth inning of the Dodgers-Mets game. Mrs. Robinson graciously accepted the accolades and America paused to recognize number 42.

Athletics is one of the few arenas today where we are judged on our merits. If an individual is good enough to play, they play. Jackie is an icon because of his integrity and character and what he proved by being the first and opening the door. He accomplished more for all people than he could have accomplished in Washington with more legislation.

There is a lesson in the life of Jackie Robinson for all of us.

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

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume.

Jackie Robinson is a true American hero. Fifty years ago yesterday he stood up against racism, prejudice and hate and changed this country for the better. We applaud the strength that he showed on the field and especially the courage he exerted off the field. He was a pillar of strength in the civil rights movement and we are fortunate that his legacy is continued today in the Jackie Robinson Foundation.

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

Mr. WATTS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from California, [Mr. HORN].

Mr. HORN. Mr. Speaker, I thank the gentleman for yielding me this time. It is a great day when Members in both parties can honor one of the really fine Americans of this century.

Jackie Robinson did break barriers throughout his life: as a college student, a college player, and as a professional player. I am delighted to note in the city of Long Beach, which I am honored to represent and in which I live, a few years ago we established the Jackie Robinson Academy. It is located in the inner city. It is an academic achieving school. President Clinton has visited there, spent time with the students and the faculty in the school, and Mrs. Robinson was there on the dedication day, as were a few thousand others. And it was a great spirit that he would have been proud to see if he were still alive.

It is that spirit and gentlemanliness, that compassion that he personifies, and that I think all who study his career hopefully will emulate.

Mrs. MALONEY. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois, [Mr. DAVIS].

Mr. DAVIS of Illinois. Mr. Speaker, I want to thank the gentlewoman from New York for yielding me this time.

Mr. Speaker, I am pleased to join with all of those who have come together in this resolution to honor the life, the legacy, and the contributions of a great American.

I grew up during the Jackie Robinson era and I can tell my colleagues, as a young person there was nobody alive at that moment who had as much impact. As a matter of fact, Jackie Robinson was so important to us and to everybody that I knew that we could recite the Brooklyn Dodger lineup, beginning with the catcher to the right fielder.

More important than that, Jackie Robinson demonstrated not only skill but courage and determination to help break down the barriers of racism, of prejudice, of assumptions that individuals could not all play on one field and make a score. If we can remember that, then I think we will score well not only for ourselves but for generations yet to come.

Mr. WATTS of Oklahoma. Mr. Speaker, I yield 4 minutes to the gentleman from Kentucky, [Mr. BUNNING.]

Mr. BUNNING. Mr. Speaker, I rise in strong support of House Concurrent Resolution 61. I did not get to pitch against Jackie Robinson very many times in his career, because it was just about over when I finally got to the big leagues. When I started out I was in the American League with Detroit and he was in the National League with Brooklyn, so the only time I really got to face him was in spring training games in 1954, 1955, and 1956.

But in those days, Brooklyn was the team to beat. They had a real dynasty going. In fact, they made it to the World Series in 1952, 1953, and again in 1955 and 1956. And Jackie Robinson was one of the biggest reasons they were such an outstanding team.

He was a real trail blazer and an outstanding ball player. A man of destiny. In the mid 1950's, when I finally made it to the major leagues, nearly 10 years after Jackie Robinson broke the color barrier, there were not too many blacks in the American League, and that was 8 years after Jackie Robinson played his first game for Brooklyn.

I can tell my colleagues this: Under the best of circumstances, when an individual is starting out, it is pretty frightening to walk out to the pitcher's mound or to the batter's box in a big league game. That is even true when an individual's race is not an issue. So it is mind-boggling to consider the kind of pressure that Jackie Robinson must have been under when he walked out there the first time when race was an issue, a very big issue.

The fact that he tried, the fact that he dared, the fact that he made it is tremendous testimony to his courage, his self-confidence, and to his love of baseball. Jackie Robinson changed the face of baseball and, for that matter, all other sports, and he made a tremendous contribution to race relations in this Nation.

Fifty years ago Jackie Robinson made a difference. It is right and fitting that we honor the memory of his achievements here today and his courage in doing the things that he did when he lived. My good wishes to Rachael and all his family today.

Mrs. MALONEY. Mr. Speaker, I ask unanimous consent that I may yield my time to the gentleman from Maryland, [Mr. CUMMINGS], and that he be permitted to yield blocks of time.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

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

It certainly is an honor to stand here today to salute a great hero. As I watched the President on television last night, and as I listen to my colleagues, and I am very grateful to all of them for every syllable that is spoken on behalf of Jackie Robinson, I stand, Mr. Speaker, and wonder what he would feel if he were standing here today.

In Baltimore, where I hail from, we have a team that is doing pretty good right now. I look at that team and I ask myself, if it were not for a Jackie Robinson, how many African-American players would be there today?

But going back to the question that I asked before, the question is how would he feel. I think that and I hope that as we celebrate this great man's life, and certainly we do not celebrate because he died but because he lived, I hope that we will keep a lot of things in mind, and I am sure if Jackie Robinson were here today he would agree with me.

First of all, it is true that he did break the color barrier with regard to baseball. But as I read his history, it went far beyond that. He was a man who spoke eloquently about race relations. He stood up for what was right, no matter what the situation was. And that is very important in our society; that we ought to bring about positive change.

I would submit that he was a great man of integrity. The great writer Stephen Carter, in his book "Integrity" says that integrity is based upon three things: No. 1, he says one must discern between what is right and wrong, what is good and bad. And Jackie Robinson surely did that.

□ 1430

He did it over and over and over again. He did not take a walk when it came time to stand up for what he believed in. He made a decision between right and wrong, and he stood on that. Even when people spat on him and people called him all kinds of names, names that I dare not say in this Chamber, the fact is that he stood for what he believed in.

The great writer, Stephen Carter, goes on to say that there is a No. 2 thing that we must do to have true integrity, and Jackie Robinson had it. That is that you must act upon what you believe in even to your own peril.

So I say to America and to our country and to this great Congress that his example is one that we must live up to. That is, that we must look at a man called Jackie Robinson, who broke this color barrier 50 years ago, who stood up over and over and over again for what he believed in, even to his own peril. I cannot even imagine what he must have felt going onto a field with people calling him everything but a child of God. I cannot imagine it. But yet and still, he performed quite nicely under all of those circumstances.

Going back to the writer Stephen Carter, he says you must do one other thing. He says, No. 1, you must discern between right and wrong; No. 2, you must act, even to your own peril, on what is right; but then he says something else, that you must tell someone about it. The reason why he says you must tell someone about it is because of the fact that in order to change the world, in order to change the world, you have to tell people what you stood for and what you did with regard to that.

And so it is that Jackie Robinson told the world. He told the world that no matter what, I shall stand up for what I believe in. He told the world that I will play baseball even under difficult circumstances.

But, Mr. Speaker, he had something else going for him, too. He had a vision. I am sure he had a vision that one day every team in the American League, every team in the National League would have African-American players playing great baseball, African-American players sharing rooms with white players, African-American players doing everything that they could to stand up for what they believed in, just as Jackie Robinson did. And so it is with great honor that I stand here in support of House Concurrent Resolution 61.

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

Mr. WATTS of Oklahoma. Mr. Speaker, I say to the gentleman from Maryland, that was very well said.

Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. I thank my colleague from Oklahoma for yielding me this time and my colleague from Maryland who preceded me with his comments.

Mr. Speaker, I rise in strong support of this resolution to honor the memory and the legacy of Jack Roosevelt Robinson. A couple of Arizonans offer a unique perspective on the life of Jackie Robinson. One is former Phoenix Mayor Sam Mardian, who grew up in the modest Pasadena neighborhood in close proximity to Jackie Robinson.

In a recent column in the Arizona Republic, he spoke of Robinson's unique gift not only as a great athlete but as one who could reach across barriers, as one who could work to extol the virtues of teamwork. And even as we recognize that, we dare not, we cannot pause without reflecting on Robinson's incredible athletic gifts. A four-sport letterman at UCLA. Indeed, baseball, ironically, was not his greatest sport. But in baseball it is where he began to make a difference for this land of ours.

Another recollection comes from another man who now calls Phoenix home, former Dodger pitcher Joe Black, who joined the Brooklyn organization after Jackie broke the color line and who had the occasion to room with Mr. Robinson. Joe Black recalls that Jackie's first words to him were, "You're a big man, Joe. I bet you're good in a fight, but we're not here to fight."

A personal recollection. My grandfather spent 50 years in major league baseball. He was honored to scout, alongside Branch Rickey, many of those who would come from the Negro leagues into major league baseball. And what Jack Robinson brought to the game was more than a great physical ability, it was an incredible ability to bring his intellectual capacities, the notion of strategy. Indeed, he helped to change the face of baseball. The strategy of using his speed to even steal home changed the face of baseball just as suredly as he broke the color line.

Mr. Speaker, we rise today to honor the memory and legacy of Jackie Robinson, who described himself as an eternal optimist. He did so in one of the most difficult moments in our history. In the wake of the assassination of Dr. Martin Luther King, Jr., Jack Roosevelt Robinson said, I am an eternal optimist and I believe some good will come even of this tragedy.

Jack Robinson was one who was a pioneer in many areas. He stood unafraid to speak the truth as he saw it, active in both major political parties, and it is that eloquence, that ability and, yes, that pioneer spirit that we honor today.

Mr. Speaker, to his widow Rachel, to his family and most of all to the people of the United States of America, we go on record today proud to honor the legacy of Jack Roosevelt Robinson.

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

Mr. Speaker, I want to thank the gentleman from Arizona who just spoke for his comments. He said something that I would like to just piggyback on just a bit.

So often out of difficult circumstances come great things. I think that when you look at what Jackie Robinson did and coming through the difficulty that he did come through, the fact is, is that he opened the doors for so, so many. I would venture to guess that the 39 members of the Black Caucus, the Congressional Black Caucus, owe a great debt of gratitude to this great man, for he did open many doors. But he did it through pain. I think that if we are to learn anything from this great man, we should learn that through pain, a lot of times come great things.

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

Mr. WATTS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. SHADEGG].

Mr. SHADEGG. Mr. Speaker, I thank the gentleman for yielding me this time, and I thank and compliment all of those involved in this great discussion this afternoon.

Jackie Robinson played his first major league baseball game on April 15, 1947. That was 7 years before the Supreme Court's historic decision in Brown versus Board of Education. It was 18 years before the voter registration drives in Selma, AL. It was 16 years before Martin Luther King's famous "I have a dream" speech. And it was 18 years before passage of the Voting Rights Act of 1965.

It was 1 year before President Truman ordered the integration of the United States Army and 21 years before Arthur Ashe would become the first black man to win the U.S. Open men's singles title. It was 16 years before Michael Jordan was born and 50 years before Tiger Woods, to the pride of millions this weekend, became the first black man to win the Master's golf tournament.

Jackie Robinson and baseball were at the forefront of America's race relations. As baseball went, I am proud to say, so too has gone the country, slowly improving race relations and moving toward equality for all Americans regardless of color. Children growing up in the late 1940's and the early 1950's could look to Jackie Robinson and to his Dodger teammates and witness firsthand black and white working together, being part of a common team. And while there remained much progress to be made after Jackie Robinson integrated baseball and much progress still to be made today, a major step had been taken.

When Jackie Robinson and Branch Rickey showed the courage to challenge baseball and America, to reevaluate American racial policy, they helped start a movement that continues to this day. While much progress remains to be made in today's race relations, we have made great strides in the last 50 years, strides that would not have been possible but for heroes like Jackie Robinson and others similar.

I join the gentleman and am pleased to support this resolution and am proud to be a part of this effort.

Mr. CUMMINGS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Philadelphia, PA [Mr. FATTAH].

Mr. FATTAH. Mr. Speaker, I thank the gentleman from Maryland for yielding me this time, and I rise in support of our attempt to honor the life and legacy of this great African American.

I am reminded, however, that as we come to honor Jackie Robinson, we should be clear what brought him to the opportunity to play major league baseball. It was in its own way an affirmative action program in which he was sought out, brought in to deal with the fact that African-Americans had been excluded from the opportunity to play in major league baseball. If it were not for the active effort to include him, then we would not be here today honoring him, and as we honor him as a nation, we should think about the other doors that are sometimes locked to persons of color because, for whatever reason, people are unable to get past prejudices, to deny people access to law school and medical school, to colleges, college preparatory schools, to deny them access to contracts and employment opportunities.

We know all too well that the racism that existed that prevented Jackie Robinson from being able to play and others who were even more qualified than him perhaps and were denied the opportunity to play in major league baseball at that time has not evaporated totally in this country over the last 50 years.

So I come to the floor to join my voice to the voices of others, but I want to remind us that as we pay homage to Jackie Robinson and as we marvel at the ability of a Tiger Woods, we should know that they represent the reality that Americans of every color and persuasion have gifts given to them by the Creator and are capable if they are given the opportunity. We should continue as a Congress to try to find ways to open those doors of opportunities so that these young people and people like them can continue to create a circumstance in which we can all be proud.

Mr. Speaker, I want to thank the gentleman from Maryland, and thank my colleagues from the other side of the aisle. I hope that as we vote to honor Jackie Robinson, we will not vote to close doors of opportunity to other young people, those same doors that we today rise to congratulate and recognize the accomplishments of this great African-American.

Mr. CUMMINGS. Mr. Speaker, I yield myself the balance of my time.

As I close, Mr. Speaker, I just want to go back to something that the distinguished gentleman from Pennsylvania just talked about. He talked about the fact that there had been doors closed over and over again to people of African-American descent. And there have been doors closed to

many immigrants that have come to this country. As I sat there listening to what he had to say, I could not help but be reminded of my childhood as a young boy in south Baltimore, where we did not have many opportunities. We did not play on grass. We played on asphalt. I will never forget looking up to a Jackie Robinson and saying there is a man who looks like me, who looks like my father, there is a man who came from the same kind of neighborhood that I came from, there is a man who is doing it, and so I know that I can do it, too. That was very significant for me.

I shall never forget standing and singing in class, in elementary school, "My country, 'tis of thee, sweet land of liberty, of thee I sing." And then I asked the question, but am I singing for a dream that can be fulfilled? Am I singing for a dream like a Jackie Robinson?

Mr. Speaker, I would submit to the Members of this great Congress that it is people like Jackie Robinson that stood up for little boys and girls all over our country.

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When they looked at Jackie Robinson, they said to themselves, "He looks like me, he comes from my same kind of neighborhood, he stands up like my father, he looks like my father, and if he can do it, so can I."

And so it is that it is only fitting that on this 50th anniversary that we pause, and sometimes, Mr. Speaker, it is so important that we simply pause in our lives to take a moment to recognize great people, that we pause out of our busy schedules and say, wait a minute, time out; let us take a moment to realize and recognize what a great man did.

So to Jackie Robinson, who is not here, but I do believe that he is here in spirit, wherever he is, Jackie Robinson I say to him, thank you, thank you for standing up, thank you for being an example, thank you for being someone that little boys and little girls could follow and who can say that you were a true role model. Thank you for being a role model. Thank you for not taking a walk and saying to our young people that I will not be a role model, that I am not a role model. You were a role model.

So we say to him today, thank you, thank you for lifting us up, thank you for all of us who are now in our 40s, 50s, and 60s, thank you for being that example, thank you for bridging the gap. Thank you for building bridges so that we reach out to one another and say we too are America and so that when little children sing, my country 'tis of thee, sweet land of liberty, so that when they sing those wonderful songs about this patriotic world that we live in, this country that we live in, they can too stand there and say that I can too succeed, that I can too be powerful, that I can too make a difference.

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

Mr. WATTS of Oklahoma. Mr. Speaker, I yield myself such time as I may consume.

Jackie Robinson said,

Life is not a spectator sport. If you're going to spend your whole life in the grandstands just watching what goes on, in my opinion you're wasting your life.

Mr. Speaker, Mr. Robinson did not waste his life. He inspired the lives of others. He carried the weight of the world on his shoulders on April 15, 1947, to make America better. He carried the weight of the world on his shoulders in order to raise the conscious level of the American people concerning injustices of our great Nation at the time, and because Jackie Robinson became better, not bitter, he challenged us all to be our best.

Mr. Speaker, I urge unanimous support for this resolution.

Mr. FRANKS of New Jersey. Mr. Speaker, today I join my colleagues in honoring a real American hero—a man who changed the face of baseball and inspired so many others to break down barriers. Fifty years ago this week, Jackie Robinson walked onto Ebbets Field, wearing his Brooklyn Dodgers uniform and before a crowd of 26,623 fans, became the first African-American to play major league baseball. For young people today, it's probably hard to imagine a time when the color of your skin could keep you from fulfilling your dream of playing professional ball. But for half a century, America's most beloved past time had been off limits to anyone who was not white.

When Jackie Robinson took to the field that day, it marked a turning point in American history. As Jackie Robinson's wife, Rachel, later wrote: "I think the single most important impact of Jack's presence was that it enabled white baseball fans to root for a black man, thus encouraging more whites to realize that all our destinies were inextricably linked." Jackie Robinson's major league debut was a triumph for a naturally gifted athlete who grew up in Pasadena, CA, and excelled in every sport he tried. He was an all-American in basketball and broke the long jump record. During his time at UCLA, he also became a star football player.

When World War II broke out, Robinson joined the Army and was commissioned a second lieutenant. Despite his outstanding athletic ability and commissioned officer status, Robinson came face-to-face with the harsh reality of a segregated America. He was denied an opportunity to play on either the Army's football or baseball teams. When he personally challenged the so-called Jim Crow laws that prohibited Blacks from sitting in the front of a bus, Robinson faced a court martial. Although, he was found innocent, his Army career was soon over.

After his military service, Jackie Robinson returned to his first love, baseball, joining the Kansas City Monarchs of the Negro American League. When the Dodgers' general manager Branch Rickey recruited him for the major leagues, Robinson was not the most famous or talented of the Negro league players. But Rickey saw in Jackie Robinson a man of great courage and conviction, someone who could stand up to adversity and turn the other cheek to those who were out to destroy his career and the dreams of all African-Americans.

Over and over again Robinson was put to the test. He faced the boos, the racial slurs, and even death threats from many fans. Even the other players were far from supportive. Some of Jackie's own teammates threatened to strike. And, once on the field, players dug their spikes into him as they slid into base. Pitchers baited him by throwing balls directly at his head. Jackie Robinson responded saying, "I'm not concerned with you liking me or disliking me. All I ask is that you respect me as a human being."

Jackie Robinson had to put up with other indignities as well. He couldn't stay in the same hotels as his teammates or join them for a meal at many restaurants. In some cities, he had to drink from colored only water fountains and catch a ride in colored only cabs. Throughout it all, Jackie Robinson resisted the temptation to strike back. He let his actions on the field speak for themselves. By the end of his first season, his power hitting and aggressive base running earned him the Rookie of the Year honor as he led the Dodgers' to the National League Pennant.

Jackie Robinson went on to be the spark that ignited the great Dodger teams of the 1950's. He batted .300 or better 6 years in a row and led the National League in stolen bases during two seasons. He was the National League's Most Valuable Player in 1949 with a batting average of .342. And then, in 1962, he was inducted into the Baseball Hall of Fame. Years later, in 1987, the National League Rookie of the Year Award was renamed in his honor.

Mr. Speaker, Jackie Robinson was a great ball player, but as we celebrate his achievements on the field, we must also remember the contributions he made to the American way of life. Jackie Robinson put his own fears aside, stood up to bigotry and hatred, and he triumphed. His remarkable achievement has been a rallying cry to confront all forms of prejudice. Jackie Robinson's legacy is still visible today in the faces of the young boys and girls of all different colors who dream of becoming a professional athlete or of achieving, in some other way, their own special place in history.

In the words of Jackie Robinson "a life is not important except in the impact it has on other lives." Jackie Robinson's life can serve as an inspiration to all of us, both young and old, that through hard work and determination we can overcome any obstacles and break down what appear to be insurmountable barriers.

Mr. SMITH of New Jersey. Mr. Speaker, on this 50th anniversary of Jackie Robinson's major league debut, I am proud to say that I am and always have been a fan of Jackie Robinson. Not just for his athletic prowess, but for what I believe is his greatest achievement: his ability to keep his eye on the goal of playing baseball and doing his best in the face of the catcalls, the hissing, and the jeers.

With all the societal pressures placed on him, Jackie Robinson breathed life to the idea

of community and equality; and proved to his contemporaries that the only color that mattered to him was Dodger blue. But more importantly, he made sure he was judged not by the petty mans' standard of skin color, but by the higher standard of merit, performance, ability, tenacity, and perseverance.

No doubt, Jackie Robinson had tough times and dreary days throughout his career. His gift to baseball and, indeed, to America, was his sensibility to see past the setbacks, the biases, the bigotry, and the prejudices directed at him and focus on the enormous task of playing baseball, well, and proving that shades of skin color do not make the player or the man.

In high school, I was on the track and field team, and now, as many of my colleagues know, I play annually on the Republican baseball team. I cherish those times on the field. It's hard to imagine that, before Jackie Robinson broke the color barrier, so many were excluded from the opportunities and rewards that playing organized and professional sports provide us. Some of life's greatest skills—teamwork, stick-to-itiveness, determination, diligence and comradery—are learned and reinforced on the ball field, and to have excluded an entire race from our national pastime is unconscionable.

I have four children, Mr. Speaker, who, like myself, have a passion for sports. Every sport my children participate in, from baseball—that would be my son, Chris—to lacrosse—my daughter Melissa—to soccer—my son Mike and my youngest daughter, Elyse, is a lesson in unity and selflessness. And no one lived that lesson better than Jackie Robinson. With two out and one on in scoring position, and your teammate coming to the plate for the possible game winning RBI, you stand and root him on. And your teammate isn't Jackie, the African-American kid, he is Jackie, your friend, and the best darn player on the team.

Each time my children step on to a field with their teammates and I see the matching colors of their jerseys worn by a vibrant mix of ethnicity and race, I know that we are getting closer to an equal and unified society. I thank Jackie Robinson for breaking the color barrier and laying the foundation. Yet, I know Jackie Robinson would be disappointed in all of us if we didn't finish what he so courageously began. By remembering and honoring him today we rededicate ourselves and our nation to equality and liberty and justice for all.

Mr. PAYNE. Mr. Speaker, last night I had the honor of attending the ceremony at Shea Stadium marking the 50th anniversary of Jackie Robinson's first game with the Brooklyn Dodgers.

Not only was Jackie Robinson a great athlete, he was a man of amazing courage and grace who served as a powerful role model to so many of us growing up in that era.

I recall vividly when I was a young boy the excitement among my friends as we followed the career of Jackie Robinson. In fact, in 1946, when he was still with the International League, he played in Jersey City, which is now in my congressional district, before a wildly enthusiastic crowd of 26,000 cheering fans.

He led the Dodgers to six National League pennants and a World Series championship in 1955. Over the course of his major league career, he was named to six all-star teams. He distinguished himself by winning a batting title, leading the league in stolen bases, and winning a Most Valuable Player Award.

I had the opportunity to see Jackie Robinson play the year he broke the color barrier, 1947. For African-Americans, his accomplishments were a source of great pride and hope for the future.

Last night many of those who knew Jackie Robinson best, his former teammates and colleagues, testified to his strength and perseverance under enormous day to day pressure. Sadly, that strain took a personal toll which undoubtedly led to his medical problems and premature death.

I recall that in 1972, the year which marked the 25th anniversary of his debut in the major leagues, a special tribute was, at long last, given in his honor. At that ceremony, he looked beyond the accolades given to him personally, and spoke out in behalf of future opportunities for other African-Americans. He said that our mission would not be complete until an African-American was given the opportunity to become a manager, a privilege which he was never offered despite his obvious talent and ability. He put his sentiments in these words: "I will be even more pleased when I can look at the third-base coaching box and see a black manager. I'd like to live to see a black manager."

Jackie Robinson never got his wish. He died 9 days later.

As President Clinton noted last night, our Nation can best honor Jackie Robinson's legacy by striving to become a society where we all work together in a spirit of harmony and a shared vision for the future.

Mr. Speaker, as we remember the remarkable legacy of Jackie Robinson, let us also resolve to honor the lessons he so eloquently taught us.

Mr. WATTS of Oklahoma. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. HORN] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 61.

The question was taken.

Mr. WATTS of Oklahoma. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. WATTS of Oklahoma. 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 material on House Concurrent Resolution 61.

The SPEAKER pro tempore (Mr. UPTON). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DOS PALOS LAND TRANSFER

Mr. SMITH of Oregon. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 111) to authorize the Secretary of Agriculture to convey a parcel of unused agricultural land in Dos Palos, CA, to the Dos Palos Ag Boosters for use as a farm school, as amended.

The Clerk read as follows:

H.R. 111

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

SECTION 1. LAND CONVEYANCE, UNUSED AGRICULTURAL LAND, DOS PALOS, CALIFORNIA

(a) CONVEYANCE.—In accordance with the provisions of this section, the Secretary of Agriculture shall convey to the Dos Palos Ag Boosters of Dos Palos, California, all right, title, and interest of the United States in and to a parcel of real property (including improvements thereon) held by the Secretary that consists of approximately 22 acres and is located at 18296 Elign Avenue, Dos Palos, California, to be used as a farm school for the education and training of students and beginning farmers regarding farming. The conveyance shall be final with no future liability accruing to the Secretary of Agriculture.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the transferee shall pay to the Secretary an amount equal to the fair market value of the parcel conveyed under subsection (a).

(c) ALTERNATIVE TRANSFEREE.—At the request of the Dos Palos Ag Boosters, the Secretary may make the conveyance under subsection (a) to the Dos Palos School District.

(d) DETERMINATION OF FAIR MARKET VALUE AND PROPERTY DESCRIPTION.—The Secretary shall determine the fair market value of the parcel to be conveyed under subsection (a). The exact acreage and legal description of the parcel shall be determined by a survey satisfactory to the Secretary. The cost of any such survey shall be borne by the transferee.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon [Mr. SMITH] and the gentleman from Texas [Mr. STENHOLM] each will control 20 minutes.

The Chair recognizes the gentleman from Oregon [Mr. SMITH].

Mr. SMITH of Oregon. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 111 authorizes the Secretary of Agriculture to sell 22 acres of land in Dos Palos, CA, to a nonprofit group, the Dos Palos Ag Boosters, to establish a farm school to teach middle and high school students how to farm. The transfer will be a sale based upon fair market value of a parcel of land to be determined by the USDA's farm service agency.

I think that identifies the legislation, Mr. Speaker.

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

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

Mr. Speaker, I rise in support of H.R. 111, as amended, which authorizes the Secretary of Agriculture to convey for fair market value a parcel of unused agricultural land in Dos Palos, CA, to the Dos Palos Ag Boosters for use as a farm school for local high school and middle school students. Passage of this bill will achieve a couple of worthy goals:

First, it will ensure that this land remains in agricultural use; second, it will educate and train students and beginning farmers by giving them the hands-on experience necessary to succeed. The students and beginning farmers will learn firsthand about irrigation and conservation methods, integrated pest management, agricultural marketing and administration. This bill will help these students learn to appreciate the hard work that goes into producing our Nation's food supply and may get a few of them off to a good start as farmers.

I would note that this bill is virtually identical to legislation that passed the House last Congress. The minor and technical changes that we incorporate in the bill today are changes requested by the administration. The administration in a prior statement of administrative policy indicated that they supported the objectives of H.R. 111 but would seek perfecting amendments in the Senate. In the interests of expediting consideration of H.R. 111 in the other body in order to get it to the President's desk as soon as possible, we have included in the administration's minor technical changes in the version of H.R. 111 we are considering today. With these changes the administration strongly supports H.R. 111.

I urge my colleagues to support this legislation.

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

Mr. SMITH of Oregon. Mr. Speaker, I yield as much time as he may consume to the gentleman from California [Mr. CONDIT], who is a chief sponsor of the bill.

Mr. CONDIT. Mr. Speaker, I will take just a moment. I simply want to thank the Committee on Agriculture, the chairman of the committee, the ranking member, the gentleman from Texas [Mr. STENHOLM], for expediting this bill and making sure we got it through here. We had a minor problem, and they worked very hard to work it out, and I appreciate it very much, and the gentleman from Texas [Mr. STENHOLM] has explained the bill. It is a straightforward bill, and I hope that all Members will join me in supporting H.R. 111 when it comes to a vote.

Mr. STENHOLM. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Oregon. Mr. Speaker, I have no further speakers. I, too, yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon [Mr. SMITH] that the House suspend the rules and pass the bill, H.R. 111, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to provide for the conveyance of a parcel of unused agricultural land in Dos Palos, California, to the Dos Palos Ag Boosters for use as a farm school."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SMITH of Oregon. Mr. Speaker, I ask unanimous consent that all members have 5 legislative days in 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 Oregon?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has concluded on all motions to suspend the rules.

Pursuant to clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 607, by the yeas and nays;

House Concurrent Resolution 61, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

HOMEOWNERS INSURANCE PROTECTION ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 607, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. LEACH] that the House suspend the rules and pass the bill, H.R. 607, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were— yeas 421, nays 7, not voting 4, as follows:

[Roll No. 80]

YEAS—421

Abercrombie	Diaz-Balart	Jefferson
Ackerman	Dickey	Jenkins
Aderholt	Dicks	John
Allen	Dixon	Johnson (CT)
Andrews	Doggett	Johnson (WI)
Archer	Dooley	Johnson, E. B.
Armey	Doyle	Johnson, Sam
Bachus	Dreier	Jones
Baesler	Duncan	Kanjorski
Baker	Dunn	Kaptur
Baldacci	Edwards	Kasich
Ballenger	Ehlers	Kelly
Barcia	Ehrlich	Kennedy (MA)
Barr	Emerson	Kennedy (RI)
Barrett (NE)	Engel	Kennelly
Barrett (WI)	English	Kildee
Bartlett	Ensign	Kilpatrick
Barton	Eshoo	Kim
Bass	Etheridge	Kind (WI)
Bateman	Evans	King (NY)
Becerra	Everett	Kingston
Bentsen	Ewing	Kleczka
Bereuter	Farr	Klink
Berman	Fattah	Klug
Berry	Fawell	Knollenberg
Bilbray	Fazio	Kolbe
Bilirakis	Filner	Kucinich
Bishop	Flake	LaFalce
Blagojevich	Foglietta	LaHood
Bliley	Foley	Lampson
Blumenauer	Forbes	Lantos
Blunt	Ford	Largent
Boehlert	Fowler	Latham
Boehner	Fox	LaTourette
Bonilla	Frank (MA)	Lazio
Bonior	Franks (NJ)	Leach
Bono	Frelinghuysen	Levin
Borski	Frost	Lewis (CA)
Boswell	Furse	Lewis (GA)
Boucher	Gallegly	Lewis (KY)
Boyd	Ganske	Linder
Brady	Gejdenson	Lipinski
Brown (CA)	Gekas	Livingston
Brown (FL)	Gephardt	LoBiondo
Brown (OH)	Gibbons	Lofgren
Bryant	Gilchrest	Lowey
Bunning	Gillmor	Lucas
Burr	Gilman	Luther
Burton	Gonzalez	Maloney (CT)
Buyer	Goode	Maloney (NY)
Callahan	Goodlatte	Manton
Calvert	Goodling	Manzullo
Camp	Gordon	Markey
Canady	Goss	Martinez
Cannon	Graham	Mascara
Capps	Granger	Matsui
Cardin	Green	McCarthy (MO)
Carson	Greenwood	McCarthy (NY)
Castle	Gutierrez	McCollum
Chabot	Gutknecht	McCrery
Chambliss	Hall (OH)	McDade
Chenoweth	Hall (TX)	McDermott
Christensen	Hamilton	McGovern
Clay	Hansen	McHale
Clayton	Harman	McHugh
Clement	Hastert	McInnis
Clyburn	Hastings (FL)	McIntosh
Coble	Hastings (WA)	McIntyre
Coburn	Hayworth	McKeon
Collins	Hefley	McKinney
Combest	Hefner	McNulty
Condit	Herger	Meehan
Conyers	Hilleary	Meek
Cook	Hilliard	Menendez
Cooksey	Hinchey	Metcalf
Cox	Hinojosa	Mica
Coyne	Hobson	Millender-McDonald
Cramer	Hoekstra	Miller (CA)
Crapo	Holden	Miller (FL)
Cubin	Hooley	Minge
Cummings	Horn	Mink
Cunningham	Hostettler	Moakley
Danner	Houghton	Molinari
Davis (FL)	Hoyer	Mollohan
Davis (IL)	Hulshof	Moran (KS)
Davis (VA)	Hunter	Moran (VA)
Deal	Hutchinson	Morella
DeFazio	Hyde	Murtha
DeGette	Inglis	Myrick
Delahunt	Istook	Nadler
DeLauro	Jackson (IL)	Neal
Dellums	Jackson-Lee (TX)	Nethercutt
Deutsch		

Neumann	Rothman	Stokes
Ney	Roukema	Strickland
Northup	Roybal-Allard	Stump
Norwood	Royce	Stupak
Nussle	Rush	Sununu
Oberstar	Ryun	Talent
Obey	Sabo	Tanner
Olver	Salmon	Tauscher
Ortiz	Sanchez	Tauzin
Owens	Sanders	Taylor (MS)
Oxley	Sandlin	Taylor (NC)
Packard	Sanford	Thomas
Pallone	Sawyer	Thompson
Pappas	Saxton	Thornberry
Parker	Schaefer, Dan	Thune
Pascrell	Schaffer, Bob	Thurman
Pastor	Schumer	Tiahrt
Paxon	Scott	Tierney
Payne	Sensenbrenner	Torres
Pease	Serrano	Towns
Peterson (MN)	Sessions	Traficant
Peterson (PA)	Shadegg	Turner
Petri	Shaw	Upton
Pickering	Shays	Velázquez
Pickett	Sherman	Vento
Pitts	Shimkus	Visclosky
Pombo	Shuster	Walsh
Pomeroy	Sisisky	Wamp
Porter	Skaggs	Waters
Portman	Skeen	Watkins
Poshard	Skelton	Watt (NC)
Price (NC)	Slaughter	Watts (OK)
Pryce (OH)	Smith (MI)	Waxman
Quinn	Smith (NJ)	Weldon (FL)
Radanovich	Smith (OR)	Weldon (PA)
Rahall	Smith (TX)	Weller
Ramstad	Smith, Adam	Wexler
Rangel	Smith, Linda	Weygand
Regula	Snowbarger	White
Reyes	Snyder	Whitfield
Riggs	Solomon	Wicker
Riley	Souder	Wise
Rivers	Spence	Wolf
Roemer	Spratt	Woolsey
Rogan	Stabenow	Wynn
Rogers	Stark	Yates
Rohrabacher	Stearns	Young (AK)
Ros-Lehtinen	Stenholm	Young (FL)

NAYS—7

Campbell	Doolittle	Scarborough
Crane	Hill	
DeLay	Paul	

NOT VOTING—4

Costello	Pelosi
Dingell	Schiff

□ 1514

Mr. CRANE changed his vote from "yea" to "nay."

Mr. KENNEDY of Rhode Island and Mr. ROYCE changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to amend the Real Estate Settlement Procedures Act of 1974 to require notice of cancellation rights with respect to private mortgage insurance which is required as a condition of entering into certain federally related mortgage loans and to provide for cancellation of such insurance, and for other purposes.".

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. UPTON). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

HONORING THE LIFETIME ACHIEVEMENTS OF JACKIE ROBINSON

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 61.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. HORN] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 61, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 427, nays 0, not voting 5, as follows:

[Roll No. 81]

YEAS—427

Abercrombie	Cannon	Emerson
Ackerman	Capps	Engel
Aderholt	Cardin	English
Allen	Carson	Ensign
Andrews	Castle	Eshoo
Archer	Chabot	Etheridge
Armey	Chambliss	Evans
Bachus	Chenoweth	Everett
Baesler	Christensen	Ewing
Baker	Clay	Farr
Baldacci	Clayton	Fattah
Ballenger	Clement	Fawell
Barcia	Clyburn	Fazio
Barr	Coble	Filner
Barrett (NE)	Coburn	Flake
Barrett (WI)	Collins	Foglietta
Bartlett	Combest	Foley
Barton	Condit	Forbes
Bass	Conyers	Ford
Bateman	Cook	Fowler
Becerra	Cooksey	Fox
Bentsen	Cox	Frank (MA)
Bereuter	Coyne	Franks (NJ)
Berman	Cramer	Frelinghuysen
Berry	Crane	Frost
Bilbray	Crapo	Furse
Bilirakis	Cubin	Gallegly
Bishop	Cummings	Ganske
Blagojevich	Cunningham	Gejdenson
Bliley	Danner	Gekas
Blumenauer	Davis (FL)	Gephardt
Blunt	Davis (IL)	Gibbons
Boehlert	Davis (VA)	Gilchrest
Boehner	Deal	Gillmor
Bonilla	DeFazio	Gilman
Bonior	DeGette	Gonzalez
Bono	Delahunt	Goode
Borski	DeLauro	Goodlatte
Boswell	DeLay	Goodling
Boucher	Dellums	Gordon
Boyd	Deutsch	Goss
Brady	Diaz-Balart	Graham
Brown (CA)	Dickey	Granger
Brown (FL)	Dicks	Green
Brown (OH)	Dixon	Greenwood
Bryant	Doggett	Gutierrez
Bunning	Dooley	Gutknecht
Burr	Doolittle	Hall (OH)
Burton	Doyle	Hall (TX)
Buyer	Dreier	Hamilton
Callahan	Duncan	Hansen
Calvert	Dunn	Harman
Camp	Edwards	Hastert
Campbell	Ehlers	Hastings (FL)
Canady	Ehrlich	Hastings (WA)
Hayworth	McGovern	Sanders
Hefley	McHale	Sandlin
Hefner	McHugh	Sanford
Herger	McInnis	Sawyer
Hill	McIntosh	Saxton
Hilleary	McIntyre	Scarborough
Hilliard	McKeon	Schaefer, Dan
Hinchey	McKinney	Schaffer, Bob
Hinojosa	McNulty	Schumer
Hobson	Meehan	Scott
Hoekstra	Meek	Sensenbrenner
Holden	Menendez	Serrano
Hooley	Metcalf	Sessions
Horn	Mica	Shadegg
Hostettler	Millender-McDonald	Shaw
Houghton	Miller (CA)	Shays
Hoyer	Miller (FL)	Sherman
Hulshof	Minge	Shimkus
Hunter	Moakley	Shuster
Hutchinson	Molinari	Sisisky
Hyde	Mollohan	Skaggs
Inglis	Moran (KS)	Skeen
Istook	Moran (VA)	Skelton
Jackson (IL)	Morella	Slaughter
Jackson-Lee (TX)	Murtha	Smith (MI)
Jefferson	Myrick	Smith (NJ)
Jenkins	Nadler	Smith (OR)
John	Neal	Smith (TX)
Johnson (CT)	Nethercutt	Smith, Adam
Johnson (WI)	Neumann	Smith, Linda
Johnson, E. B.	Ney	Snowbarger
Johnson, Sam	Northup	Snyder
Jones	Norwood	Solomon
Kanjorski	Nussle	Souder
Kaptur	Oberstar	Spence
Kasich	Obey	Spratt
Kelly	Olver	Stabenow
Kennedy (MA)	Ortiz	Stark
Kennedy (RI)	Owens	Stearns
Kennelly	Oxley	Stenholm
Kildee	Packard	Stokes
Kilpatrick	Pallone	Strickland
Kim	Pappas	Stump
Kind (WI)	Parker	Stupak
King (NY)	Pascrell	Sununu
Kingston	Pastor	Talent
Kleczka	Paul	Tanner
Klink	Paxon	Tauscher
Klug	Payne	Tauzin
Knollenberg	Pease	Taylor (MS)
Kolbe	Peterson (MN)	Taylor (NC)
Kucinich	Peterson (PA)	Thomas
LaFalce	Petri	Thompson
LaHood	Pickering	Thornberry
Lampson	Pickett	Thune
Lantos	Pitts	Thurman
Largent	Pombo	Tiahrt
Latham	Pomeroy	Tierney
LaTourette	Porter	Torres
Lazio	Portman	Towns
Leach	Poshard	Traficant
Levin	Price (NC)	Turner
Lewis (CA)	Pryce (OH)	Upton
Lewis (GA)	Quinn	Velázquez
Lewis (KY)	Radanovich	Vento
Linder	Rahall	Visclosky
Lipinski	Ramstad	Walsh
Livingston	Rangel	Wamp
LoBiondo	Regula	Waters
Lofgren	Reyes	Watkins
Lowey	Riggs	Watt (NC)
Lucas	Riley	Watts (OK)
Luther	Rivers	Waxman
Maloney (CT)	Roemer	Weldon (FL)
Maloney (NY)	Rogan	Weldon (PA)
Manton	Rogers	Weller
Manzullo	Rohrabacher	Wexler
Markey	Ros-Lehtinen	Weygand
Martinez	Rothman	White
Mascara	Roukema	Whitfield
Matsui	Roybal-Allard	Wicker
McCarthy (MO)	Royce	Wise
McCarthy (NY)	Rush	Wolf
McCollum	Ryun	Woolsey
McCrery	Sabo	Wynn
McDade	Salmon	Yates
McDermott	Sanchez	Young (AK)
		Young (FL)

NOT VOTING—5

Costello	Mink	Schiff
Dingell	Pelosi	

□ 1523

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR MEMBER TO SIT IN VACANT POSITION ON COMMITTEE ON BANKING AND FINANCIAL SERVICES

Mr. FAZIO of California. Mr. Speaker, I ask unanimous consent that for the next month the gentleman from California [Mr. TORRES] be allowed to sit in the vacant position on the Committee on Banking and Financial Services as a Democratic member.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

SPECIAL ORDERS

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

PROPOSED CLOSING OF COMMISSARIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. MASCARA] is recognized for 5 minutes.

Mr. MASCARA. Mr. Speaker, I would like to take a few minutes this afternoon to make our colleagues aware of the problems associated with the proposal to close some 38 commissaries around the world, including some in Korea. I do not think many Members are aware of this potential. I read in the Army Times, dated March 31, of these potential closings.

First of all, one of these commissaries is in my congressional district in Oakdale, PA. This is 1 of 309 commissaries around the world. The problem relates to underfunding of some $48 million to DeCA, the Defense Commissary Commission. The Charles Kelly Support Facility was placed on that list by a subjective number of items that was used in selecting commissaries around the country and around the world that would be closed.

First of all, to the Member, we all agree that the budget must be balanced by the year 2002, and what I am saying, first of all, is that we need to reprioritize our spending, and to make sure that the benefits that were granted to these Members will be placed high on the priority of lists of spending in next year's budget.

The reason that the Charles Kelly Support Facility was selected was because somehow it fell under the category of 100 or more active members that should be on duty in order for a commissary to remain open. First of all, there were more than 100 at the Charles Kelly Support Facility, so the numbers provided by the Defense Department, the Pentagon, and DeCA were flawed and in error. I am hoping that they will consider keeping the commissary open at Oakdale in my congressional district.

□ 1530

In fact, if you go within a 50-mile radius of the Charles Kelly support facility, there are some 3,335 active members on duty in that district. So I have spoken to Major General Beale, Jr. about the matter, and we had a lengthy discussion about the problems of his agency.

First of all, the agency's budget, back in 1991 or 1992, was some $660 million. Then as a result of some accounting nuances, as an accountant myself, I usually check those figures, the department, the DeCA was placed under a performance based organization and asked to accept indirect cost allocations which raised his budget from $600 million to over $1 billion.

So a lot of those costs were as a result of indirect costs which are arbitrary and, I would say, capricious being placed on DeCA. DeCA itself, in addition to accepting those indirect costs, cut some $200 million over a 5-year period so it could help with balancing the Federal budget.

What I am saying is that I think the department, DeCA itself, in looking at closings, should consider using a regional factor that is in Pittsburgh, in Oakdale, PA. If that commissary were closed, you would have to go 200 miles to Dayton or 200 miles to Carlisle, PA in order to have access to a commissary.

The members of the armed services and the active members and the retirees, which number some 48,000 to 50,000, that use that particular commissary should be permitted to have a commissary. They shook the hands of the Federal Government and the military when they joined that they would have these benefits.

So what I am asking today, Mr. Speaker, is that DeCA and the Defense Department look at a regional concept. I am not saying that some of these 38 commissaries should not be closed, but they should look at a regional concept, which would include areas such as the Charles E. Kelly support facility that could reach out to other members of the armed services in that area and perhaps be considered as a regional commissary.

Mr. Speaker, this afternoon I want to take a few minutes to bring to the attention of the House the crisis that is facing our military commissary system.

I do not think many Members are aware of this situation, but for those of you who missed it, on March 31, 1997 the Army Times ran several articles pointing out that the commissary system is facing a $48 million budgetary shortfall.

If a solution is not found, at least 37 commissaries of the 309 worldwide will likely be closed. Four of the commissaries on the proposed closure list are in Korea and 33 in the United States and are located in cities from Hawaii to Maine.

One of the commissaries on the closure list is located at the Army's Charles E. Kelly Support Facility which is in my Pennsylvania district. The Defense Commissary Agency—known as DeCA—put the Charles E. Kelly facility on its list because the base contained less than 100 active duty personnel.

Those of you who know me, know I am an accountant and the first thing I do when I receive any information is to check the numbers.

To make a long story short, DeCA numbers were plain wrong. The Charles E. Kelly serves as many as 3,335 active duty members in a 50 miles radius and nearly another 50,000 reservists, retirees, dependents, survivors, and ROTC instructors who have also earned the right to use the facility.

Needless to say, I have already received assurances that should push come to shove, Charles E. Kelly, and others on the list which serve large populations of military families, will not be closed. DeCA will find some way to make ends meet and keep them open.

While my own parochial problem will likely turn into good news, my goal today is to make Members aware that through a variety of budget actions, DeCA's managers hands have been tied in knots and the commissary systems' finances run through a meat-grinder. And that is putting it politely.

If steps aren't taken to correct the situation, we may end up with the wholesale closure of commissaries all across the country. By default we could hand a victory to those who would like to do away with the commissary system altogether.

On behalf of all those military personnel, retirees, dependents, and survivors, who I know firsthand would have a hard time feeding their families without these commissaries, I would submit Congress owes our military personnel a more constructive solution. If we are to keep those millions of handshakes made between military recruits and our Government, we have no choice but to find an answer to this dilemma and to find it sooner than later.

The commissaries' budget problems can be directly traced to a change in its budget system ordered in 1992 by the Department of Defense which suddenly charged the commissary system with millions of dollars in indirect costs that had previously not been assigned to its budget. In subsequent years, DeCA has been asked to bear millions of dollars of hard budget cuts.

Now DeCA is to become a performance based organization, in laymen's terms an agency that operates more like a private business which tries to make money and meet its customers needs, Unfortunately, as part of the process, DeCA is probably going to be asked to bear at least another $200 million in cuts.

I am an accountant. I know my numbers and from my professional perspective, these repeated financial assaults on DeCA have put

it in an untenable position, making it nearly impossible for the agency to carry out its duties.

In the short-term, I have implored Pentagon officials to find a way to reprogram funds to keep these commissaries open.

In the long run, I think the Pentagon and Congress has to seriously consider regionalizing the commissary system and raising the commissary surcharge by 1 percent.

At the present time, the Pentagon apparently only counts active duty personnel when determining the need for a commissary. The reality is there are millions of other military-connected citizens, reservists, retirees, dependents and survivors who also have commissary privileges.

If these groups are counted and clusters drawn where the highest concentration of eligible shoppers occur, the Pentagon could easily establish regional commissaries, a system I predict which would function much more efficiently and cost-effectively.

The second step would be to raise the commissary surcharge which has not been raised since 1983, A 1-percent increase would generate approximately $53 million annually. I know this is not popular to say, but commissary shoppers, with an average basket cost of around $50 would hardly notice the .50 cents added to their bill.

Taking these two steps would give DeCA leaders the flexibility their sorely need to improve services, upgrade stores, and show the rest of the Government that a performance based organization can really work.

Finally, I think it is important to make the point that the men and women directly impacted by these possible commissary closures freely chose a military career serving their country, oftentimes knowing they will make considerably less in terms of pay than they would in a civilian occupation. Part of the reason they dedicate their lives to protecting our country's liberty is because they are told that in return they and their families will receive medical care and access to a commissary. If these commissaries are forced to close, we will be breaking the promise made to them and denying these heros of our society the adequate compensation they clearly deserve in return for their dedication to our country's military.

As you may know, I am a member of the House Committee on Veterans' Affairs and serve on its Subcommittee on Benefits. I come from a family with a long history of serving in the military. I myself am an Army veteran. I have four brothers who served in World War II and my immigrant father earned a Silver Star for valiant and heroic service in World War I. Thus, it is no secret that I strongly feel that our country owes a deep obligation to all active duty military personnel and veterans and must do everything possible to see that they receive the health care and other benefits they so rightfully deserve. It is my intention to work with all appropriate Members to see that these closings do not occur and that the commissary systems long-range problems are resolved.

This isn't an argument over who can sell the cheapest groceries. The question is how do you want to compensate the troops? Is the Pentagon going to raise pay to offset for closing commissaries? Even if each military personnel was given an extra $75 per month to compensate, the cost would be prohibitive. In the end, we would spend more than it costs to keep the commissaries open and running.

I urge my colleagues from both sides of the aisle to join me in this effort. We owe the fine men and women in our military no less.

ISSUES OF IMPORTANCE

The SPEAKER pro tempore (Mr. ROGAN). Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, just frustrated for the last several days, when I have heard Members from the other side of the aisle, the Democrats, suggest to the Republicans, why are you not doing this, why are you not passing campaign finance reform? Why are you not helping this group, or why are you not doing this for those people?

I would like to remind everybody, Mr. Speaker, that the Democrats have controlled this Chamber for the last 40 years, ample opportunity, ample time to deal with some of the problems that they are so ready now to stand up and criticize Republicans for not moving faster.

I cannot help but think of the welfare reform so long overdue, where the U.S. Government has in effect said to young women in this country, if you get pregnant, we are going to do these things for you.

Can you imagine, Mr. Speaker, anybody going to their own young daughter and saying, I want to talk about the possibility of you getting pregnant and, if you get pregnant, we are going to increase your allowance by $500? We are going to give you a food allowance.

We would never say something like that to our own kids. Yet as a society, we have been saying that.

Nothing happened to change welfare until the last 2 years when Republicans, for the first time in 40 years, gained a majority in this House, in this chamber, and decided, look, enough is enough. We are sending the wrong signals. If we want to get back to an America that rewards those people that work hard, that save, that try, then we are going to have to make some changes of where we have been going for the last 40 years. That means changing a complicated tax system.

We now have a Tax Code where special interest lobbyists have been coming in over these past 40 years and getting favoritism for their particular clients. So now we have a Tax Code that is so complicated, that is so unfair that everybody agrees that it needs changing. Yet it has not been changed.

And now what we are saying on this side of the aisle, and we are gaining support from the Democrats, is that we need to make some basic changes in our tax code to make it flatter, to make it fairer.

I would like everybody to guess how many people now work for the IRS, snooping around our different tax filings to see what they can find out. Luckily this week we passed a bill to say, no more snooping for IRS agents.

Sometimes we question what is happening with immigration. If you compare the number of people hired for immigration, something around 14 or 16,000, I think, with the 115,000 IRS agents that we employ to go over taxes, to do our auditing, saying that they have to have this kind of power because they are afraid the American people might cheat if they are not threatened with an audit, it has got to be our goal to get rid of the IRS as we know it.

Mr. Speaker, I would urge all Members of this Chamber to look at what has been accomplished over the last 40 years and what has not been accomplished. And even though Republicans might not be passing as many bills right now as we did 2 years ago, I think it needs to be clear that we are for changing this Tax Code. We are for doing away with as much of the death tax penalty as we can, to do away with that estate tax or at least increase the exemption, to do away with our Tax Code that discourages savings and investment.

We have the greatest penalty, Mr. Speaker, we have the greatest penalty against businesses that decide to buy new tools and machinery. So we penalize savings and we penalize investment. We need to change that. We are moving steadily ahead to do some of the things that should have been done much earlier than this session or last session.

PROBLEMS WITHIN THE DEPARTMENT OF VETERANS AFFAIRS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. BILIRAKIS] is recognized for 5 minutes.

Mr. BILIRAKIS. Mr. Speaker, I rise reluctantly today to highlight problems within the Department of Veterans Affairs.

Over the past several months, incidents of sexual harassment by several VA senior career managers have come to my attention and, I might add, probably to all of our attention.

This greatly disturbs me because Secretary Brown has repeatedly stated his support for a policy of zero tolerance toward sexual abuse.

Recently one former VA medical center director who was found to have sexually harassed a female staff member and who also engaged in abusive, threatening, and inappropriate behavior toward other female staffers was transferred to the Bay Pines VA Medical Center in St. Petersburg, FL. This center serves many of the veterans in my Ninth Congressional District. He was also permitted to retain his salary in excess of $100,000 in a position that was created specifically for him. I am

greatly concerned, Mr. Speaker, that the VA's policy of zero tolerance has, at best, not been implemented uniformly and, at worst, has been ignored. More disturbing have been revelations of mismanagement within the VA health care system itself.

Our veterans, Mr. Speaker, have made tremendous sacrifices in defense of our freedoms and way of life.

These sacrifices cannot be imagined by most people. Our veterans are entitled to the best and most timely health care services available.

And overall, Mr. Speaker, I believe that the majority of our veterans receive high-quality care in VA facilities around the country; and yet, these allegations of mismanagement do raise serious questions: Can resources be allocated more efficiently? Is the VA fulfilling its obligation in meeting its commitment to our Nation's veterans?

Mr. Speaker, these questions must be answered. I am pleased that Veterans' Affairs chairman, the gentleman from Arizona [Mr. STUMP], and Oversight Investigation Subcommittee chairman, the gentleman from Alabama [Mr. EVERETT], have agreed to my request to hold hearings on these important matters. Tomorrow we will begin this process.

Our Nation's veterans deserve to know, Mr. Speaker, that the money we appropriated to their health care will not be misspent on $26,000 fish tanks and $500 faucets but, rather, will be spent to meet their health care needs.

Mr. Speaker, since coming to Congress, most of us have committed to fighting for our veterans. That commitment has never diminished. And so, we are anxious to hear from the VA about how they intend to continue to provide high-quality care to our Nation's veterans and how they will rectify any problems detrimental to that pursuit. Our veterans deserve no less.

H.R. 400, THE 21ST CENTURY PATENT IMPROVEMENT ACT OF 1997

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. GOODLATTE] is recognized for 5 minutes.

Mr. GOODLATTE. Mr. Speaker, in light of the deluge of misinformation that has been circulating recently on H.R. 400, the 21st Century Patent Improvement Act, I would like to speak briefly on how this legislation benefits small inventors as well as the entire Nation.

H.R. 400 benefits small inventors in four key areas. First, it allows small inventors to acquire venture capital more quickly and easily than they can under either the current system or H.R. 811, the submarine substitute offered by Mr. ROHRABACHER. Presently, small inventors often have trouble attracting venture capital to transform their ideas into marketable products. By allowing publication after 18 months from filing, however, H.R. 400 brings venture capitalists together with small inventors to market ideas that will benefit all of society.

Second, H.R. 400 gives inventors greater protection against would-be thieves who want to steal their ideas than they currently receive. In the present system, inventors have no protection against people who steal their ideas and commercialize them before their patents are granted. For example, third parties can currently commercialize unpublished patents by manufacturing a product and offering it for sale. The inventor is then powerless to stop the sales or to share in the profits until the patent is actually granted.

Under the Rohrabacher submarine substitute, small inventors would be left to fend for themselves in these situations. H.R. 400, however, allows small inventors to receive fair compensation from any third party who steals their ideas between the time a patent is published and the time a patent is granted. This patent pending protection will give small inventors the protection they need to stop commercial thieves from stealing their ideas.

Third, H.R. 400 gives small inventors longer patent terms than they receive under current law. In the old system, which the Rohrabacher submarine substitute seeks to resurrect, inventors received patent protection for only 17 years from the date the patent was granted. H.R. 400, on the other hand, gives good-faith patent applicants a minimum of 17 years of protection—and in most cases, more than that. Also, H.R. 400 provides extended protection for up to 10 years, and diligent applicants who do not receive timely ruling from the patent office will receive additional protection. Only H.R. 400 give small inventors the protection they need to survive in the marketplace.

Finally, H.R. 400 gives small inventors a special option to avoid publication. While most diligent inventors will want to take advantage of the venture capital and additional protection that comes with publication, some may have second thoughts about publishing their protected ideas—especially in cases where the Patent Office indicates that it might not issue a patent.

In these cases, H.R. 400 gives small inventors the option of withdrawing their applications prior to publication. They may then continue to refine their applications or seek protection under State trade secrecy law. This option is only available to small inventors—large corporations will be required to publish their patents after 18 months.

As an example of how H.R. 400 benefits small inventors, I would like to insert in the RECORD a letter I recently received from a small Virginia inventor supporting H.R. 400. Although a vocal minority has been engaged in a campaign of deliberate misinformation against H.R. 400 in recent weeks, I believe that this letter represents the silent majority of small inventors who fully support H.R. 400.

I would also like to insert into the RECORD a recent Wall Street Journal article exposing the scam of submarine patents. While some may argue that submarine patents do not occur very often, this article clearly shows that submarine patents cost American consumers and taxpayers hundreds of millions of dollars. A single submarine patent can wipe out an entire small business—and with some submarine patents, an entire corporation. The Rohrabacher submarine substitute, which the House will consider tomorrow, would continue to encourage this devastating practice.

Mr. Speaker, in closing, I would like to urge each of my colleagues to oppose the Rohrabacher submarine substitute and to support the unanimous product of the Judiciary Committee, H.R. 400. A vote for the Rohrabacher submarine substitute is a vote against small inventors. Only H.R. 400 will give them the protection they need to compete in the marketplace.

UNIQUE SPECIALTY PRODUCTS
Arlington, VA, April 11, 1997.

Hon. BOB GOODLATTE,
123 Cannon HOB,
Washington, DC.

DEAR CONGRESSMAN GOODLATTE: The 21st Century Patent System Improvement Act, H.R. 400, has been favorably reported from the House Judiciary Committee and is scheduled to be considered on the House floor next week. This letter is to urge your support for the committee bill and to resist crippling amendments.

The bill is the work product of a bipartisan effort over several years to modernize the Patent and Trademark Office and to streamline the U.S. patent system. Extensive hearings have been held on the measure and concerted efforts have been made to accommodate those with keen interests in the legislation.

The bill, if enacted, would be extremely beneficial for my company. USP is a small business engaged in the development of medical imaging software. Currently, we are engaged in an effort jointly with an European pharmaceutical company to enhance the reliability of X-ray mammography. A patent application is pending now and several others may be filed in the next several months. We will then license the European company to utilize our imaging technology in clinical trials.

Several provisions of H.R. 400 will significantly help us in this regard. First, the bill authorizes and encourages the electronic filing and processing of patent applications. This is especially important in software development, where time is of the essence. The hardware and software imaging technology is evolving so rapidly, that quick response from the Patent Office is absolutely essential to survival of a company such as USP. Further, and more important, these advances in technology much reach the marketplace as soon as possible. Many lives are at stake.

Second, the bill's provisions on early publication are quite significant. The U.S. is the only major advanced society that does not have early publication as a key part of its patent law. As a result, our inventors and technology companies are at the mercy of "submariners" who file generic, all-purpose inventions, deliberately delay consideration of the application by the PTO through delaying and dilatory tactics for years. Meanwhile, the state of the art of the technology advances. Then, belatedly a patent is approved which is overly broad and then forces others—after the fact—to pay royalties.

This uncertainty can be devastating to a company such as mine. In licensing our software, we must warrant that there will be no future claims on it. We could be at the mercy of someone who had an application pending while ours was offered in the marketplace. Early publication of the claims of a pending patent go along way in preventing manipulators from playing havoc with legitimate technology developers. Only the U.S. allows this to happen. Our European clients are simply incredulous that we still follow the old practice.

Further, the "corporatizations" of the PTO is important for us "users" of its services. The PTO should be insulated from bureaucratic meddling and political influence. It is a totally "user fee" self-supporting organization. Our filing fees should be utilized for improvement and modernization of the PTO, not siphoned off to support the Legal Services Corp or some other politically correct governmental activity that is facing budget cuts. The workload at the PTO is already overwhelming. Automation is expensive, both in terms of acquisition costs and training.

In summary, I urge you to support H.R. 400.

With best regards.

Sincerely yours,

RICHARD W. VELDE,
Manager.

[From the Wall Street Journal, Apr. 9, 1997]

HOW PATENT LAWSUITS MAKE A QUIET ENGINEER RICH AND CONTROVERSIAL

(By Bernard Wysocki, Jr.)

SCOTTSDALE, ARIZ.—Few people paid much attention to Jerome H. Lemelson until he figured out a way to make $500 million.

For decades, Mr. Lemelson has been a soft-spoken, somewhat-nerdy engineer who doesn't manufacture products and rarely even makes prototypes but who turns out a steady stream of blueprints and drawings and has filed huge applications at the U.S. Patent and Trademark Office. He files and amends and divides his applications. Eventually, sometimes 20 years later, he usually gets a patent.

Over the years, the 73-year-old Mr. Lemelson has accumulated nearly 500 U.S. patents, more than anybody alive today. They cut through a wide swath of industry, from automated warehousing to camcorder parts to robotic-vision systems.

But he hasn't just hung the patents on a wall, like vanity plates. Seeking royalties, he has turned the strongest ones into patent-infringement claims—and a fortune. In 1992 alone, he collected a total of $100 million from 12 Japanese automotive companies, which decided to settle with him rather than fight him in court over a portfolio of some of his innovations: "machine vision" and image-processing patents. The claims cover various factory uses ranging from welding robots to vehicle-inspection equipment.

"This is what made him rich," says Frederick Michaud, an Alexandria, Va., attorney who represented the Japan Automobile manufacturers Association. "But he's still current, let me tell you."

These days, Mr. Lemelson is casting a longer shadow than ever. True, he makes huge donations, including funding the annual $500,000 Lemelson-MIT Prize for innovation that will be presented tomorrow night at a gala in Washington.

MUCH CONTROVERSY

But behind the pomp lies controversy. Critics say Mr. Lemelson not only exploits the patent system but manipulates it.

He is currently embroiled in a brutal legal battle with Ford Motor Co. Unlike more than 20 other automotive companies, Ford has refused to get a license from him on the machine-vision and image-processing patents. In a filing in federal court in Reno, Nev., it charged that Mr. Lemelson, in an abuse of the system, "manipulated" the U.S. Patent Office. Ford contended in its suit that Mr. Lemelson "unreasonably and inexcusably delayed" the processing of his applications to make the patents more valuable and more up-to-date. A Ford lawyer, in testimony before a congressional committee, once compared his patents to "submarines," sometimes surfacing decades after they were filed, with claims covering new technology.

In 1995, U.S. Magistrate Judge Phyllis Atkins in Nevada sided with Ford, stating that "Lemelson's use of continuing applications has been abusive and he should be barred from enforcing his asserted patent rights." In her report, she also stated that Mr. Lemelson "designs his claims on top of existing inventions for the purpose of creating infringements." Mr. Lemelson has appealed, blaming the Patent Office for his delays in filing claims. A federal district judge is expected to rule soon.

EDISON RECALLED

To Mr. Lemelson and his friends, the litigation is the price paid by genius. "When Edison was alive, he was involved in a lot of litigation," says Mr. Lemelson's lead attorney, Gerald Hosier. "He was also a guy that all of the big companies said every nasty thing they could think of about him. It's only when he died that [Edison] became revered as a great inventor."

Mr. Lemelson's extensive patent filings have the hallmarks of a technical whiz. He holds three engineering degrees from New York University, and his drawings show a draftsman's touch. He is a man with a voracious appetite for technical journals, trade magazines and conference proceedings. A 1993 letter to a potential licensee cited articles in 17 electronics journals.

An inveterate note-taker, Mr. Lemelson says he still churns out ideas nearly every day. His recent notes, grist for future patent filings, fill a folder on file at his lawyer's office here.

Another battle on the horizon will pit Mr. Lemelson against Ford and more than a dozen secret allies. In dispute are some of his pending patent applications that cover "flexible manufacturing" techniques. Ford is trying to prevent them from being issued; if the patents are issued, Mr. Lemelson plans to enforce them. Discussing the litigation—Mr. Lemelson estimates the two sides have spent well over $10 million, with no end in sight—he says, "It's almost, in my opinion, madness."

Meanwhile, Mr. Lemelson is inspiring a horde of imitators. Firms are springing up whose main business is obtaining patents and, like him, enforcing them by first offering a license and then, if refused, suing. Working with them are individual inventors who have decided that patented ideas, legally enforced, can be more lucrative than manufacturing and marketing.

"I'm not interested in building a company and getting into manufacturing. I focus on new inventions, on new things," say Charles Freeny Jr., a 65-year-old inventor in Irving, Texas, with a patent covering transmission of digital information over a network. Today, enforcement of Mr. Freeny's rights is in the hands of E-data Corp., a tiny Secaucus, N.J., company with three employees. Its main business is to try to extract royalty payments from alleged infringers.

A new breed of intellectual-property lawyer has emerged, too. Many seem to be inspired by Mr. Hosier, who pioneered the use of contingency fees in patent cases and whose work for Mr. Lemelson alone has brought him more than $150 million in fees. The lawyer's success—he lives in a 15,000-square-foot house near Aspen, Colo.—has made the field "a very hot area. It's going crazy," says Joseph Potenza, a patent attorney in Washington. Between 1991 and 1996, the American Bar Association says, the number of intellectual-property lawyers soared to 14,000 from 9,400.

One Houston company, Litigation Risk Management Inc., is even helping finance inventors' intellectual-property efforts by bringing in Lloyd's of London to finance 80% of the cost of the litigation. Joby Hughes, Litigation Risk's president, says that if the licensing or litigation effort succeeds, the London insurance exchange will get a 25% profit on the money it puts up. Mr. Hughes's company gets a fee for arranging the deal.

A BOOMING FIELD

Companies long active in intellectual-property enforcement say business is strong. One is Refac Technology Development Corp. The New York company buys the rights to patents and licenses them to manufacturers, which pay royalties to both Refac and the inventors. Last year, Refac's net income more than doubled to $4.7 million on revenue of $9.2 million.

The purpose of the U.S. patent system comes into question, however. A patent doesn't require the inventor to go into manufacturing; technically, a patent is a right to exclude somebody else from using your ideas in commercial products, for 20 years from the date of filing. (Before June 1995, patents were valid for 17 years from date of issue. These and other patent revisions remain a hot topic in Congress.)

U.S. Commissioner of Patents and Trademarks Bruce Lehman says he is outraged by "these people who file patent applications and never, ever, ever go to market with an invention, based on their application. I thought what the patent system was all about was coming here and getting a patent and going to some banker or venture capitalist or something and get money, and then you go out and start a company and put products out on the marketplace. And you go sue the people that infringe on you."

But to the new intellectual-property players, it is the patent itself that has the economic value. And that has long been Mr. Lemelson's notion.

A native New Yorker, Mr. Lemelson worked for big companies and tried his hand at toy manufacturing. By his own testimony, that venture didn't succeed. Over time, he turned to crafting patents and then to seeking licenses. He often got involved in legal battles. His biggest one in toyland was a 15-year fight with Mattel Inc. over the flexible track in its Hot Wheels toys. In 1989, he won a $71 million patent-infringement judgment, but it was overturned on appeal.

BIG DEAL WITH IBM

In electronics, Mr. Lemelson's big break came in 1980, when International Business Machines Corp. agreed to take a license on a portfolio of his computer patents. "After the IBM deal, I became a multimillionaire," he says. "It didn't put me on easy street because I had so many balls in the air at one time. But it certainly helped a lot."

An even bigger break came in the mid-1980s, when Mr. Lemelson met Mr. Hosier. In 1989, the already successful patent lawyer put together the "machine vision" licensing campaign. Mr. Hosier focused his negotiations on 12 Japanese automotive companies, and the talks dragged on through mid-1992. That July, Mr. Lemelson sued four of the companies, Toyota Motor Corp., Nissan Motor Co., Mazda Motor Corp. and Honda Motor Co. Within a month, the Japanese agreed to settle; the 12 companies paid him the $100 million.

At a post-settlement celebration of sorts, in the Brown Palace Hotel in Denver, the

Japanese insisted on taking photographs, which show eight grim-looking Japanese surrounding a beaming Mr. Lemelson. He contends that it was a heroic victory, a patriotic act. "My federal government has made [in taxes] probably over a quarter of a billion dollars on my patents over the years," he says. "A good part of it has been foreign money."

Similar infringement suits followed, against Mitsubishi Electric Corp., against Motorola Inc., against the Big Three Detroit auto makers. Initially, both Mitsubishi and Motorola decided to fight; later, they settled. The suits against General Motors Corp. and Chrysler Corp. were "dismissed without prejudice." In effect, any further action against GM or Chrysler is in abeyance until the Ford outcome is known.

WHY THEY SETTLED

By all accounts, the strategy was well-planned and well-executed. Mr. Hosier says the Japanese were more inclined to settle than the Americans. Commissioner Lehman says the Japanese are "particularly freaked by litigation. And so you start out with them. . . . And, of course, they all pay up, and that establishes a precedent." After the Japanese settlement, several European auto makers also agreed to take licenses on Mr. Lemelson's patents.

Some who settled say they concluded that Mr. Lemelson had a good case. Others call it an uphill battle to try to persuade a judge or jury that the government had repeatedly made mistakes in issuing him all those patents. With a legal presumption that patents are valid, his opponents say they had the burden of proving the Patent Office had goofed 11 times in a row.

In any event, by 1994, Mr. Lemelson had amassed about $500 million in royalties from his patents. But Ford has held out.

Even as the lawyers haggled over the law, many of the facts in the case were undisputed. In 1954 and 1956, both sides agree, Mr. Lemelson made massive patent filings, which included, for example, many drawings and descriptions of an electronic scanning device. As an object moved down a conveyor belt, a camera would snap a picture of it. Then that image could be compared with a previously stored one. If they matched, a computer controlling the assembly line would let the object pass. If the two images didn't match up, it might be tossed on a reject pile.

But because Mr. Lemelson's filings were so extensive and complex, the Patent Office divided up his claims into multiple inventions and initially dealt with only some of them. Thus, for whatever reason, his applications kept dividing and subdividing, amended from time to time with new claims and with new patents.

It was as if the 1954 and 1956 filings were the roots of a vast tree. One branch "surfaced" in 1963, another in 1969, and more in the late 1970s, the mid-1980s and the early 1990s. All direct descendants of the mid-1950s filings, they have up-to-date claims covering more recent technology, such as that for bar-coding scanning.

The lineage was presented to the court in a color-coded chart produced by Ford. It shows how the mid-1950s applications spawned further applications all through the 1970s and 1980s. One result: a group of four bar-code patents issued in 1990 and 1992, with a total of 182 patent claims, all new and forming the basis of 14 infringement claims against Ford. But because of their 1950s roots, these patents claim the ancient heritage of Mr. Lemelson's old applications and establish precedence over any inventor with a later date.

The entire battle has become numbingly complex, a battle over whether the long stretch between the mid-1950s and the new claims in the 1990s constituted undue delay. Ford says yes. Mr. Lemelson says no. The magistrate judge found for Ford.

Another question is whether Mr. Lemelson's original filings—his scanner and camera and picture of images on a conveyer belt—should be considered the concepts of bar-code scanning, and thus Ford's use of bar coding in its factories make it an infringer of his patents. Mr. Lemelson says yes. Ford says no, arguing Mr. Lemelson depicted a fixed scanner (bar-code scanners can be hand-held).

"As we said in our lawsuit, if you walk into the Grand Union and show up for work with a 'Lemelson' bar-code scanner, it won't work," quips Jesse Jenner, a lawyer for Ford.

It's impossible to say which side will ultimately prevail. Or whether there will be a settlement. But the clear winners so far are the lawyers. Mr. Lemelson alone employs a small army of them. And Mr. Hosier pretty much thanks himself for that, noting an old joke: "One lawyer in town, you're broke. Two lawyers in town, you're rich."

STEAL AMERICAN TECHNOLOGY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. FORBES] is recognized for 5 minutes.

Mr. FORBES. Mr. Speaker, I take the floor today in this, the people's House. Yes, we proudly proclaim that this is the people's House where we stand up for the individual.

Mr. Speaker, tomorrow there is going to be a very startling series of events on an issue that will be before this House. I refer specifically to H.R. 400, the Steal American Technology Act.

This act will take American individuals and American interests and supplant them to the foreign interests. It will take multinational corporation interests and put them over the individual's interest. It will weigh in for power and prestige over the needs of Americans and our economy.

Mr. Speaker, H.R. 400 is about gaining access to foreign markets. If my colleagues are concerned about the terrible exporting of American jobs overseas, they will be absolutely outraged if H.R. 400 is to pass this House and become law because it sells out our children's future and our grandchildren's future, it puts us at an economic disadvantage in the world marketplace, and it makes American interests secondary to foreign interests.

Patent protections go back to the beginning of this Republic. They are spelled out in our Constitution. They say that, if a man or woman comes up with a great idea, they can get that idea protected by our Government and by our patent offices, Eli Whitney and his cotton gin protected by the patent system, Henry Ford protected by the patent system, Thomas Edison protected by the patent system.

Mr. Speaker, what this body is about to do tomorrow will put us at a distinct disadvantage. It will say to the little guy, forget you, multinational interests are supreme over individual interests; we need access to foreign markets, so we are going to sell out the individual.

This is a horrendous activity that is about to take place. Mr. Speaker, telling men and women across America, the individuals, the little guys, that come up with the good idea that they are no longer going to be protected because after 18 months, whether they have their patent or not, we will open it up for the whole world to see their idea so that the whole world can copy that idea.

And who better than the more aggressive nations around the globe that are trying to take our American ideas, Asian nations particularly have pleaded with the administration to loosen up on patents, to loosen up those protections, water down our ability to protect American ideas; and in return, we will give you access to foreign markets.

Multinational corporations love it because with their vast legal departments they can protect their interests. But what about the little guy who does not have the resources to get a bank of attorneys to protect their idea?

The American patent system has historically protected the little guy, and tomorrow we are going to sell down the river the little guy in America for the sake of multinational corporations. We must oppose the watering down of our patent protections.

This will put Horatio Alger's notion of this Nation, that an average man or woman with a good idea could build upon that idea and create new jobs, create whole new industries, create a stronger and better America.

As we march into the 21st century, we are going to hand off that notion to foreign interests because multinational corporations want access to foreign markets. And if we let this pass in this House, shame on us, Mr. Speaker.

□ 1545

Shame on us for selling down the American people in what we have lovingly called the people's House.

REGARDING JUDICIAL ACTIVISM

The SPEAKER pro tempore (Mr. ROGAN). Under the Speaker's announced policy of January 7, 1997, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes as the designee of the majority leader.

Mr. DELAY. Mr. Speaker, I take this time to once again discuss an issue that is of great concern to the American people. That issue is judicial activism. And I am very pleased to join

my colleagues in taking out this special order.

Last week a three-judge Federal appeals court reversed a decision made by Judge Thelton Henderson, who barred the enforcement of the California civil rights initiative. In reversing that decision, the appellate judge wrote, "A system which permits one judge to block with the stroke of his pen what 4,736,180 State residents voted to enact as law tests the integrity of our constitutional democracy."

Well, I think, Mr. Speaker, that is exactly right. Judicial activism threatens the checks and balances written into our Constitution.

And, Mr. Speaker, I would like to enter into the RECORD an article that appeared in today's edition of the Hill newspaper, written by Thomas Jipping, the director of the Free Congress Foundation's Center for Law and Democracy. The article is entitled "Impeachment Is Cure for Judicial Activism." I think it is a well-reasoned and rational explanation of why impeachment should be used by this Congress as a tool to act as a check to the imperial judiciary.

[From The Hill, April 16, 1997]

IMPEACHMENT IS CURE FOR JUDICIAL ACTIVISM

(By Thomas L. Jipping)

America's founders knew that government power, if left unchecked, will always grow and undercut liberty and self-government. The judiciary is today proving them correct. Operating unchecked for generations, judges routinely reach beyond the "judicial power" granted by the Constitution and exercise legislative power they do not legitimately possess.

Judicial activism exists in part because Congress refuses to exercise the checks and balances the founders crafted. One of these is impeachment. Rep. Tom DeLay (R-Texas) recently drew howls of protest from the legal establishment and political left by suggesting that Congress revive this check on excessive judicial power. Rep. DeLay, however, is on solid ground. His critics like activist judges because they like what those judges do; they are simply not honest enough to say so. But it is Rep. DeLay's view of a judiciary exercising only judicial power, checked if necessary with the tools provided by the Constitution, that resonates with America's founders.

Activist judges claim the power to make our laws mean anything they wish. They practice Chief Justice Charles Evans Hughes' maxim that the Constitution is whatever the judges say it is. As President George Bush put it, they legislate from the bench. Even Humpty Dumpty could define judicial activism when he declared: "When I use a word, it means what I choose it to mean—neither more or less." If judges have the power to determine the meaning of our laws, however, they have the power to make our laws. That is a power legitimately exercised only by the people and their elected representatives.

America's founders intended that Congress impeach activist judges. In The Federalist No. 81, Alexander Hamilton argued that "the supposed danger of judiciary encroachments on the legislative authority ... is in reality a phantom." Why? Because, wrote Hamilton, "there never can be a danger that the judges, by a series of deliberate usurpations on the authority of the legislature, would hazard the united resentment of the body entrusted with [impeachment]."

The Constitution allows impeachment for what it calls "high crimes and misdemeanors." Advocates of unlimited judicial power yank this phrase from its constitutional moorings and give it whatever narrow meaning is convenient for their argument. American Bar Association President N. Lee Cooper repeated the current myth in The Hill (March 26) by arguing that judges may only be impeached for a "criminal act."

This bizarre theory has never been true and Mr. Cooper's reliance on high school civics for this theory demonstrates the dangers of both make-it-up-as-you-go judicial activism and the dumbing-down of American education. Arrayed against his position, however, is nothing less than 600 years of English and American legal and political history.

According to Prof. Raoul Berger, impeachment was created because some actions for which public officials should be removed from office are not covered by the criminal law. The phrase "high crimes and misdemeanors" already had 400-year-old roots in English common law when the framers placed it in the U.S. Constitution. English judges were impeached for misuse of their official position or power, mal-adminstration, unconstitutional or extrajudicial opinions, misinterpreting the law, and encroaching on the power of the legislature.

The Constitution's framers also believed that impeachable offenses extended beyond indictable offenses. When they settled on the phrase "high crimes and misdemeanors," for example, George Mason and James Madison believed it included attempts to subvert the Constitution.

All of these are features of the judicial activism that today undermines liberty and self-government. Activist judges do not simply make decisions someone does not like; they exercise power they do not legitimately possess. If a willful exercise of illegitimate power is not impeachable, nothing is.

Faced with these facts, apologists for unlimited judicial power retreat to the cliché of "judicial independence." They never utter a word when judges illegitimately steal legislative power, but suddenly discover judicial independence and the separation of powers at the suggestion of Congress legitimately checking judicial power. Checks and balances, however, cannot work only in the direction one likes.

Judicial independence is a means to the end of a judiciary exercising only the "judicial power" granted by the Constitution and leaving the lawmaking to the legislature. When judges go beyond their proper role and make up new meanings for our laws, it is those judges who violate their own independence and make necessary the checks and balances, such as impeachment, provided by the Constitution.

Mr. Speaker, an independent judiciary is the anchor of our democracy. A despotic judiciary may very well lead to the downfall of our democracy. I just urge my colleagues to consider all the tools within our constitutional authority as we, the Congress, take on a very real problem of judicial despotism. One of those tools is impeachment.

Despite the barrage of criticism that myself and my colleagues have suffered over the last few weeks, I think impeachment is a tool that we should consider using.

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

JUDICIAL ACTIVISM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Texas, Mr. SAM JOHNSON, is recognized for the remainder of the time as the designee of the majority leader.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I appreciate the position of the other gentleman from Texas, Mr. DELAY. I come before the House today to talk about a problem that the gentleman has already laid out there, but it is quietly and steadily eating away at our constitutional system of government.

Judicial activism is not only compromising our long-held tradition of separation of powers, but throughout our academic and legal community they are pushing the judiciary to be activists in their decisions, so much so that any attempt by Congress to address this issue is immediately met with accusations of political sabotage and constitutional breach.

Mr. Speaker, I want to assure my colleagues that we in the Congress are not trying to undermine the Constitution. Far from it. We are trying to enforce it, to open the issue to public scrutiny and return the role of the Federal judiciary back to our Nation's intended belief, what our Nation's founders had always intended: That the third branch of the Government, the judiciary, is to be the weakest branch of government.

In The Federalist papers, number 78, Alexander Hamilton, for example, wrote that the judicial branch, quote,

Will be always the least dangerous to the political rights of the Constitution, and that it may truly be said to have neither the force nor will but merely judgment.

The judiciary was intended to interpret the law, not to create it. But that is exactly what we are seeing in some of our courts today. They are not ruling on the law, they are creating the law.

Unelected Federal judges are furthering their own personal and political views by legislating from the bench and ignoring the will of the people of the United States. In fact, it has gotten so bad that judges are even overturning elections of our elected people.

David Barton, in his book, "Impeachment: Restraining an Overactive Judiciary," said it best when he wrote that

It has gotten to the point that any special interest group that loses at the ballot box only has to file a suit in Federal court to declare itself the winner.

And most of the time our judges are ruling with them.

If we just look at the recent instances of judicial activism, we will see

some of the expansion of power that Federal judges are trying to achieve. I say some Federal judges, not all of them. We have seen judges overturn cases based on the weakest of circumstances simply to further their own political views.

Judge Nixon, in Tennessee, a known opponent of capital punishment, has repeatedly issued rulings overturning cases where the criminal was sentenced to death.

More recently, I am sure everyone has heard of Judge Baer in New York, who overturned a drug conviction on a technicality even though the defendant admitted his guilt to the police.

In addition to these reversals, other Federal judges have taken it upon themselves to legislate from the bench, issuing far-reaching orders to impose their own set of political views on the American people. One of those famous cases involves Judge Russell Clark, who ruled in 1987 in Kansas City, MO, that the school system was segregated, and he issued a court order that called for a tax increase and forced the people of that State to pay for his desegregation scheme.

Well, $2 billion in taxpayer dollars later, the Kansas City school system is no better off, and he is probably backing up on that. Judge Clark's agenda included such things as animation labs, greenhouses, temperature-controlled art galleries, and a model United Nations wired for language translation. I am not sure I know what that has to do with segregation.

Closer to home for me, I spent quite a bit of time when I was in the Texas statehouse following the antics of Judge William Wayne Justice, whose rulings on our prison system in Texas forced us to allow prisoners to get out before their time was up, giving them a lot of good time, one; and, two, putting them in bigger rooms. In other words, where we had four beds, we could only put two; where we had two beds, we could only put one. And every man had to have his own color television set in prison. What a waste of taxpayer dollars addressing frivolous inmate lawsuits.

Also back home we are seeing another judicial activist arise in the form of Judge Fred Biery, who on January 24 of this year issued an injunction which prevented two duly elected officials in Val Verde County from taking office. Why? Because he would not allow 800 absentee military votes to be counted.

I consider this to be an affront to the rights of the military. As a matter of fact, after serving in the military for 29 years and being all over this Nation, I would say that it is important that we make sure that our military is allowed to vote, especially while they are defending the Nation.

It is a dangerous precedent where one judge can decide he just does not like the results of the election and simply overrules the results.

One final example, and perhaps the most newsworthy, is the decision by Judge Henderson in California, who issued an injunction stopping the implementation of proposition 209 in California, which would ban racial quotas in California and which passed with 54 percent of the vote of the State.

Not many people know that that particular judge, Judge Henderson, had once served on the board of the American Civil Liberties Union of California, an organization which took an active interest against proposition 209, and here he is ruling with his own special interest group against the people of California who with more than 4,700,000 State residents voted to enact as law proposition 209.

I think that tests the integrity of our constitutional democracy, and I think that the three-judge panel which had the courage to remind their colleagues of the judiciary's rightful place in our constitutional democracy and overrule that ought to be commended.

We cannot always count on Federal judges to keep their colleagues in check, and that is why I feel like Congress must exercise our duty to ensure that the third branch of the Government does not exceed its authority.

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

Mr. SAM JOHNSON of Texas. I yield to the gentleman from Florida.

Mr. SCARBOROUGH. Mr. Speaker, I can tell the gentleman that I have similar concerns, even though I recognize, like the gentleman does, that the overwhelming majority of the Federal judges that serve in this country do an honorable job.

Back in my area, I have long admired Judge Stafford and Judge Vincent and Judge Collier and Judge Novotany, and all those that have done a great job. But there are, we have to admit, in any profession, some renegades that do violence to the integrity of the system, to the Constitution, and I guess that is what has concerned me the most.

As conservatives and others concerned with judicial activism have come out and started asking some tough questions, we have heard everybody come out and start squealing and talking about how to even look at the system is somehow a threat to democracy. In my understanding of democracy, my understanding of our Constitution, my understanding of 2,500 years of Western civilization style democracy, more a threat to democracy than asking questions in the free marketplace of an idea would be a single judge with a single stroke of the pen being able to erase the popular will of 5 million California residents. That is an outrage.

Mr. SAM JOHNSON of Texas. Well, Mr. Speaker, reclaiming my time, I would ask the gentleman, does he think that the Congress, I mean our country's founders, when they wrote our Constitution, they were pretty smart fellas, and they said, OK, we will appoint these judges for life, but we will give the Congress a method to rein them in if they get out of hand. And that rein-in, I think, is what the gentleman from Texas [Mr. DELAY] was alluding to earlier, that the Congress has the sole discretion to impeach when they get out of line.

Mr. SCARBOROUGH. If the gentleman would continue to yield, we certainly do have the opportunity to supervise what is happening in the judiciary; obviously, allowing them the independence they were afforded in the Constitution, and recognizing that the genius of our system is the fact we do have separation of powers.

The gentleman read from Alexander Hamilton's Federalist paper number 78. Number 81 is equally instructive, where Alexander Hamilton argued that,

> The supposed danger of judiciary encroachments of the legislative authority is in reality a phantom, because there never can be danger that judges, by a series of deliberate usurpations on the authority of the legislature, would hazard the united resentment of the body entrusted with the power of impeachment.

To paraphrase, Hamilton is saying that the judges would never be so brazen as to ignore their constitutional mandate for the people in this legislative body. The legislative branch of government was given the power to rein in the judiciary if the judiciary did violence to the Constitution by actions that were highly inappropriate.

□ 1600

There can be no debate among any reasonable man or woman that understands the constitutional history of this country that our Founding Fathers never anticipated a single judge, a single lower court Federal judge being able to eradicate with one signature the popular will of 5 million American citizens. It does violence to the very concepts that they fought for in the Revolutionary War.

Mr. SAM JOHNSON of Texas. Let me quote from the Federalist Papers again, from Hamilton, in No. 78. He also says, which follows what the gentleman said, "It may truly be said that no judge shall have either force nor will but merely judgment."

If the gentleman recalls back in the 1800's, they even talked about impeaching judges, Federal judges because they cussed in court.

Mr. SCARBOROUGH. If the gentleman will yield further, let me just say, there are some people that are talking about different forms of reining in the Federal judiciary. I know that the whip has been talking about certain things. I would like to see us do it in a calm, rational manner. I think it is time for us to come together as a country and as a legislative body and reexamine the realities of the judiciary in the late 20th century and recognize

that things have moved in a certain direction, a bit away from what our Founding Fathers anticipated, and get Congress to start looking into the issue of judicial activism, which we have heard hues and cries about for many years now, and just see if judicial activism really does pose the type of threat to the Constitution that many of us believe it does, and, if so, hopefully, we can enact some common sense solutions without going after any judge, without attacking any particular viewpoint and just have a thoughtful examination of what type of institutional changes that Republicans and Democrats and conservatives and liberals can all come together on to make sure that the judiciary does its job, does the job that our Founders intended it to do and, while doing that, we maintain a clear separation of powers between all branches.

I can tell the gentleman that right now the judiciary may be perceived as liberal. But in the years to come, there certainly will be a shift to the right, and at that time I would certainly hope that the more liberal Members in this legislative body would also be protected in the way that our Founders would want their legislative items to be protected.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield to the gentleman from Colorado [Mr. SKAGGS], one of our colleagues from the other side of the aisle who has a comment.

Mr. SKAGGS. I appreciate the gentleman yielding. I think it is important when we are discussing something as fundamental to the Republic as the separation of powers and the importance of an independent judiciary that perhaps those of us with a slightly different cut on this be heard. It seems to me absolutely essential that we keep in mind that it is the judicial branch of Government through long-established practice and tradition and constitutional foundation that is the ultimate arbiter of the requirements, the constraints, and the liberties guaranteed under the Constitution. And so it is entirely within the prerogative, and appropriately so, for the judiciary to either countermand the legislative branch acting through this Congress or through State legislatures, or the people exercising their residual legislative powers through referenda, to countermand that when enactments violate the Constitution.

We had an occasion for that just last week in which a Reagan-appointed judge, hardly a liberal, properly instructed this Congress that we had violated the basic provisions of the Constitution in attempting to give the President of the United States line-item veto authority by statute. We need to be very careful that when we are holding the judiciary up to scrutiny and invoking the potentiality of impeachment, that that not be done on the basis of their exercising their proper authorities and role under our system of government and the division of powers, but only in those events in which they have clearly been engaged in actionable misconduct and abuse, not merely a difference of opinion about constitutional interpretations.

Mr. SAM JOHNSON of Texas. I do not think that is the case at all that we are trying to enunciate here. The fact of the matter is that the judiciary should, and I agree with the gentleman, rule on the Constitution and constitutionality of anything that happens in the Congress or out in the States. But the question that we are addressing is that some of these judges, for whatever reason, political, social, or otherwise, have ruled based on that, not necessarily a constitutional base for their ruling.

Mr. SCARBOROUGH. If the gentleman will yield further, I will ask the gentleman a question, because he brings up a very good point. An issue like the line-item veto I think helps illustrate some of our concerns. I want to say more particularly my concern is not necessarily in individual judges, in trying to seek retribution from individual judges because we do not like how they rule. That, obviously, causes some serious problems. But my concerns go more to structural changes.

For instance, we had a single Federal judge in California, as the gentleman knows, that with a single stroke of the pen wiped out the view of 5 million Californians. The same thing with a single judge being able to interject his opinion, and again I am not saying his opinion is a flawed opinion. Quite frankly, even though I voted for the line-item veto, I have some very serious concerns and I think any reasonable man or woman could interpret it both ways.

But the question I would like to ask the gentleman is, does he think that it would be reasonable for us as the legislative branch, who have been given power to oversee the judiciary and decide where the jurisdiction rests, to look at structural changes and ask a question like, for instance, whether a single Federal judge should be empowered to stop something through injunction or whether we should possibly have a three-judge requirement? Again, this cuts both ways, liberal or conservative. Would the gentleman say that is a rational question to ask?

Mr. SKAGGS. There is no question that we have the appropriate power as the Congress to determine jurisdictions of lesser courts, the remedies that may be available in the cases of certain causes of action. That is not a particularly contentious proposition.

What was worrisome to me, and I came into the Chamber after my colleagues had been engaged for some time, was referencing again the potential use of the impeachment powers of the Congress to get at actions on which there is simply a disagreement as to wisdom and propriety as opposed to going to the underlying questions of the independence of the judicial branch of government. I think no matter how we may couch it, if we engage in relatively casual discussion of the invocation of impeachment, that goes right to the core and the quick of the independence of the judicial branch of government, which has a terribly important value to this society.

Mr. SCARBOROUGH. Exactly. The gentleman certainly will find that I will not disagree with him on that point. We need to be very careful to not overstep our boundaries. Obviously in extreme situations, impeachment possibly may be looked at, but not in situations where again reasonable men and women could differ.

Again going back to the question, does the gentleman think the time is right for us as a legislative body or as Members in this body to look at possible structural changes in the judiciary? Like for instance on the three-judge panel to decide an issue on whether a proposition that passed with 5 million votes should be handled by a single judge or whether we should somehow protect the voters by empowering a three-judge panel?

Mr. SKAGGS. Given that we have a tradition in comparable areas of especially impaneled three-judge courts to deal with civil rights cases and other constitutional matters, clearly there is precedent for that and I do not have any problem with this body debating the relative wisdom of having more than a single member of the bench rendering judgment in certain very, very important matters.

I would add, however, that the number of people that happen to vote for a referendum, while lending itself to effective rhetoric, does not really get to the question of whether the underlying issue is clearly one that implicates protections guaranteed by the Constitution. As the gentleman well knows, one of the underlying objectives of our constitutional system is to make sure that we have a government of law, that it is not subject to the popular passions of the time which can sometimes manifest themselves in referendums that may pass. Whether 5 million votes or more, it may nonetheless be in violation of basic constitutional requirements.

Mr. SCARBOROUGH. The gentleman is correct. It certainly makes for good drama when we talk about a single judge eradicating the popular will of 5 million people. But the same thing could be said about, again, a decision, to be really honest with the gentleman, I was relieved on the line-item veto decision.

Mr. SKAGGS. I appreciate the gentleman's candor on that.

Mr. SCARBOROUGH. But still structurally again, there is a question on

whether we would want a single judge being able to sign off on that, because by this single judge doing that, he has put himself in the middle of a 3-year budget debate that seriously impacts the White House's ability and Congress's ability to figure out where we are going to go in the next few months. I would personally like to see at least a safety net of three judges looking at an issue that important.

Mr. SAM JOHNSON of Texas. I appreciate the gentleman from Colorado [Mr. SKAGGS] talking with us.

Let me just read the gentleman from article 3, section 1, Ralph Burger's comment, he is a legal commentator, who says that the framers of our Constitution did not intend to shelter those who indulge in disgraceful conduct short of great offenses, meaning that the high crimes and misdemeanors does not necessarily have to be an offense that is written into the law. It is not to import the standards of good behavior into high crimes and misdemeanors, but to indicate that serious infractions of good behavior, though less than a great offense, may yet amount to high crimes and misdemeanors in common law.

What he is saying is that judges ought to act like judges and they ought to rule on the Constitution, as you and I both agree on, and that is all we are trying to say.

Mr. SKAGGS. Amen.

Mr. SAM JOHNSON of Texas. I thank the gentleman from Colorado [Mr. SKAGGS], and I thank the gentleman from Florida [Mr. SCARBOROUGH].

HUMANITARIAN AID CORRIDOR ACT

The SPEAKER pro tempore (Mr. ROGAN). Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, today I received very disappointing news from the State Department. The President determined today to permit assistance under the Foreign Assistance Act and the Arms Export Control Act to the Republic of Turkey. This is in spite of the fact that Turkey is maintaining an illegal and downright cruel blockade of the Republic of Armenia.

Mr. Speaker, for the past 2 years, the Foreign Operations appropriations legislation has contained a provision known as the Humanitarian Aid Corridor Act which prohibits U.S. economic assistance to those countries blocking delivery of humanitarian aid to third countries. While this provision is not country-specific, it clearly applies to Turkey, which for more than 4 years has maintained a blockade of neighboring Armenia. While the people of Armenia are struggling to build democracy and reform their economy according to market principles, the blockade imposed along their border with Turkey disrupts the delivery of vitally needed humanitarian supplies.

The Humanitarian Aid Corridor Act, unfortunately, lacks enforcement teeth since it grants the President the power to waive the provisions on very vague national security grounds. In order to make the Corridor Act mean something, last year this body approved an amendment to the Foreign Ops bill, sponsored by the gentleman from Indiana [Mr. VISCLOSKY], that would limit the Presidential waiver authority to provide U.S. economic assistance to countries that violate the Humanitarian Aid Corridor Act. More than 300 Members of the House voted for this amendment, which would have essentially given the Humanitarian Aid Corridor Act some teeth and not allowed the Presidential waiver in most cases. Unfortunately, the amendment was stripped in conference and the gentleman from Illinois [Mr. PORTER] included language instead that required the President to provide a justification for determining that it is in the national security interests of the United States to provide the economic assistance despite the fact that the recipient country, in this case Turkey, is in violation of the Corridor Act.

I want to commend the gentleman from Illinois [Mr. PORTER] for putting that language in, because we did at least get a semblance of a justification from the State Department. But I have to say that the justification issue today was not very convincing.

□ 1615

Mr. Speaker, this action by the administration comes at a particularly bad time. Next week marks the 82d anniversary of the beginning of the genocide against the Armenian people which was perpetrated by the Ottoman Turkish Empire. This genocide, which the Republic of Turkey has refused to acknowledge, ultimately claimed the lives of 1.5 million Armenians. Another 500,000 Armenians were deported.

Many Members of this House will take part with me in a special order next Wednesday to commemorate this solemn occasion. To have made this determination at this time I think is very inappropriate.

Mr. Speaker, I bear no ill will to the Turkish people. I am simply saying that maintaining good relations should not entail turning a blind eye to the outrageous actions committed by the Turkish Government. Given the generosity the United States has shown toward Turkey it is inappropriate, or I think I should say in this case it is appropriate for us to attach conditions, particularly such a basic condition as allowing the delivery of aid to a neighbor in need. I think most Americans would assume that a condition for U.S. aid should be that that country allows other U.S. aid to go through its country or its borders to another country that needs the aid. People, I think, in this country would be shocked to know that such a provision is not already a requirement on the recipients of U.S. assistance.

I want to say in conclusion that Armenia is a very small landlocked nation, dependent on land corridors from neighboring countries for many basic goods. Armenia has been one of the most exemplary of the former Soviet republics in terms of moving toward a Western-style political and economic system.

I traveled there earlier this year and can report that the blockade is having a devastating impact. The Armenian people respect and admire the United States. There are more than 1 million Americans of Armenian ancestry here. The bonds between our countries are strong and enduring, but the people of Armenia face a humanitarian crisis which is not the result of any natural disaster, but a deliberate policy of its neighbor to choke off access to needed goods from the outside world. We believe the exertion of U.S. leadership can play a major role in these intentions in promoting greater cooperation among the nations of the Caucasus regions, but the Humanitarian Aid Corridor Act is an important part of this component. If we do not adhere to the Humanitarian Aid Corridor Act and if the administration and the State Department continue to allow it to be waived, I think in the long run it is going to be detrimental to peace and better cooperation between Armenia and the other nations of the Caucasus and the United States, and I think this is a mistake that the State Department continues to exercise this waiver.

REAL LIFE EFFECTS OF NAFTA

The SPEAKER pro tempore (Mr. ROGAN). Under the Speaker's announced policy of January 7, 1997, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes as the designee of the minority leader.

Mr. BONIOR. Mr. Speaker, I thank my colleague, the gentleman from New Jersey [Mr. PALLONE] for his remarks with respect to Armenia, and I thank my colleague, the gentleman from Oregon [Mr. DEFAZIO] for joining me this evening to talk about the North American Free Trade Agreement.

Four years ago in this Chamber and around the Nation, we had a major debate on NAFTA, the North American Free Trade Agreement, and it really was a debate about our economic future and the economic future of Canada and Mexico as well. In many ways it was based more on theory than on reality. We had all sorts of studies and projections and promises and claims, and now we have had nearly 40 months to see exactly where we are, how this has worked, how it has not worked.

Today we know about the real-life effects of NAFTA. We have the trade data, we have the job data, we have the environmental data. But just as importantly we have personal real-life stories from thousands of people telling us how NAFTA has affected them, what it has done to their jobs and their wages and their environment and the communities that they live in. And it is a story, a cautionary tale, that we have to start telling America about today, because today this debate is moving into a new phase.

Now supporters of NAFTA want to expand it to new countries, and to do that they need a procedure that is known as fast track, and let me tell you what it is. Basically fast track allows the administration to negotiate trade agreements with other countries and then to submit them to Congress, and we are required here in the Congress to expedite the passage or rejection of that agreement without any opportunity to change the agreement. We are locked into either a "yes" or a "no" on what this negotiated.

So we need to think long and hard before we make and grant this authority. It is an awesome authority in its scope and its dimensions. It is far reaching. It affects every man, woman, and child in this country. It affects wages. It affects job protection. It affects your environment. It affects the things that our fathers and mothers and grandparents worked so hard to get into law to protect you and them during eras when the free market went wild and greed was rampant.

So we need to think long and hard before we make this authority, because as a practical matter it may be our final opportunity to reflect on what kind of results fast track produced for NAFTA when it was negotiated more than 4 years ago.

Mr. Speaker, most of my colleagues were not yet Members of the House the last time this House debated fast track authority. One thing that those of us who have seen fast track know is this. If it does not require, and I emphasize require, the trade negotiations to address important labor and environmental issues and make those issues on par with tariff cuts and investment rules, make them enforceable by sanctions, then we are not going to get a good trade agreement. We know that because NAFTA and the fast track for NAFTA did not include strong and necessary labor and environmental components. It did not include any in the core agreement, and we will discuss what this NAFTA model has done to workers and the environment both in the United States and Mexico.

Expanding NAFTA now would be like building a new room onto your house when your kitchen is on fire and your roof is collapsing. It just does not make any sense.

Over the next few weeks we will be discussing the many aspects of NAFTA, but today I want to focus on just two: jobs and wages. Let us look at this first chart, "Jobs Lost Under NAFTA."

Before NAFTA, NAFTA supporters claimed 200,000 new jobs would be created by 1995. That was their claim. Oh, they came to the floor and they said 200,000 new jobs, 200,000 new jobs. They said it over and over and over again during that debate that lasted for months. NAFTA proponents practically guaranteed we would have 200,000 more new jobs. But by using their own formula, which is based on the number of jobs created through a certain dollar amount of trade, we have lost anywhere from 250,000 to 600,000 jobs since NAFTA took effect. And by using the very narrow definition by the Labor Department which includes only those workers who have applied or been certified for NAFTA employment benefits, more than 110,000 Americans have lost their jobs.

Now not all workers qualify for these benefits, and even though their jobs may have been shifted to Mexico, workers in more than 1,400 factories in the 48 States have applied for this NAFTA job retraining program. Three years after NAFTA, more than 110,000 U.S. jobs, U.S. workers, have already been certified under NAFTA unemployment program. Thousands more have filed for benefits; and using the formula of the proponents of NAFTA, anywhere between 250,000 and 600,000 people have lost their jobs. Sixty-five percent of the workers who were laid off ended up with lower paying jobs, two out of three. Two out of three. They did not get the high-tech, high-wage jobs as the theory suggested. They got lower-paying jobs. And when we debated NAFTA, many corporations stepped forward to say that jobs in the United States depended upon NAFTA passage. They promised to create jobs in America.

Let me show you another chart. Broken promises under NAFTA. Ninety percent of the companies failed to deliver on their promises to create U.S. jobs if NAFTA passed. Public Citizens Global Trade Watch. Ninety percent of the companies promised to create jobs, and even worse, in many cases they have moved jobs to Mexico.

In nearly every State and in too many communities these broken promises have let factories shut down and hard-working men and women without paychecks. These giant corporations who spent millions to help get NAFTA passed, who said their workers would be better off, let down their workers, let down their communities in which they operated and did what they said they would not do. And these jobs come from every region in the country, from nearly every type of manufacturing, from industries like footwear and growing tomatoes and consumer electronics where companies are moving wholesale to Mexico, to shifts in sourcing and assembly by the big three automakers. These jobs are leaving in droves.

Now here are just a couple of examples of these broken promises and job losses, and I want to lay them out for you here this afternoon. I want to focus on the television and electronics industry because just a few weeks ago I joined our leader in touring the maquiladores and colonias that are growing rapidly along the border, specifically in Tijuana.

Tijuana now produces more televisions than any other place in the world. More than 10 million TV sets are assembled in Mexico annually; most of these are in Tijuana. In fact, there are nearly 25,000 workers in Tijuana who make televisions, and these workers make no more than $50 per week.

There has been a massive unprecedented shift in TV production in Mexico since NAFTA took effect, and this trend will continue. The electronics industry is expected to grow by 400 percent over the next 4 years in Mexico. But if you had listened to what these TV companies were saying 4 years ago, you would not have believed that any of this would have happened.

Let us take a look at Zenith. For example, here is what Zenith said in 1993 during the NAFTA debate:

> Contrary to numerous reports that companies like Zenith Electronic Corporation will transfer all of their production facilities to Mexico as a result of NAFTA, the NAFTA offers the prospect of more jobs at the company's Melrose Park, Illinois facility.

That is what Zenith said.

And here is what Zenith did. Zenith announced late last year that it is laying off 800 of its 3000 workers at Melrose Park in Illinois and, in addition, 510 workers have been certified for NAFTA trade adjustment assistance at Zenith's facility in Springfield, MO, and Chicago, IL. Zenith, who promised its workers prosperity, gave them pink slips instead, and that is just the tip of the iceberg.

In February, according to the Journal of Commerce, Thompson Consumer Electronics announced it would cut more than 1,800 jobs in two Indiana factories and shift that production to Mexico. Thompson is the company that makes RCA televisions. Also in February, Sylvania, which makes florescent lamps at Danvers, MA announced that it is shifting that production to Mexico, costing 160 workers their jobs.

And finally, General Electric's record would enact the biggest supporters, GE. Their record shows us why we should be skeptical about job promises. During the NAFTA debate GE said its sales to Mexico could support 1,000 jobs for GE and its suppliers, "We fervently believe that these jobs depend on the success of this agreement". Well, as it turns out, GE jobs did depend on NAFTA, but in a very different way.

According to the Department of Labor, GE has shifted 2,300 jobs to Mexico since NAFTA took effect. This includes workers in Fort Wayne, IN; Rome, GA; Erie, PA; and Hickory, NC. Instead of selling our televisions to Mexico, we are now buying them from Mexico. Thousands of jobs have been lost in this sector.

Now here is the real kicker. As terrible and as disgusting as it is with respect to the job losses, especially by companies who said that they would create jobs rather than moving their companies to Mexico, what has even been more omnipresent, suffocating for the American worker, has been the downward pressure on wages, and I want to show you another chart that illustrates what I am talking about.

NAFTA puts downward pressure on U.S. wages. A study that was done by Cornell University for the Department of Labor found that 62 percent of the companies, 62 percent of companies are threatening to close plants rather than negotiate with the union or recognize the union.

□ 1630

These companies either explicitly say or implicitly suggest that they will move their plant to Mexico or another low-wage Nation. Take, for example, Connor Rubber near Fort Wayne, IN. In the midst of the union's first contract negotiations the company decided to close the plant and move to Mexico. In the wake of this closing, the same union pulled an organizing petition at a neighboring subsidiary of Connor Rubber. The union official who was organizing this subsidiary said that wages were lacking, their benefits were lacking, but they also wanted a job.

This is having a dampening effect on wages in America. Fifty percent of Americans now say their purchasing power is now worse than it was before NAFTA.

So in conclusion, before I yield to my friend from Ohio [Mr. BROWN] and my friend from Oregon [Mr. DEFAZIO], I want to say that we still believe that NAFTA can be a force for some progress. We still believe we can create a consumer market in Mexico, but before we even think about expanding NAFTA to other countries we need to fix the flaws in it.

We need to give workers the same kind of health protection that we give companies for things like intellectual property. We need to include labor and environmental standards in the core agreement, not in some side agreement. We need to raise Mexico and other low-wage nations up to our standards, not lower ours to theirs. We need to make noncompliance subject to sanctions, not just consultations. We need to remember that this is not just about markets and trade barriers, this is about jobs and living standards and communities and people's health, it is about human rights and human dignity.

Both sides of the border have workers that are misstreated by multinational corporations and indifferent governments, but they remain brave and they remain hopeful, and until they have a voice to fight for themselves, we have to be their voice. There are more people in this Congress who voted against NAFTA 4 years ago than voted for it, and many who voted for it said they would never vote for it again. Before we expand it, let us fix it. We can fix it. We indeed can fix it if we have the leadership and the guts to do so.

Mr. Speaker, the multinational corporations in America today and abroad, the transnational corporations, are moving through economies in developed and undeveloped nations alike like a great green reaper in the field, just plowing ahead and moving over fence rows and moving over all of the built-in protections that people in legislatures and congresses and parliaments have adopted for the last 100 years. The 40-hour work week, the 8-hour day, labor and safety and health protections, pensions, health care, you name it, I could go through a long list, all were as a result of the excesses and the greed of the multinational, transnational corporations at the turn of the century and during or just prior to the New Deal.

Because there was no force, countervailing force to counteract this, a force was developed. There was a force of people who came together who really cared about community, about family, about localization, not necessarily globalization, and they went to work and they formed a coalition. These were led by labor unions, but they included religious organizations, environmental organizations, people who cared about justice, and they said to this rapacious free market sense of greed that was out there, there are limits, there are limits to your greed.

We are living today in a world economy, in a national economy where our CEO's are making 200 times more than the average worker. In 1960, when we were young men, the gentleman from Oregon and I, the difference between what a CEO made and what a worker made was about 12 to 1. In the 1970's it moved up to 35 to 1, then 180 to 1. Now it is 200 to 1.

We are finding that 80 percent of the American workers in this society have wages that basically have been frozen or have declined since 1979. The top 20 percent are doing very well, but most Americans are struggling to make ends meet. Most Americans have everybody in their home working, therefore less time with their kids, less time to be with them at their ball games, at their PTA meetings, and then the whole cycle of social maladies increases in our society.

It all starts with a good job and a good wage. It all starts with the respect and dignity for the people who produce. These trade agreements, whether they are NAFTA or they are GATT, are robbing us slowly each day, each week, each year, each cycle of the protections we had to build a stable foundation for our families. An 8-hour day, 40-hour work week, severance pay, overtime pay, health and safety protections, you name it. That was all put there to give people a base, and now the multinationals are taking our jobs and moving them overseas, downward pressure on wages, and we are seeing that same cycle repeat itself in history in this country.

I thank my colleague from Oregon [Mr. DEFAZIO], who has been strong and vigilant and caring and tough on this issue, and I thank him for joining me this afternoon.

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman again for his extraordinary leadership for this so far discouraging debate and battle to bring sanity to the trade practices of this country.

I think the study the gentleman just mentioned is something that the American people need to know about. Of course, they have not really heard about it, even though their taxpayer dollars paid for it.

The study the gentleman referenced which points to the extraordinary use of NAFTA by the largest corporations in America to drive down the wages of their workers, with threats of moving their jobs to Mexico, to prevent unions from forming by threatening to close the plant and move to Mexico if the union is formed, to drive down the benefits for those working people and their families, put extraordinary pressures on them. That was all very well-documented in a study paid for by our tax dollars, but strangely enough, it has not been published.

I would think, having been a Democrat for a number of years, that I was dealing with a Republican administration that would repress such a study, but no, I find out that the Clinton administration, that the Department of Labor is repressing a study, a documented study by a well-known academic economist from Cornell University, that documents how destructive NAFTA has been beyond the job laws, beyond the destruction of the environment.

It has hit average Americans who still have their jobs in this country, driving down their wages, while their CEO's, as the gentleman mentioned, see their bonuses and stock options rise to the sky. This is extraordinarily discouraging. I would call on the administration to release this. Let us have a full and fair debate over the impact of NAFTA. Do not try and hide it, do not try and hide reports that point to the problems.

Like my colleagues say, if we are going to consider NAFTA or extensions of NAFTA, let us fix it first.

The gentleman mentioned also the fast track. I think a lot of people say, fast track, what does that mean? What it really means is to get an agreement through the Congress with no scrutiny, no change allowed by your elected representatives, and no accountability. That is how we got NAFTA, that is now how we got GATT, and that is how they want to extend NAFTA. What does that mean?

Well, the administration goes out and negotiates this agreement, of course privileged between the administrative branch, the executive branch, and the executive branch of another nation, and what they tell us is these agreements are so delicate, of course these nations are desperate to have these free-trade agreements with the United States, but it is so delicate that they will get upset and take their marbles somewhere else if we allow the elected representatives of the people, the Congress assembled, to make a single change in a single period, a crossing of a T, let alone a substantive change to those agreements. That is fast track. That is what the administration and the Republican leadership want to foist upon us in the very near future in an attempt to extend NAFTA even further into Latin America.

I am no rust belt Congressman, no offense to my colleagues from the middle part of the country with a proud industrial tradition. I come from what is supposed to be the brave new world of free trade, the West Coast of the United States, Oregon.

I have been one of the few who stood and questioned these so-called free-trade policies. I was shocked to find out just today, I said to myself, I am going to go down and speak on NAFTA, it has been a while, give me some updated statistics, to find that my State, the great bastion of so-called free trade is fifth out of the 50 States on the list for companies who have filed for trade adjustment assistance, fifth. We are not talking about declining, old plants; we are talking about one of the fastest growing States in the union losing jobs across the wide variety.

Wood products, plastics, computer products, ship repair, natural gas, shirts, coats, clothing, sawmill machinery, circuit boards, trailers, and related mushrooms, we are losing the mushroom business to Mexico. Air crew training, natural rubber, latex gloves for nuclear plants, computer integrated information systems.

These are not the declining jobs that we heard, well, there might be a little dislocation, but all of those workers will get better jobs in these new industries. These are many of the new industries we were told that would bring jobs and prosperity to America, to Main Street, America, under NAFTA, and instead, they brought disaster, dislocation, and a loss of hope on the part of many of my constituents and others across the country.

There are some Members of Congress listening, and we are going to try and stop the fast track and we are going to demand a review of NAFTA as it stands now, and some accountability. Let us go back to those promises, let us look at a bill we introduced called the NAFTA Accountability Act.

Let us compare the promises to the reality, and if they do not match up, which they do not, as my colleague has pointed out, then let us ask the President to go back and renegotiate the agreement in a way that we can achieve the goals and the promises that were first rendered to us when NAFTA was jammed through this Congress on the last fast track experience we had.

Mr. Speaker, I yield back to my colleague if he has a comment on that. I see our colleague from West Virginia is here, if he would care to comment.

Mr. BONIOR. Mr. Speaker, let me just make one quick point and then I will yield to my friend from West Virginia [Mr. WISE] or my friend from Oregon [Mr. DEFAZIO] if he wishes to continue further.

This is the debate about the future and the past. I would submit to you that the proposals that have been offered vis-a-vis GATT and NAFTA are the past. The proponents of these treaties want to take us back to a day when there were no protections for our workers, when there were no protections for our environment, when property rights were much more important than worker rights and human rights. Those were things that we have overcome, hurdles that we have overcome for the past 100 years, and the proponents want to take us back to the 19th century, masquerading that they are taking us to the 20th century, masquerading that they are taking us to the 20th century in order to create this greed.

What we are about is taking us into the 21st century to deal with very human needs of workers. That is really where the center of this debate has to crystallize for the American public to understand what has been going on. So I thank my friend from Oregon for giving us a picture of what has happened in a West Coast so-called trade State. It is not very rosy, to have him elucidate on the floor of the House just how many people in his district and State are affected.

I yield to my friend from West Virginia.

Mr. WISE. Mr. Speaker, I was very struck by the gentleman from Oregon in that statement, because he is correct, those of us from the Midwest and the so-called rust belt and traditional mining and manufacturing areas assume that we bear the brunt of it, and of course we look to the West Coast and the silicon valleys of the world, the start-up industries, and if anybody benefits from these type of free-trade agreements, and yet I think you have illustrated very well what the problems are.

I believe that those who negotiate these treaties for the most part are operating in good faith, I believe are operating in good faith. I think they honestly believe that the marketplace, if left alone, totally alone, will produce the greatest justice for the greatest good. I do not think it always works that way, and I do not think that the human, the human content, the human problems and the human ramifications are taken into consideration adequately enough.

I have not seen too many NAFTA proponents come out in the last 2 years to talk about all of the good that NAFTA was to do. I have not seen anyone stand in the well, as you two gentlemen are standing right now, and tick off goals announced when NAFTA was put forward, goals achieved. If my colleagues remember, the goal was that our trade surplus would at least be the same, if not greater. Of course we are billions of dollars in the red in trade deficits.

Mr. BONIOR. Mr. Speaker, we had a $2 billion surplus going into NAFTA, going into the negotiations, and the United States had a $2 billion trade surplus. Today, 40 months later, we have a $16 billion trade deficit with Mexico.

□ 1645

Mr. WISE. Exactly. There were to be several hundred thousand jobs, good-paying jobs, to be created, was the quote. We have not seen those jobs. We have an economy happily that has been growing, but at a minimalist rate, 2.3, 2.5 percent. That sustains about the level of unemployment, the current level of employment, better said, but it is not a growth economy. It is not an economy that helps.

The gentleman from Michigan was talking about this a little earlier, it is not an economy that sustains and helps middle-income people truly stay middle income and get ahead.

So that is my concern as well. Now I hear talk of a whole new wave of free-trade agreements that may be coming to this Congress. Whether you call it fast track, whether it is with Chile, whether with Mercosur, whether with some of the other countries, and we have the North American Free-Trade Agreement, NAFTA, Southern Hemisphere Area Free-Trade Agreement, that turns into SHAFTA, and I think that is exactly what we are looking at if we keep going down this path.

I happen to believe that there are a number of areas we can negotiate true free-trade agreements. But I think we have to take into context, into consideration, the economic situations of the countries involved, the political situations; and the differentials: the labor differentials, the economic differentials, the environmental differentials, the health and safety standards.

Mr. BONIOR. Mr. Speaker, that is a very good point. When the European Union came together and Portugal and Greece wanted to join the European Union, they were told, you have to meet certain standards. If you meet these standards you can come in, we will embrace you, we will have a trade relationship that is comparable to what we do with each other, with what the French do with the British, what the British do with the Italians. But we are not going to let you come in until you provide certain labor standards, certain environmental standards, certain standards. You have to reach a certain level.

We had an opportunity to do that during NAFTA with Mexico. With Canada we have comparable standards in these areas, but with Mexico we do not. You cannot form a labor union there, you cannot assemble an independent union. You get thrown in jail.

I was just down in Mexico. I saw and talked to people who tried to do that, who worked in factories where the line was moving so fast that members of their families and neighbors were losing their fingers and hands. They put on a demonstration to stop work at this plant one day, to get the attention of the company to deal with this problem, and the people who organized that were fired. Then they tried to form their own independent union and they were thrown in jail. That goes on all the time. There is no sense of justice; economic justice, certainly, let alone other types of justice, in Mexico today.

So what we are saying is, well, until you harmonize upwards and provide people the right to organize and assemble and collectively bargain for their sweat and labor, and until you provide a decent environment where people can bathe without worrying about toxins and fumigants and everything else getting into their children's bloodstream, we are not going to deal with you.

The American Medical Association just recently called the border, the Mexican border along our United States border, a cesspool of infectious disease. This is 4 years almost, after NAFTA, when we were told it was going to get cleaned up.

So we are asking that these countries, and they have great people and wonderful workers, they just need some leadership out of their government, and some responsibility out of these transnational, multinational corporations, to do what they should do naturally, help these people lift themselves up and provide a decent quality of living for them, so they do not have to face these environmental degradations.

The gentleman is absolutely right.

Mr. DEFAZIO. Mr. Speaker, if the gentleman will continue to yield just a moment, this is a common misunderstanding, because the administration and the Republican leadership made a great show of adding environmental protections to the original NAFTA agreement, because they saw in fact that we probably were going to beat the NAFTA fast track agreement on the floor.

But it was all cover. It was not in the agreement. It was not in the annexes. It was not in any part of the North American Free-Trade Agreement. It was in fact a nonbinding side agreement by administrative rule by the President. It was basically to do nothing except to provide cover to some of our weak-willed colleagues, who were torn between the opposition of people concerned about the environment and other things with this agreement and the pressure from some of the largest industries and some of the largest employers in their district, who were going to become smaller employers in their district real soon after this passed.

So this was all cooked up. In fact, there is no binding environmental agreement. We have seen the conditions along the border deteriorate dramatically. It is going to continue to accelerate and get worse. In fact, I do not want to bring in too many side issues, but there is the recent problem with the strawberries. This is a problem of lack of environmental safeguards in Mexico. Americans are threatened with hepatitis because of some strawberries snuck in here in violation of the standards which control our school lunch program, but in any case, labeled as an American product, sold to children, to schools, fed to children, infected with hepatitis because, again, there are no enforceable environmental laws in Mexico. Yet we are opening our border to these goods coming across. This is an incredible threat.

Mr. BONIOR. The gentleman is absolutely right. Let me tell my colleague, when I was down in Tijuana we visited a battery recycling facility. A couple of Americans came over, established this recycling facility for lead batteries in Mexico. They would take the batteries apart.

We visited a field probably the size of a third, maybe a half of this Chamber, that was covered with white lead, exposed, a field of it, where dogs ran through it; very toxic, very dangerous. Dogs were running through it, kids were running through it. And not 5 yards from this exposed battery field of lead was the largest dairy farm in that state of Mexico. When it rained and the wind washed this lead and the cows ingested it, of course the cows died, and of course they have had a huge increase of cancer and other problems in this area. That is the type of a situation we are dealing with here, that type of uncaring and lax concern.

I could tell the Members other horror stories, but believe me, we have not made any progress on the environment down there. We had this thing called an ad bank that our friend and colleague, the gentleman from California ESTEBAN TORRES, worked very, very hard on, but we have not had one significant major loan to deal with the cleanup yet. There are some getting ready to be done, but we have not made any progress there at all.

Mr. WISE. Mr. Speaker, if the gentleman will continue to yield, one of the points that I think all this brings out is if we are talking about trade agreements, because we are, we ought not to be looking at free-trade agreements. First of all, we find out they are not free, we end up paying a whole lot for them. We ought not to be focusing on free-trade agreements, we ought to be focusing on regional trade agreements in which the goal is to up lift a region.

We uplift a region not just in sheer dollars and cents, the fact that you can move a product across a State or country line with a minimum of tariffs, no tariffs, and trying to compete in a race to the bottom as far as living standards. No, a regional trade agreement says we want to uplift the whole region.

We recognize that open trade is the best way to do it, but we also recognize, as the gentleman was talking about with the European Union, we also have to bring in a whole host of other factors as well. In order to participate in this regional trade agreement, then you have to bring labor, health, safety, environmental standards up.

A West Virginia worker can outproduce, I think, anybody else in the world. We are very proud of what we make, whether it is glass, whether it is chemicals, the coal mining that goes on, and now a whole host of new industries. In fact, West Virginia is now, as I recall, the fifth largest exporter per capita in the country. So we compete and we compete well.

But our plants and workers have trouble competing. Even though wages may be higher, they will be more productive, but at the same time if they are having to bear the environmental costs of installing the latest environmental equipment, which the world needs, if they are having to bear health and safety costs that nobody else bears, a whole lot of other things that weigh against them, then that is not free trade and not fair trade. Indeed, you have not benefited people in Mexico either, or wherever else you want to negotiate these treaties.

Mr. BONIOR. Mr. Speaker, that is really the other real tragic and sad piece of all of this, is that the people who are really exploited are the Mexican workers, who are caring, who produce well, who work hard, but yet are paid a pittance.

We were told during the NAFTA debate, my friend, the gentleman from West Virginia [Mr. WISE] and the gentleman from Oregon [Mr. DEFAZIO] will

remember, we argued these folks were paid $1 an hour. We were told, they were not going to be paid $1 an hour, they are going to get paid more than $1 an hour. They are not paid $1 an hour today, they are paid 70 cents an hour.

The other side will argue the reason they are paid 70 cents an hour is because the peso was devaluated. We told them that the peso was overvaluated, that this was going to happen. So it is these folks who work these extraordinary hours, they are very productive, and they make $4 and $5 a day at the plants I visited. They are struggling to make ends meet for their family, living in dire and abject poverty.

Many of these corporations that are hiring them are folks we have right in our district. They are headquartered here. You would think they would be interested, the corporations, in paying them a decent wage so they could buy some of the products, the TV's, the automobiles, that these people produce.

If we go to an automobile plant on the border, we do not see any parking lots, because people working in those plants do not have cars. Many do not have televisions, and they assemble more television sets there now than I believe anyplace else in the world, certainly in North America.

That old principle of paying people not only a minimum wage but a liveable wage, so they can purchase what they make and you can create a middle class, and when we create a middle class in Mexico, they have one, they have about 100 million people there, and maybe 20 million are middle class, but the rest are not. But when we create a larger and expanding middle class, then they can purchase some of the things we make here. But until then, we are going to continue to see escalating and growing trade deficits, as we have seen.

Mr. WISE. If the gentleman will yield, Mr. Speaker, I would also note if there are those who are going to bring this kind of legislation to the floor, whether it is the fast-track agreement or free-trade agreements or whatever, please be aware that I think that this time there are a lot of people who have had the benefit of seeing NAFTA in application, and that there will not be the automatic hard sell possible that was done then, as people look at these other factors.

Or if Members are going to bring it to the floor, please have it in those kinds of standards that are so necessary to truly make it a competitive and the often-used phrase is level playing field.

Mr. DEFAZIO. If the gentleman will continue to yield, Mr. Speaker, if we could just return, again to my surprise, that Oregon, so-called free trade, high-technology, a growing State, is No. 5 on the list for applications for people's jobs having been exported or dislocated.

I would just like people to be aware of the other States. No. 4 is the State of Washington, again, looked at as another vital, growing, exporting, high-technology State, dominated, of course, by Boeing and Microsoft.

Then, you know, we get to States that, well, again, Texas, I do not think too many of us have thought in the past about Texas as being one of the them. Actually they are No. 2. No. 1 is Pennsylvania, and No. 3 is New York, and No. 2 is Texas. So what we have pointed out here is that there has been extraordinary job loss.

There are those, as the gentleman pointed out, who would say that this could not have been anticipated. Well, who could have anticipated the decline of the peso? Mr. Speaker, the bottom-line truth here is that this agreement was never intended to create a market for American products. This agreement was always about protecting the movement of United States capital and manufacturing resources to Mexico to exploit the cheaper labor, the lack of enforcement of safety standards, and the lack of enforcement of environmental laws.

The key part of this agreement was something that protected United States capital and set up an independent court of claims in case any of it was expropriated, because United States industry was looking back to the days when, in Mexico, the oil industry had been expropriated. That was the barrier we are talking about.

What they did is opened up the floodgates for capital that is needed in this country to update equipment and productivity, so we can compete in world markets, to move to Mexico with impunity, to exploit their people and the conditions in that nation.

□ 1700

We also opened the floodgates for other foreign nations to move their capital into Mexico in order to obtain access to our markets. It was never about Mexican workers earning a dollar an hour buying the Dodge Ram trucks that they are building. That was an impossible equation. It was never a reality.

In fact, the total purchasing power of all the people of Mexico, if they had spent every peso before devaluation on United States goods, would have been less than the purchasing power of the people of New Jersey. Tell me that in the United States we would enter into an agreement and allow New Jersey to wipe out environmental laws and its labor protections and all that so that we could just gain access to their markets because it was going to boost our economy so much. No offense to the people of New Jersey, the Garden State, a great State.

The point is, this was a blip, even if every peso spent in Mexico could have been spent in this country, that was never the intention. In fact, this agreement has worked out very much the way that its principal proponents intended.

United States capital has fled to Mexico. United States jobs are seeing downward pressure on their wages. United States jobs are fleeing to Mexico. The people of Mexico have seen actually a decline in their standard of living and a decline in their environmental conditions. Now they want to extend this to other countries in Latin America, the great new frontiers where maybe labor is even cheaper than Mexico and maybe they will let us despoil the environment even more than they will in Mexico.

Mr. BONIOR. Mr. Speaker, Mexico was created to be an export platform, an export platform where countries from around the world would come, exploit the cheap labor, inexpensive labor. The reason it is inexpensive is because the Government will not let workers come together and bargain collectively for their sweat. They disallow that. You get thrown in jail if you try to do that.

So you have got a situation where the Government specifically is trying to create an export platform country, keeping the wages low for its workers. And it is not just U.S. corporations. It is Japanese corporations, corporations from Korea, all over the globe who are coming to Mexico and using their labor, people who get paid less than a dollar an hour, and then exporting those products right back here to the wealthiest and the most productive and the most sought after market on the face of the earth, into the United States.

We, in turn, have nothing to sell to Mexicans because they do not have the money to buy it. We have lots of wonderful products, but when you have a society with people, the vast bulk of the people are not working or, if they are working, they are earning a buck an hour or less, they are not going to be able to purchase them. It is a no-win situation for everybody except the multinational corporations and the elites in the Government who back them up and the elites, I might add, in the media who are part of the corporations who are engaged in this type of activity because it is all intertwined.

So the gentleman is absolutely correct. It is a tragic, tragic situation what has occurred here. It is taking us back to the 19th century instead of moving us forward to the 21st century. And it is just terribly tragic.

As my colleague from Oregon says, now they want to extend this to all the rest of Latin America and who knows where else where there will be continued downward pressure on wages.

Mr. DEFAZIO. I saw a cartoon once that basically the punch line was that I always wondered where we are spending all this money on the space station,

and this one economist looks at the other and says, well, I know somewhere way out there there may be someone who will work for less than 10 cents an hour.

So I mean in part, I mean what are these brave new frontiers. Of course, we are having some contention over China and other countries that are even more oppressive or repressive than Mexico. It is an extraordinary race to the bottom.

Ultimately it will undermine the strength of our Nation, which was created in part by the spirit of capitalists like Henry Ford who said, I am going to build a product that the people who work in my plants can afford to buy. And for many years there was a wonderful linkage between the owners of capital and the managers of the corporations and the working people, which was to say, if you produce more and do better, we will all go up together.

And now, for whatever reason, they have decided to break that link, to both use agreements like NAFTA to push down wages in our country. In the heartland of our country, we are seeing people who are getting hardballed in negotiations. It was either Delco or Packard Electric, and I do not want to misspeak, but it was a producer of electrical components for automobiles and wiring looms and all those things. When the agreement came up, the company said, look, it is real simple, you take a 50-percent cut in your wages or all your jobs go to Mexico. There was nothing else in the community. And ultimately the workers had to accede to those demands.

Mr. BONIOR. And that happens every day in America, in many places every day at the bargaining table. Sixty-two percent of the employers threaten to close plants rather than negotiate or recognize a union, implying or explicitly threatening to move jobs to Mexico or to other countries if they did not take a cut in pay, if they did not take a cut in health benefits, if they insisted on recognizing a union to bargain, 62 percent. It is a phenomenal number.

If I might say something here about labor unions, because they often get a bad rap. Let me tell you, labor unions, I was driving the other day and I saw this banner that was hanging over a railroad trestle and it said, Labor unions, the people who brought you the weekend.

It reminded me of what they did. They did bring people the weekend. They did bring them their vacation. They did give them wages. They did a lot of things to build the middle class. They moved people into the middle class in this country. And when labor unions were strong, when they had about 35 percent of the workers in this country, they are down to about 10 percent now in the private sector, when they had that percentage, people's wages were up there. They were up there.

When they had 35 percent of the work force in this country, they were getting a comparable amount of the productivity in wages. But when they started to slide and decline in their numbers in the 1960's and the 1970's and the 1980's, what they were able to get for their workers, as it relates to the productivity that the workers were creating, was less and less and less to the point now where they get about a third of the productivity that they performed, their workers.

So the labor unions are an important ingredient. Whether they are here in this country or in Canada or we saw them go arm in arm in Korea recently to demand justice and they won. We saw Parisian workers and German workers march arm in arm in Paris, metal workers, for their rights. They won.

Workers have to come together in solidarity with church groups, with other workers to form a countervailing force to stop this type of activity against working people both here and abroad.

Mr. DEFAZIO. Another point, I have a lot of small business in my district, not a lot of large manufacturers. It came to some of the small businesses and the Chamber of Commerce in my hometown of Springfield, when what had been a profitable door and window manufacturing company was bought out by a nonunion firm from out of state. And they came in with the intent of busting the union, and it did not take very long for the business community, the small business community in this small town in Oregon to figure out, you know, if the people who work at Morgan Nicolai see their wages go down by 50 percent, which was what was being proposed in the busting of the union, they will not have the money for the dry cleaning or the restaurants or the new televisions and the other things.

Actually the workers got support from the traditional community. The small business community in many cases has not yet made that linkage. But it is their livelihood that is also being threatened by this downward trend. It is just not people who work for wages in factories. It is not just union members in the public or private sector. It is everybody who they patronize.

And as we drive down wages in this country, we are ripping the heart out of all of middle-class America. Particularly disheartening to see it happening in this case where not only have the workers in Mexico seen their standard of living go down, but America workers are seeing their standard of living decline, while CEO's in this country go to 200 times average wages of manufacturing employees. What are they doing with all that money? They should not be so greedy. It is just extraordinary to me. It is a recipe for disaster, a recipe for disaster.

Indeed, it is. And we are creating a hollow shell under this economy of ours; and some day it is going to collapse, and when it collapses, it is going to come down with a thud that is going to shake the boots off of people in this country.

Too many folks in America are making money on money, not enough making it on manufacturing and building things that are important for our economy and for our communities.

And when this wage issue continues to erode, as it inevitably will with these trade agreements, I think it does not bode well for our children and grandchildren. And I am very, very concerned about it and I am very disappointed about this tragic turn that many of our colleagues have bought into with respect to trade like we have to do this because it is the only way that we can compete.

It is nonsense, it is crazy, and it is driving the living standards of a lot of our families into the ground.

I thank my colleague for coming.

Mr. DEFAZIO. I thank the gentleman for his leadership.

Mr. BONIOR. And I appreciate his taking the time this afternoon to speak on this issue. We will be joined by others of our colleagues to discuss this issue as we move closer to talking about additional trade agreements as they come to this floor.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 400, 21ST CENTURY PATENT SYSTEM IMPROVEMENT ACT

Mr. MCINNIS (during the special order of the gentleman from Michigan, Mr. BONIOR) from the Committee on Rules, submitted a privileged report (Rept. No. 105–56) on the resolution (H. Res. 116) providing for consideration of the bill (H.R. 400) to amend title 35, United States Code, with respect to patents, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. MCINNIS (during the special order of the gentleman from Michigan, Mr. BONIOR) from the Committee on Rules, submitted a privileged report (Rept. No. 105–57) on the resolution (H. Res. 117) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the Chair recognizes the

gentleman from Oklahoma [Mr. COBURN] for 60 minutes.

Mr. COBURN. Mr. Speaker, I have two charts that I would like for the American public to see because I think they very importantly make some cases for where we are today; and I have committed that I will spend the time that is necessary to communicate to the people in my district and people throughout this country what is really happening to us in terms of our budget.

We hear a completely different rhetoric today than what we heard just 2 years ago. And the question that comes to my mind is, Why has the rhetoric changed? And I think the rhetoric has changed because people are fearful for their jobs.

It was not that the rhetoric was wrong. The rhetoric was right, but the results of not communicating the importance of what our job is and not communicating exactly where we are.

I would want people to look at these two charts. One is from 1972, and the other is for this fiscal year, 1997. And they really show the heart of the problem that this country faces with its budget.

If we look at 1972, what we realize is that our entire Federal budget was $231 billion. Whereas, in 1997, we are going to spend $1,632 billion, which is a significant, 700-percent increase, in a mere 25 years in the amount of dollars that we actually spend.

Critics will say, well, that is not real dollars. But it is a significant increase in real dollars to the 700 percentage points.

When we look at the total, the other thing that we first notice is that, of the interest payments that we made on the national debt in 1972, that it was a mere $16 billion, that, in fact, we were spending about 7 percent of our budget on interest; and now we spend 15 percent of our budget on interest, and no small number whatsoever, $248 billion, which is more than the entire amount that we spent on ourselves in 1972.

The other thing that these pie charts show is they show the fix that we are in unless we have the courage to make the changes in the programs that are driving the budget deficit.

We have three choices. As the yellow portion shows that, in 1972, discretionary spending, the things that your Representative truly gets to make a choice on every year and vote on, accounted for 55 percent of the budget. Today, as we can see, it accounts for 34 percent. In the year 2002, it will account for approximately 20 percent.

So what is happening is, the areas where your Representative can make a difference in terms of the discretionary budget is slipping every year in terms of both total dollars and in terms of the percentage of the budget.

The other thing to note is that the interest portion of that has risen 1,600 percent. So if we go to the red area and we see that in 1972 mandatory spending was 38 percent and it is now 51 percent and was projected to continue to rise to approximately 80 percent, we can see that unless we make the necessary changes to make those programs viable, efficient, and affordable, that it does not matter if we do not do anything now.

□ 1715

We will be in such a financial catastrophe in the year 2012, that we will be forced to do it. So the question is, do we take our medicine now or do we take our medicine later? Do we do the right things?

I have a couple of questions that I think are important. One is, remember the debate on Medicare over the last 2 years? Everybody agreed, including the trustees, that Medicare is going bankrupt. We have not heard people talking about it. Is it still going bankrupt?

The plans put forward in the last Congress were necessary, quality, good plans to save Medicare. The plans that are being put forward in this Congress are simply band-aids on Medicare. They will not solve the structural problems, they will not solve the long-term equity and viability that is necessary for a health care program for our seniors, and, in fact, every year that we do not make the right decision to fix the Medicare Program, we will, in fact, make it harder and more expensive when we do finally face the fact.

So the question is, why are people not talking? Were people untruthful in the last 2 years about the Medicare Program? The board of trustees, matter of fact, last year said we were wrong, 2002 is not right when it will go broke, it is probably going to go broke in the year 2000. I expect the trustees this year to tell us that Medicare will go broke in the year 1999 or very close to the year 2000.

So if the problem is still there, why are people not addressing the problem? Why? Because of the falsity and the demagoguery associated with the political system in our country, where if we do the right thing, even though a special interest might not understand the issue, we get beat up on it when we go to run for reelection.

So we have to move to the question, what is more important, doing the right thing for our country or getting reelected to this body? And I hope the American public would be incensed that their Representatives had not addressed the problem of Medicare, because if we really care about seniors in this country, we will make the decisions this year, not next year. Not when President Clinton is no longer President and not when the gentleman from Georgia, NEWT GINGRICH, is no longer Speaker of the House, but this year, when it will make the most difference, save the most money and afford health care to the most seniors.

It either is going broke or it is not. It is going broke. So why would this body not in fact address the Medicare problem?

The second area in this red that we do not have any control over, and we made some attempts in the last Congress, but needs to be addressed, that is further refinement of the food stamp program.

The fact is there is a large portion of the $27 billion that the taxpayers pay in this country for food stamps that goes for beer, cigarettes and crack cocaine. The system needs to be changed. The system needs to be a hard ID'd limited program that provides the basic essentials and basic needs for those who are dependent upon us for good reason. We should not be supplying those things that in fact will harm them.

To continue to accept a system that will waste $7 or $8 billion of taxpayer money because we do not have the courage to tackle what may be a very controversial issue, means we do not have the courage to be here in the first place.

The third point I would make, and if the gentleman from Wisconsin, [Mr. NEUMANN] will stay here, the third point I would make within Medicare is we have good testimony, both from the Inspector General, from the FBI, that of the money we spend on Medicare, somewhere between $20 and $40 billion a year is fraudulent; in other words, is billed to the Federal Government through Medicare for services that were not rendered.

Why should we accept that? Why should we not completely revamp the Medicare rules and regulations to take the incentive for fraud out of Medicare? Why have your Representatives not done that? Why has the President not led on that? Why have the Senators not done that? They have failed to do that.

The same question: What is the issue? The issue is the courage to do the hard thing but the right thing so that the most people in this country will benefit from it.

We have home health care in this country. The Inspector General of HHS testified this year before this Congress that somewhere between 19 and 63 percent of every bill that is submitted to Medicare for home health care is fraudulent. The services were not performed. And yet we continue to have home health care guidelines issued by the Health Care Financing Administration that allows that to continue, and we have known that for 2 to 3 years.

We need action, and we need action that is based on courage and is based on the principle to do the right thing regardless of what it costs to someone's political career. So we need to fix it to where we can make changes in the red. The area of yellow is going to get smaller, the area of blue is going to

balloon in terms of interest, and the area of red is eventually all we are going to have, is blue and red, mandatory spending and interest on the national debt.

I do not think that is acceptable for our country. I know it is not acceptable for the future generations that are going to pay for it.

I notice my friend from Wisconsin is here and I welcome him to this discussion.

Mr. NEUMANN. Mr. Speaker, I would just point out to the gentleman, and I saw his charts down on the floor, but I would just point out, and I think it is very important that all our colleagues remember that even though that area that is called discretionary spending seems to be shrinking, that from 1987 to 1996 the nondefense discretionary spending, that is for all of the programs that we hear so much about, that nondefense discretionary spending program is up by 24 percent.

We have been told out here or we have been led to believe that in fact the only problem we have to deal with is the entitlements. The reality is it is not only the entitlements, it is also those other areas that just seem to grow out of proportion. Somebody starts a program, and the next year they decide the program should be bigger, and pretty soon the programs are growing by 10 percent, even though inflation is only 3 percent.

And of course that is how we got to a 24 percent growth in real dollars, or constant dollars, over a 10-year period of time.

Mr. COBURN. Or a 400 percent increase in the last 25 years in nonreal dollars, or inflated dollars.

Mr. NEUMANN. Right. I noticed the gentleman talked about Medicare. Should we talk about the Social Security Program a little bit?

Mr. COBURN. I think we should. One thing I want to address is this bogeyman everybody talks about called the Consumer Price Index, or the CPI. Because, in fact, when we ask politicians and we ask Members of the House of Representatives how many of them want to talk about that with their constituency, very few will say, "Yes, I will be happy to talk about that." They are afraid of that issue. I think we should talk about that issue.

The very people who are receiving Social Security today are the people in this country that went through the Depression and fought the great war. They won World War II. And the real issue surrounding the CPI is, does the CPI accurately represent the increase in the cost associated with the standard of living for people on Social Security?

Mr. NEUMANN. Us country folks from East Troy, WI, call that inflation. That is really what we are measuring. In very simple English, we are measuring inflation.

Would the gentleman like me to walk through how they determine inflation in this country today?

Mr. COBURN. I think we should.

Mr. NEUMANN. The CPI today is determined by looking at 90,000 different articles, 90,000 goods. They call it the basket of goods. They go into 22,000 different stores across America and they look at 35,000 rental units.

So this is a huge number of items that are being analyzed each year. And we can think of it like looking at how much do these 90,000 things in the basket cost on January 1 of this year and how much do they cost January 1, 1 year later, and that is how they determine the rate of inflation today.

Now, some people say that that basket of goods does not contain current items and is not updated frequently enough. An example of this would be in the basket of goods today we would not be looking at typewriters. If typewriters were in there, we would want to replace typewriters with computers.

So some people are saying that basket of goods, the 90,000 items they are looking at, are not actually the items that people in America today are buying. I would suggest, if that is the case, the Bureau of Labor Statistics needs to update the basket of goods.

But that is a very different concept from politicians stepping in and saying even though it appears inflation is 3 percent, we deem it appropriate to make it 2 percent. A politically motivated adjustment to CPI is something that I think I would personally find very, very unacceptable. As a former math teacher, this looks like a math problem to me.

Mr. COBURN. The principle is, if the underlying purpose of the CPI increment, cost of living adjustment, was to reflect that, then what we ought to have is that it reflects the cost of living. If it is overstated, it ought to be lowered; and if it is understated, it ought to be raised.

I have not found any senior in my district that disagrees with that once they understand what the issue is with it. It is not a political fix, it is doing the right thing.

So, again, what we should be saying is that that CPI should accurately reflect, and we have large numbers of people as far as economists and other statisticians that tell us today that that is not accurate. Now, how we solve that is to ask them to do their job and to do it correctly and bring us and the American public that number.

If they will do that, that will not be an issue anymore. But it also brings us back to what our problems are, is we are not demanding excellence in large areas in our Nation. And the first place we should demand excellence is in our Government, and we should demand excellence in the Bureau of Labor Statistics.

Mr. NEUMANN. I think just to make this very, very clear, we are both opposing a politically motivated adjustment to CPI, or a political adjustment, and we are both supporting a mathematical computation that is accurate and that accurately reflects inflation in our Nation today.

I think virtually all of the American people would support that. That is what the Bureau of Labor Statistics is supposed to be doing.

Mr. COBURN. So let me ask the gentleman a question, if I might. Is it possible to balance our budget and pay off the debt; and can we do that and meet the obligations that we have made to the people in this country that depend on us?

Mr. NEUMANN. Well, to answer that I think we need to understand how Social Security fits into that picture. Because, in fact, Social Security is a very big part of whether or not we can balance the budget.

A lot of people would like to take the Social Security Trust Fund money, the extra money that is being collected over and above what is being paid out to our senior citizens in benefits this year, the money that is supposed to be put in a savings account, they would like to take that money out of the savings account, put it in a government checkbook, spend it, and call the checkbook balanced, even though they are spending the money from the Social Security trust fund.

Mr. COBURN. But the answer to the question is we can meet the needs and commitments we have made in this country, and we can balance the budget and we can pay off the debt; is that correct?

Mr. NEUMANN. That is absolutely correct, and we can do it without going into the Social Security trust fund money and spending that trust fund money on other Government programs.

Mr. COBURN. As a matter of fact, we can do it putting that money into investments that will enhance the Social Security; is that not true?

Mr. NEUMANN. Such as a negotiable Treasury bond or a CD, something which our senior citizens are very familiar with. In fact, I think it is very important that we understand that the money that is being collected for Social Security today, and I have a chart that shows that money we are collecting, $418 billion today for the Social Security trust fund.

We are collecting $418 billion for the Social Security trust fund today and we are spending $353 billion on benefits for our senior citizens. That leaves us $65 billion surplus.

Let me translate this into English so it is easy for everyone to understand. If we think about this, it is like we are going into the paychecks and collecting $418, like our own checkbook at home. We put $418 in our checkbook and write out a check for $353 and our checkbook is in pretty good shape. We have $65 left in the checkbook.

The idea in the Social Security trust fund is that $65 left over, it is actually $65 billion, that money is supposed to go into this savings account. Because we all know that in the not too distant future, as the baby boom generation moves towards retirement, there will not be enough money coming into the Social Security System to pay the Social Security checks back out to our senior citizens.

When there is not enough money coming into Social Security, the idea is we are supposed to be able to go into the Social Security trust fund savings account, get the money out of the savings account, put it in our checkbook and make good on the checks. That is no different than the way we would run our own house. If we have $418 in our checkbook today, and we have this problem coming in the future, and we spend $353, so we have $418 in there and we spend $353, we would put the $65 in a savings account and, later on, when we had the problem, we would go to the savings account, get the money, and make good on our checks.

□ 1730

That is how the Social Security system is supposed to be working today. I cannot emphasize this enough, though. That is not what we are doing with the money. What we are doing with the money in Washington today is we are putting it in the big government checkbook called the general fund. We spend all the money out of the general fund and then some. That leads to the deficit. Since there is no money left in the checkbook at the end of the year, we simply put IOU's down into the Social Security trust fund.

As a matter of fact, when we report the deficit, we do not even report the Social Security trust fund money, that $65 billion, as part of the deficit. When this city reports the deficit to the American people of $107 billion, what they do not tell them is that in addition to that $107 billion, they have taken $65 billion out of the Social Security trust fund. When they talk about balancing the budget in Washington, DC, what they actually mean when they say they are going to balance the budget by the year 2002 is that they are going to go into the Social Security savings account, take out $104 billion in the year 2002 and put it in the big government checkbook, and they are then going to call their checkbook balanced even though they took this money out of the Social Security trust fund to make it appear balanced, and that is a big problem.

Mr. COBURN. Let me ask the gentleman a question. Of the money that the Federal Government has borrowed, the internal debt to the Social Security, has the Federal Government paid any interest on that debt?

Mr. NEUMANN. That is a very good question. There is supposed to be $550 billion in that trust fund today. They pay all of the money into the trust fund with IOU's, so guess how they pay the interest to the trust fund.

Mr. COBURN. With IOU's.

Mr. NEUMANN. With another IOU is exactly right.

Mr. COBURN. So in essence none of the money that is supposed to be set aside for Social Security trust fund purposes nor the interest actually has ever been paid, and we continue to send a piece of paper to cover the interest and the additional moneys that we will take this year. What is the estimate this year of the amount of moneys that will be taken from excess Social Security funds, payments over disbursements?

Mr. NEUMANN. In 1997, we expect that number to read in the range of $74 billion. So they will take another $74 billion worth of IOU's. They will spend the $74 billion on other government programs, and they will simply put IOU's in the trust fund.

Mr. COBURN. Plus another $35 or $40 billion in interest payments?

Mr. NEUMANN. No, the $74 billion is the total number.

Mr. COBURN. Will be the excess plus the interest payment that is due on the $550 billion?

Mr. NEUMANN. Right. Of that $75 billion, about $35 billion is actual cash over and above what is collected out of paychecks, and the other $40 billion is the interest on what is already in the trust fund. So, yes, they are paying all of it, it is about $75 billion. It is made up of about $35 billion in principal and $40 billion in interest.

Mr. COBURN. But they are not paying it.

Mr. NEUMANN. They are paying it with IOU's, exactly right.

This really becomes important if I can just go to why this is important not only to senior citizens, but it is important to people in their 50's and in their 40's and it is important to our young people, too, because in 2012, the Government tells us, in my opinion it could happen as soon as 2005, there will not be enough money coming in to pay the benefits back out to our senior citizens, and of course that is when we need the savings account. Now if the savings account is full of IOU's in 2005, or 2012 in the best case scenario, if there is nothing there in that savings account and we have reached the point where there is not enough coming in, there are really only two choices, and this is why it affects everyone. The choices are either to tell the seniors that they cannot have as much as they were expecting from Social Security. From what I have seen of Washington, DC, that is absolutely not going to happen nor should it happen.

The other alternative is to go to people like my son, a sophomore in college, and other kids like him, who are in those years, 8, 9, 10 years from now, are going to be married and have their own kids and forming their own families and working hard to make a living for themselves, we are going to have to go to those young people and say there is not enough money coming in for Social Security. Back there in 1997 we did not do the right thing and put the money in the savings account like we were supposed to, so our only choice now, young people, Andy and Tricia, my daughter, who is a senior, 8 years down the road you have got your own young family, we have to take more taxes out of your paycheck to make good on our Social Security commitment to our seniors.

That is why this a problem that crosses all generations. It is for the young people, it is the threat of increased taxes in 2005 and beyond. It is a threat to our people in their 40's and 50's that the Government will not make good on their commitments for Social Security, and it is a threat to the people that are seniors today.

Let me just go one step further for the young people. If in fact there was $550 billion in the Social Security trust fund, growing all the way to $1 trillion by 2002, if there was 1 trillion actual dollars in that savings account, we could then tell our seniors, your Social Security is safe and we could turn to our young people and begin a discussion about what we might do rather than stay in the Social Security system, because the reality is none of them believe they are going to get Social Security, or very few.

We had an interesting situation in my own house this past week. My third, my youngest, who is 14, worked last summer mowing lawns. He earned $900. I said Matt, you have got to report that $900 on your taxes. So we filled out a tax return for him and guess what we found out? He owed Social Security money, about $128. So we are asking a 14-year-old in the United States of America today to pay $128 out of $900 into that Social Security trust fund, and we down here in Washington are taking that money and we are spending it on other Government programs.

It would be important that we discuss the solutions that the gentleman from Oklahoma [Mr. COBURN] and I are both working very hard to get enacted into law here so we do not leave the impression that there is nothing that can be done about this.

We have introduced a bill, it is called the Social Security Preservation Act. The Social Security Preservation Act is a very straightforward bill. All it does is take the excess money that is collected from Social Security and puts it directly down here in the Social Security trust fund. That is a change of direction of cash-flow. Today that money that is collected goes directly over here into the Government's general fund and then it gets spent on

other Government programs. Our Social Security Preservation Act is very straightforward. It simply takes the dollars and puts it directly down here into the Social Security trust fund.

The real meaning for this is that our senior citizens can count on their Social Security checks, the people in their 40's and 50's, if this money is actually there, can count on Social Security to be there for them as they have been banking on and paying into, and our young people can start looking ahead to a day when there are real dollars in the Social Security trust fund so they can start thinking about doing something to take care of themselves in their own retirement.

Mr. COBURN. And the American public will know what the true size is of the deficit that their Representatives are voting for each year, which in fact is significantly higher than what is reported in the press and by the Congressional Budget Office and the Office of Management and Budget, because it does not reflect this money borrowed from Social Security.

Mr. NEUMANN. That is exactly right. I have another chart here with me that really shows that. In 1996, this blue area on the chart is what the people in Washington reported to the American people as the actual deficit. What that is, is the amount they overdrew their checkbook. They overdrew their checkbook by about $107 billion in this particular year. What they did not tell them is that in addition to that, the Social Security trust fund money was also spent. That is another $65 billion, and the true deficit, had they put the Social Security money aside the way we are supposed to be doing, the true deficit was $172 billion.

Again, I would emphasize that in Washington, all the budgets except the one the gentleman and I are working on out here, President Clinton's budget, in 2002 when they say the budget is balanced, what they actually mean is they are going to go into the Social Security trust fund, take out $104 billion, the projected surplus that year. So when they say the budget is balanced, they are going to go into the Social Security trust fund, take out $104 billion, put it in their checkbook and say we balanced the budget.

That is ridiculous. In the private sector where both of us come from, you could not get away with that kind of reasoning, and they should not get away with it out here in Washington, DC, either.

Mr. COBURN. That is why it is so important for people of courage to stand up and do the right thing as far as the budget is concerned. The fact is, is we can balance the budget. We can make the hard decisions. The question is whether or not we will. The only way I am convinced that is going to happen is if the people of this country demand that their representatives make the hard choices that secure the future not only for the seniors and those 50 years of age, my age, and older, for their Social Security but also secure the future for our children and our grandchildren. Because in fact if we do not do these things now, the burden on them and the percentage of their life that they are working just to fund the Federal Government is going to be far in excess of 50 percent and probably close to 70 or 75 percent. The problem is not unfixable, although that is what we hear. The reason it is unfixable is people are not willing to make the tough decisions about the programs.

The thing I would want the American public to know is we cannot continue to do what we are doing and that everybody, everyone, everywhere is going to have to experience some pain in some way if we are going to balance the budget. Sometimes that pain is just a change in a program, but still the delivery of the service. Sometimes that pain is not a Government subsidy to oversee sales for some corporation. Sometimes that pain is making sure that we have an efficient food stamp program, or getting rid of the fraud in Medicare. It is something that we can do.

Mr. NEUMANN. I would point out to the gentleman from Oklahoma [Mr. COBURN] that this year has been a unique year for us. This is my third year here as I came here with the gentleman, of course. I put budget plans together for each of the first two years. This year it was the easiest by far of any of the years we have dealt with. Revenues right now today are so much higher than anyone anticipated that we can actually get this job done simply by saying no to all new Washington spending programs. As a matter of fact, if we accept President Clinton's numbers on Medicare but do not allow the new things that he has added in Medicare, if we accept his Medicaid numbers but do not allow the new Washington spending programs that he has added in Medicaid, if we go down to other mandatory spending, that is, your welfare reform and so on, if we again accept the numbers that he has proposed but do not allow any new Washington spending programs and if we take the discretionary spending numbers, and as the gentleman recalls, that was the yellow part on those charts the gentleman had up there, if we just take the numbers that we have already passed through both the House and the Senate, we have already agreed that we were going to keep the spending levels at this level, if we do all of those things, we do in fact get to a balanced budget by 2002, while at the same time we set aside the Social Security cash reserve and allow the American people to keep more of their own money, providing a $500 per child tax credit as well as reforming the estate tax, or the death tax, if you prefer, as well as reforming the capital gains tax which of course will allow the creation of many, many more jobs. I think we really should expand this vision. I think we should expand it beyond the year 2002 to our children's future and to the next generations of Americans. Because our fathers before us have preserved this Nation and given it to us in the shape that it is in and it is now our responsibility to think what kind of shape this Nation is going to be in for future generations. Really that is the last part of our budget plan. The last part is that after we get to balance in 2002 while at the same time letting the American people keep more of their own money and putting the Social Security money aside the way it is supposed to be, our plan also contains the appropriate course of action to pay off the Federal debt so that by the year 2023, when the gentleman and I are going to be thinking of retirement in all fairness. And, by the way, back in the private sector, long gone from Congress. But by 2023 when it is time for us to leave the work force, we can honestly have the debt paid off and pass this Nation on to our children debt-free. I just cannot think of anything else that we could be doing that would be more important.

Mr. COBURN. What does it take to do that? What is required to do that?

Mr. NEUMANN. My background is as a math teacher and then as a homebuilder, and I kind of combined the things I learned in both of those to figure out a very straightforward procedure to do it.

For any of our colleagues listening tonight, we have the details of this plan laid out from start to finish, from 2002 forward as to exactly how to go about it. It is very interesting what is happening to revenue at the Federal Government. Revenue to the Federal Government grows for two reasons. It grows because of inflation, that is, if you get a pay raise next year, you pay a little more in taxes, that is inflation, but it also grows because of real growth in the economy. So in our present situation we are looking at inflation of roughly 3 percent and real growth of roughly 2 percent. Revenues to the Federal Government then go up by 3 plus 2, or 5 percent to the Federal Government.

Our suggestion is very simply that once we reach balance in 2002, we cap spending increases at a rate 1 percent below the rate of revenue growth. I might point out, much to the chagrin of some of our fellow colleagues out here that would prefer to see Government actually shrinking much faster, that when we do this plan, when we cap spending increases at a rate 1 percent below the rate of revenue growth, we are still in a situation where the Government is expanding faster than the rate of inflation. So that if revenues

are going up by 3 plus 2, inflation plus real growth, or 5 percent, we cap spending increases at 4 percent, still 1 percent faster than the rate of inflation, what we find out happens is that by 2023 our debt is repaid in its entirety.

It has been interesting. The Speaker has been recently talking about Hong Kong, and whatever Members think of Hong Kong, they have a very different situation in their Government than we have in ours. In our Government today, a family of five like ours is paying $600 a month to do nothing but pay the interest on the Federal debt. If we were to enact this plan and pay off the debt by 2023, the next generation of Americans, the next family of five a generation from now, would not have to pay that $600 a month. Just think about this.

□ 1745

Just because they do not have to pay the interest on the Federal debt, they can have a $600-a-month, $7,200-a-year, tax cut without affecting any programs in the entire. Now the Hong Kong model goes one step further. The Hong Kong model says not only are we going to not have a debt facing our Nation, but we would like to go one step further and have a rainy day account. That is, if something goes wrong that we were not expecting, we have got money set aside for it.

So they have set up an account. The equivalent in America would be about $750 billion in that account. That would then pay interest into the Federal Government as opposed to what we are doing today, which is going right, which is going into our families and collecting money from them to pay the interest on the debt. It would be exactly the opposite.

My dream, my vision for the future of this country, is that we do balance the budget by the year 2002, we set aside the Social Security trust fund money, we let our families keep more of their own hard-earned money in their pockets through the $500 per child tax credit, and then we look beyond 2002 and we actually pay off the Federal debt, maybe establish this rainy day fund. But whichever, even if we do not establish the rainy day fund, get to the point where our folks are not paying $500, $600, $700 a month into the Federal Government to do nothing but pay the interest.

Is that not a nice vision for America?

Mr. COBURN. It is a great vision and one we ought to leave the American public with is that it is doable to balance the budget, we can meet the commitments to those that we have made commitments to and still balance the budget. We cannot have everything we want and balance the budget, but we can have everything that we need.

As we close this out, what I would want the American public to know is that, as we spend $1.6 trillion, sometimes that is hard to figure out how much money that is, and the best way I know to know how much a trillion dollars is is, if you spent a million dollars a day every day for 2,600 years, you would have spent your first trillion dollars.

So as we think about the magnitude of the size of our Federal Government and how that impacts how each one of us can relate to a million dollars a day being spent, it shows you that the magnitude is there that we can make the changes. All we have to do is be determined to do it.

Mr. NEUMANN. I use another example when we talk about how much the Federal Government is spending every year, you know, and you hear all this discussion about spending cuts out here.

The Federal Government this year is spending $6,500 on behalf of every man, woman and child in the United States of America. So just to put this in perspective, $6,500 for every man, woman, and child in America. A family of five like mine, the Federal Government is spending over $30,000 on behalf of that family of five like mine.

You know, a couple of other things that I think are important is you talked about the concept of need versus want, and I always like to go through what happens if you find a new program that we really need to do in America and you have got this frozen discretionary spending or you are trying to keep spending from going up. I think our vision for the future is that, when you find a new program that is legitimately necessary; for example, we have passed welfare reform last year. That means many women are leaving the welfare rolls and going into the work force, and that is a good outcome. But when they go into that work force, they are at the bottom end of the pay scale in some cases, and we want to see opportunities for them to move up the pay scale. But when they start they might be at $6 an hour or $5.50 an hour, and that does not add up real fast to how many dollars are coming home.

We also just found out that women in their forties should have mammograms. So these folks that have left the welfare roll and done the right thing, gone into the work force, they are able to work, so they have now taken a $6-an-hour job. We just found out that, if they are in their forties, they should have a mammogram. Well, they qualify for Medicaid, so the health insurance is there to provide them with health care, but the money is not in the Medicaid Program currently to pay for the mammogram that we have now found out that this working poor should have.

So what do you do about that? Our vision includes things like, when you find something like that that you need to do, you find another program that you do not need to do, and let me give you an example how that might work.

Mr. Speaker, we put the money in for the mammograms, then we go into our Russian monkeys in space program and say we are not going to go into the taxpayers' pocket and take money out of their pocket and send it to Russia to launch monkeys into space anymore. That $35 million instead gets redirected over into the Medicaid Program so we can now fund a program that we find to be worthwhile.

Mr. COBURN. It is a matter of making judgments as to what our priorities are and how do we best benefit ourself, and once we assume and know we can balance the budget, that is the hard work of Congress, and as it should be.

I want to thank you for joining me in this today, and I would want the American public to leave this discussion knowing that it is possible to balance the budget, it is possible to pay off the debt, it is possible to live up to the commitments that we have made in Social Security, Medicaid and Medicare, and welfare and at the same time secure the future for the next generation.

EXTENDING ORDER OF HOUSE OF FEBRUARY 12, 1997 THROUGH APRIL 17, 1997

Mr. COBURN (during the special order of the gentleman from Oklahoma, [Mr. COBURN]. Mr. Speaker, I ask unanimous consent that the order of the House of February 12, 1997, be extended through April 17, 1997.

The SPEAKER pro tempore (Mr. RADANOVICH). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

WHALING AND WHALE POPULATIONS

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

Mr. METCALF. Mr. Speaker, I rise today to oppose yet another proposal to hunt and kill gray whales along the coast of Washington State and Canada. It has recently come to my attention that the Nuu-Chah-Nulth tribe of British Columbia is planning to hunt whales for the first time in 70 years. Last year tribes from Washington State proposed a whale hunt off the Washington coast, but their petition was denied by the International Whaling Commission after they were notified of a resolution in opposition passed unanimously by the House Resources Committee. The human and economic effects as well as the impacts on whales need to be seriously considered before anyone decides to reopen commercial whaling off the west coast of the United States and Canada.

My district includes the San Juan Islands, and that borders Canada and Vancouver Island near where the proposed Canadian hunt is to take place.

The whale watching industry and tourism are among the main economic forces in this area, and they generate between $15 and $20 million per year in revenue. Now this is not insignificant, the whale watching. The thousands who come to our region to visit and see the whales each year should be able to enjoy these animals, and the people of this region, many of whom are my constituents, should be allowed to operate their businesses and thrive on the presence of these unique creatures.

These whales have become like pets. Lots and lots of boats go out to see them. They are not afraid of boats, they are used to boats. They are very trusting. They are very smart animals. And once commercial whaling, hunting of gray whales, begins, their demeanor will soon change, and they will not allow a boat to get anywhere near them. Thus a $15 to $20 million whale watching business will be decimated just for the personal profit of a few tribes.

Mr. Speaker, I am concerned that once tribes resume commercial whaling, even on a limited basis, the large profits will increase pressure for an even greater hunt. As a result, the whales will be driven further away. As we know, commercial whaling is what drove most whale species to the brink of extinction around the turn of the century, and our country still suffers a guilt from that. Now that the whale populations are beginning to grow, some feel that it is time to resume commercial whale hunting.

Mr. Speaker, it is not time to set sail and hunt or disrupt our fragile whale populations. My concern is not only for the people who benefit from the whale watching industry. I am also disturbed by the alliance of these tribes with the Norwegian and Japanese whaling industries.

Just 2 years ago the whale was removed from the endangered species list at the insistence of some Native American tribes, and Native American groups in the United States and Canada, as well as the international whaling industry, have eyed the whales as a lucrative commercial venture. Having a whale hunt for food, subsistence or preservation of a genuine cultural tradition is arguable, but allowing whaling as a precursor to reviving worldwide whaling industry is unacceptable. One gray whale can bring as much as $1 million in Norway or Japan, and these whale merchants are fully aware of the profit potential. For example, the international whaling industry has offered to fully outfit the tribes with state-of-the-art equipment like boats, explosive harpoons, and so forth, if they are allowed to hunt.

Mr. Speaker, that does not sound like traditional ceremonial whaling in hollowed out canoes. Furthermore, it seems to clearly indicate to me that the whaling industry perceives whaling by tribes as a prime opportunity to expand their own hunting.

The Seattle Times reported on April 13, and I quote:

> The proposed hunt is allied with efforts by the commercial interests in Japan and Norway that hope to turn the tide against anti-whaling sentiment by proposing what they call community-based whaling among indigenous people for cultural, dietary and economic reasons.

Again, I must question the validity of the proposal and the motivations behind a renewed commercial whale harvest. In fact, the fact that many whales are creatures that routinely migrate the globe, and we are talking there about the big whales, the others, not the gray whales, but they routinely migrate around the globe. They demand a consistent international policy. If a few native groups are allowed to harvest whales, then Japan and Norway would deserve and will demand the same. Such a policy will surely lead to a drastic reduction in the world whale populations.

Mr. Speaker, the grim history of commercial whaling should not be reenacted, and I will do my best to see that it is not.

VACATION OF SPECIAL ORDER

Mr. RUSH. Mr. Speaker, I ask unanimous consent that the previous order of earlier today concerning the gentleman from California [Mr. TORRES] be vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON BANKING AND FINANCIAL SERVICES

Mr. RUSH. Mr. Speaker, I offer a resolution (H.R. 118) and I ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

HOUSE RESOLUTION 118

Resolved, That the following named Member be, and that he is hereby, elected to the following standing committee of the House of Representatives:

To the Committee on Banking and Financial Services: Mr. Torres of California.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TRIBUTE TO THE LATE HONORABLE CHARLES A. HAYES OF ILLINOIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. RUSH] is recognized for 60 minutes.

Mr. RUSH. Mr. Speaker, on last Monday I attended a funeral held in Chicago, IL, a funeral, a home-grown service, for former Representative Charles A. Hayes, a former Member of this body. At that funeral, Mr. Speaker, at that home-grown ceremony, the many people from Chicago, from the First Congressional District, from the State of Illinois, indeed from this entire Nation came to Chicago to the Antioch Missionary Baptist Church located on the south side of Chicago in the First Congressional District to pay homage and give their final respects to a giant within this Nation, a man who, despite tremendous odds, was able to speak up, speak out, to stand for the little guy, the working person, the disadvantaged, the poor persons of this Nation.

Mr. Speaker, Charles Hayes' history is unparalleled in the annals of this Nation. His commitment to the working people, to poor people, to people who needed to have a voice, his commitment was deep seated and long lasting. When he was elected to Congress in 1984, representing the First Congressional District of Illinois, he followed in the footsteps of many giants who represented the First Congressional District, people who, as he did, succeeded against some tremendous odds.

□ 1800

Some of those Members were involved in this body passing legislation that had an effect on making this Nation the great Nation that it is today.

Oscar De Priest was the first African-American to be elected to Congress since the Reconstruction. He came from the First Congressional District. Following Oscar De Priest, we had Arthur Mitchell, the first black Democrat to represent a district in this august body. Following Oscar De Priest we had Congressman William L. Dawson who represented this district for many, many years. Congressman Ralph Metcalf represented this district. Congressman Harold Washington. Congressman Benny Stewart. They all represented this district.

When Charlie Hayes was elected to succeed Congressman Harold Washington, who was elected the first black mayor of the city of Chicago, he immediately began to pick up the baton and to carry forth the battle for equality and justice and fairness within this Nation and within this body.

Charlie was well prepared for this task. Going back many, many years, he had prepared himself for this task. Charlie Hayes, as far back as 1938, after he found employment at a little hardware store in Cairo, IL, making 15 cents an hour, Charlie was sensitive enough, understanding enough that he noticed the blatant racism that existed at that plant where black workers faced insults, indignation, and were

forced to work in the lowest-paying and least desirable positions. The black workers did what most workers did at that time. They formed an union, a local union which was later recognized by the company as the Carpenter's Local Union 1424, and Charlie Hayes was elected president at the age of 20 years old.

This action, this standing up for the downtrodden, the poor, the oppressed, started him on his long career of social action and concern for people and their rights as Americans.

Mr. Speaker, I have many, many things I want to say about Charlie Hayes, but I am joined at this moment by the outstanding Member of this House from Illinois' Third Congressional District, a colleague of Charlie Hayes, Congressman BILL LIPINSKI.

Mr. LIPINSKI. Mr. Speaker, I want to thank the gentleman for recognizing me, and I want to thank him very much as a fellow Chicagoan for taking this special order for Charlie Hayes.

I do have a few things I want to talk about in regards to Charlie. Charlie arrived here in the House of Representatives about 6 months after I did, and he will always be remembered to me as Mr. Regular Order. As everybody knows, he became quite famous for that.

But not only did he arrive here 6 months after I arrived, but he was a commuter Congressman like I am, like the gentleman from Illinois [Mr. RUSH] is, flying back and forth every week between Chicago and Washington, DC. On many of those occasions Charlie and I sat together, and we had some enormously interesting conversations about organized labor and the labor movement in this country in the 1930's and the 1940's, 1950's, 1960's, 1970's, and up until the 1980's when Charlie left organized labor and started to represent the people here in Washington.

We also talked about his very, very good friend, the first African-American mayor of the city of Chicago, the Honorable Harold Washington. Obviously Charlie was very much involved in Harold Washington becoming mayor of the city of Chicago, but beyond that, he and Harold were very good friends, and he always was there to help Harold, protect Harold, and speak in Harold's behalf.

Besides having conversations about organized labor and the labor movement in this country and Harold Washington, Charlie Hayes and I were both great baseball fans, great fans of the Chicago White Sox, and on numerous occasions we discussed White Sox ball players of the past. I think that it is really fitting and proper that we have a special order today for Charlie Hayes on the day that we passed the resolution for Jackie Robinson.

Ironically, the African-American ball player that Charlie Hayes often talked about was not Jackie Robinson, but Larry Doby. Larry Doby was the first African-American ball player in the American League. Ironically, that occurred on July 15, 1947, a couple of months after Jackie Robinson had broken it.

I say ironically because Larry Doby pinch hit for the Cleveland Indians against the Chicago White Sox on that day. He did not start the game, there was really no fanfare that he was going to play that day, but in the seventh inning he came out as a pinch hitter.

Charlie Hayes happened to be in the ballpark that day and I happened to be in the ballpark that day also. My mother had taken my brother and I, my cousin, Pat Collins and my cousin Jim Collins to the ball game, and we were not aware, obviously, that we were going to be there on such a historical day. But nevertheless we were there, and as I say, I later discovered that Charlie was there also.

So besides baseball and Harold Washington and organized labor, there were other things that Charlie and I talked about on these plane rides back and forth.

The last one I would mention would be his youth center which I am quite sure you are very familiar with, and I think anyone that ever talked to Charlie would be familiar with because he was extremely proud of it. But it was always in great financial need, and there was more than one occasion when Charlie implored me to be a little bit generous towards his youth center, which fortunately I was in a position to be generous to his youth center on a couple of different occasions.

But Charlie was a very down-to-earth person, he was a very unassuming person. He was a very, very hard-working man, and he was really kind I think to a fault.

The only time I ever saw Charlie get angry was when people were somehow angling to do or doing something to give organized labor, the American working man and woman, the short end of the stick. That is when Charlie became angry and really angry, because I believe that for his entire life, as the gentleman mentioned earlier, he was always speaking for, supporting and fighting for the American working men and women in this country.

He was a very good friend of mine, and I am honored to have been a friend of his, and I am honored to have served in this House with him. I do not think that we could find an individual in the history of the House of Representatives that was ever any more effective for his constituents or a greater fighter for organized labor and the American working man and woman than Charlie Hayes.

I thank the gentleman for taking this special order and allowing me to participate in this tribute to Charlie Hayes, my good friend, Mr. Regular Order.

Mr. RUSH. Mr. Speaker, I thank the gentleman for his words of memorialization for Congressman Charlie Hayes. I share the gentleman's sentiment and his sincerity and his outlook. I share the gentleman's admiration for this giant.

Mr. Speaker, the chairwoman of the Congressional Black Caucus has come into the Chamber and she also served with Charlie Hayes. Mr. Speaker, I just want to say that the gentlewoman from California [Ms. WATERS] took time out from her very, very busy schedule, both as an outstanding Congresswoman from her district in California and also as the chairperson of the Congressional Black Caucus, she took the time out from her busy schedule to come in to Chicago to attend the home-born services for Charlie Hayes.

Mr. Speaker, at this point in time I would like to recognize the gentlewoman for her remarks.

Ms. WATERS. Mr. Speaker, I thank the gentleman, and I would like to commend the gentleman for organizing this effort on the floor together to make sure that we do the proper thing by Charlie Hayes. I would also like to commend the gentleman for his role and his presence at the funeral in Chicago that I did attend.

Of course, not only was the gentleman there, the other members of the delegation were present there all paying their last respects in recognition of the important role that he played not only in this Congress, but certainly in the overall community of Chicago, IL.

To a person when we were there, each one got up and they had wonderful things to say about him. They talked about his early days in the labor movement. They talked about the fact that he started as just a worker in the meat-packing company, and he started organizing there, and he went on in organized labor to become the vice president of the food and commercial workers.

At each step of the way, however, he was organizing, working, not only fighting for the average worker to have better wages and benefits and vacations and pensions, but he was fighting to make sure that African-Americans had a real role in the labor movement.

When he became the vice chair or international vice president of the food and commercial workers, it was unheard of, and it was quite an accomplishment. But he used his power and he used all that he had gained working in the labor movement to help others.

Everybody talked about the fact that he stood side by side with Dr. Martin Luther King. Not only did he march with him, he raised money for him. He was a real civil rights worker. Not only was he a labor organizer and a civil rights worker, he was a legislator who not only talked about what he would like to see for the average human being, the average person, he came here and he worked for it.

His legislation actually identified his priorities, working certainly on behalf of working people. All of the jokes that were told at the funeral about whatever you said to Charlie, he would always answer, a job would take care of that. That was his answer, because he knew the importance of every person who had the opportunity to work, to earn a living, what that meant for them and their families.

So I am proud to stand on this floor, and I am proud to have known him. He certainly represented labor in ways that very few have and can. He was able to represent them because he was a part of them in more ways than many of us will ever, ever understand or get to be ourselves.

□ 1815

So he has gone on, but I remember first noticing him on this floor when he would sit in the back of the room and witness the proceedings, and then there were those who would take advantage of the system and try to speak beyond their allotted time or disrespect the rules.

Then you would hear this roar of "Regular order, Mr. Speaker." And everything would come to a standstill, and people would get back on track, because, really, the person who had anointed himself as the real keeper of the proceedings of this House had spoken.

So we are going to miss the roar, we are going to miss the sound, and we have missed him for quite some time now. Charlie can rest in peace, because he did his work here on Earth. He gave to others, and even as he was in his last days, the stories about the work that he was doing at the hospital there, where he was serving as a patient advocate for the people who were ill and trying to comfort them and look out for their affairs, is something that very few people would ever do when they, certainly, were on their way out.

So I would just like to say thank you for taking out this time, for allowing us to get up on this floor and give recognition to a great legislator, a great leader, and a great human being.

Mr. RUSH. Mr. Speaker, I thank the gentlewoman from California [Ms. WATERS]. I would also like to make note for the RECORD that I know the gentlewoman was on the other side of town, and she told me on the floor, as soon as you start I want to stop whatever I am doing and take the long trip back and make sure I have my remarks on behalf of Charlie. I certainly appreciate that, the Hayes family appreciates it, and certainly the people of the city of Chicago appreciate this and the gentlewoman's other work.

Mr. Speaker, we are joined now by a freshman, a freshman in the House but not a freshman in the fight, a man who comes to this Congress with outstanding achievements of his own, achievements that he has secured in the fight for social and economic justice in this Nation.

Mr. Speaker, I yield to the gentleman from the Seventh District of Illinois, Mr. DANNY K. DAVIS.

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentleman for yielding to me. I would like to take this opportunity to express my appreciation to the gentleman from Illinois [Mr. RUSH] for having organized this time and these proceedings.

I am very pleased to join with those from around the country and across America who have stood to pay tribute to Charlie Hayes. Charles Hayes, who came from Cairo, IL, rural America, to the slaughter houses of Chicago, on the packing floor, cutting meat, becoming a member of the Meat Cutters Union, who worked his way from rural Cairo to the hallowed Halls of this Congress; who, along the way, never faltered, never stopped, never had any doubt about what he was going to do.

Charlie Hayes represented I think the best of the I can spirit, the I will spirit, knowing full well that once he set his mind to a task, he would do it.

Many people have talked about Charlie's contributions after having become a Member of Congress. But the real Charlie Hayes was the Charlie Hayes who was involved in untold struggles long before he reached the point of having the opportunity to represent that great congressional district that was represented by stalwarts: the first African-American elected to the U.S. Congress after the period of Reconstruction, Oscar DePriest, represented that district; William Dawson; Ralph Metcalf; the great Harold Washington; and then Charlie Hayes; and of course the current representative, the current Congressman from the First District, the gentleman from Illinois, Mr. BOBBY RUSH.

So Charlie fit right in the middle of all these giants, all of these individuals who have been a part of history, all of these individuals who have been makers of history. I always appreciated Charlie because in Chicago politics is rough and tumble; always has been, perhaps always will be. There are always those who are on the sidelines, always afraid to really take a swipe at the tough issues, the tough calls. But Charlie always made the tough ones, always made the heavy ones.

I remember the times when Charlie Hayes, Addie Wyatt, Theodore Dows, a few of the individuals were key movers in the civil rights movement in Chicago. You could always count on Charlie to be there with his voice, with his money, with his time, and with his courage.

So I say, Charlie, you fought the good fight. Yes, you have done your job, just like the village blacksmith with your big hands, your big voice, your big muscles. You have represented well the people not only of the First District of Illinois, but working men and women all over America and throughout the world.

Mr. RUSH. Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, next I will ask another Member of this body who served with Charlie Hayes, the gentleman from Illinois, Mr. GLENN POSHARD, who represents a district that has much similarity to the First Congressional District. He knows the fights of working people in this country.

Mr. Speaker, I yield to the gentleman from Illinois [Mr. POSHARD] for his remarks memorializing Charlie Hayes.

Mr. POSHARD. Mr. Speaker, I want to thank my friend for this special order for the gentleman from Illinois, Mr. HAYES.

Mr. Speaker, I served with Charlie on the Committee on Education and Labor when I first came here to the House of Representatives, and also on the Committee on Small Business. I spent a lot of hours with Charlie over the years, talking to him about various issues.

But a lot of times we talked about where Charlie grew up in Cairo, IL, because that was part of my district at the time, and is still very close to my district. I think because of where Charlie grew up, he had a great affinity for the working people of this country, and especially for the poor people of this country. Charlie's voice was always there for those folks.

I do not know if people know it, but Charlie also had a great love for the coal miners of the State of IL, Bobby, I have to tell you this, because one time I held a hearing in Benton, IL, on black lung disease, which is a disease that our coal miners get from going down into the mines and working below surface and having the coal dust accumulate in their lungs and so on.

We were just beginning the hearing and a large bus drove up outside the gymnasium in Benton, IL where we were having the hearing, and Charlie had brought down, 300 miles from Chicago, had brought a whole group of folks from his district who were older men at that time who had worked in the mines at one time in southern central Illinois, and who had black lung disease and who had moved to the city. But he brought them 300 miles to that hearing, so their voice could be heard with his.

That impressed everyone in our communities, because that is how much Charlie really cared, I think, for people, for working men and women across the country.

I have sat right over here on this floor and talked to him many times when the confusion and the chaos got a little heavy in the Chamber, and you would always hear that loud voice boom out, "Regular order," and things would settle down.

He was a great guy and he was a great White Sox fan, and we talked a

lot of baseball, too, as the gentleman from Illinois [Mr. LIPINSKI] had referenced earlier.

I had a little time last night after I finished up some work over in the office. I get kidded a lot around here because I like poetry, and I wrote a little memorial poem for Charlie. It is not grand poetry, but then Charlie would not have appreciated grand poetry. But it is sort of how I felt about him, and I entitled it "Regular Order."

"When Charlie moved regular order
The Chamber settled down
Voices hushed, the Speaker blushed
Back benchers wore a frown
Many of us knew that voice
When raised in earlier days
For workers who had no voice
To change their burdened ways
From Cairo on the quiet river banks
To Chicago on Lake Michigan's shore
Charlie roamed the Prairie State
Defending the weak and the poor.
Carpenters, miners
All were Charlie's friends
Meat cutters, food workers,
They were Charlie's kin
Justice in the factories
Justice in the plants
He organized women and men
To stand up for themselves
To receive their fair share
Their family's future to defend
It broke Charlie's heart
And he never would rest
When young people dropped out of school.
Until he found a way
To help them stay
To learn to play by the rules.
Charlie walked the path of life
And disturbed our conscience each day.
He wouldn't let stand the wrongs he saw
And he wouldn't let us turn away.
Today we celebrate 50 years of
Robinson's remarkable feat
And when Charlie crossed the threshold
Jackie was there to greet
"Charlie," he said, "I opened the door with
both my bat and my glove"
But before my day, you showed us the way
To give justice a gentle shove.
"Charlie," it's just a pick-up game over on
St. Peter's Lot
We're in the fifth
The competition is stiff
Don't know if we'll win or not.
"But we've lost our ump
And confusion reigns out on the field of play
Could you help us out
Call the balls and strikes
Help us save the day."
Charlie smiled that great broad grin
Strolled with Jackie to the edge of the field
For just a moment he surveyed the mess
Then confidently crossed the border.
The arguments stopped, the game resumed
When Charlie yelled "regular order."

Well, it is just a little poem, but it is the way I felt about Charlie. That is the way I saw it.

Mr. RUSH. Very appropriate. Thank you so much for sharing that with us. That is a grand, in Charlie's style, that is a grand, grand poem. Thank you very so very much.

Mr. Speaker, we have bipartisan words of memorialization for our fallen colleague.

I yield to the gentleman from Illinois [Mr. HASTERT] the majority whip, another colleague of Congressman Hayes, who has asked to be allowed to give some remarks and his reflection of the outstanding individual, Charles A. Hayes.

Mr. HASTERT. I thank the gentleman from Chicago. I just have to say that we cannot think of Charlie without that big smile and the gentleness that he had, the love that he had for this body, and the reflection that he had on the long road it took to get here from a very humble beginning; a person who came, as was said before, from southern Illinois, from rural southern Illinois, came to the big city, the city that Carl Sandburg talked about, the stacker of wheat and the layer of railroads and the hog butcher of the world.

□ 1830

That is where Charlie found his beginning, his real economic start in life where he did work in those stockyards in the hog butcher center of the world, that is what he did, something that was not the most wonderful beginning, was not the top job on the economic platform, but Charlie did that. He was proud of it. He was proud of his heritage, proud of what he did. He was proud of his union movement.

The role that he played in the union movement in Chicago in the meat cutters union, he would talk about it. He believed in it, and he served that way. And through that service came to this body through a circuitous route. He was certainly a good man. He was a gentle man.

I remember Charlie, if you were in the Illinois delegation, flying back and forth together. At that time we flew and Charlie was there, we flew to Midway Airport, Midway Airlines. Those were small planes and many times Members of the delegation, we just got bottled up together. Sometimes the flight was canceled. We would sit in the waiting rooms for hours and talk. And Charlie would talk about his heritage, about his beginning, about the people he served and his grandchildren. He loved his grandchildren, loved his family.

And he will be missed in the hearts of Members who served with him in this body. He will be missed certainly among his family and those people that he served. But Charlie does not have to worry. His legacy will live on. It will live on with the people that he served, who he worked with, it will live on among the people that he served, his constituents, and certainly it will live on with the Members he served with here in this body.

He was a wonderful man. We mourn his passing, but we certainly celebrate his life. I thank the gentleman for yielding to me.

Mr. RUSH. Mr. Speaker, I thank the gentleman.

We have the gentleman from New York, Mr. OWENS, who also served as a colleague of Congressman Charlie Hayes and who shared some of his ideas about the world and ideas about labor, the esteemed Member from the State of New York, Mr. MAJOR OWENS.

Mr. OWENS. Mr. Speaker, I commend the gentleman for taking out this special order.

Charlie was my friend. Charlie was, you could say, a member of our class, because I came in one year and that was the year that Harold Washington got elected as mayor of Chicago and Harold Washington was a Congressman at that time and he was replaced by Charlie Hayes the next year. So Charlie was close to our class.

We called him "regular order Charlie," as you heard before. He had a capacity to have a big booming voice leap up and rise up to the ceiling and come crashing back down on all of us, Republicans and Democrats, and it brought a kind of order and harmony on an instantaneous basis when he did it.

Charlie was a great human being. Charlie was a labor leader. Charlie was a working man. Charlie knew it from the pits up. Charlie was probably not quite old enough to be my father, but he reminded me a great deal of my father, who was a very strong advocate of unions. And of course, my father was a working man who saw a great deal of necessity for unions in order for workers to survive with some kind of dignity. My father never worked on the job where he got paid more than the minimum wage. So he appreciated the Government. He appreciated the fact that the Government set the minimum wage because that is all he ever made.

My father worked in a glue factory in the meal department where he did gluing. He had big hands like Charlie Hayes, and the hands were sort of glazed over with glue. I used to look at Charlie's big hands and they had some scars on them similar to the kind of scars my father had on his hands. Charlie, after all, did most of his life in the working world as a meat packer. Meat packing is a rough business. They might have streamlined it more now, but it was quite rough.

He used to talk about people losing fingers, losing hands, losing arms. It was an area where the rate of injury was quite great.

Charlie would not need anybody to tell him how important OSHA is, the Occupational Health and Safety Administration, which is now under attack. And I have spent 4 hours today in a hearing as part of the attack on OSHA. Charlie would need nobody to tell him how important OSHA is. He was there in the plant, right there, and he knew how necessary it was for the Government to intervene, for there to be rules and regulations to stop the slaughter of people, to stop the limbs being cut off, stop the high rate of accidents. He understood it as nobody else could understand it. He understood it the way my father understood it.

I suppose all Democrats would say that they understand what unions are all about, what working people are all about. It is like the baggage that Democrats feel they have to carry as part of their package to validate themselves as Democrats. But there are not many Democrats nowadays who have the passion, who understand that the working people of the world, working people of this country are our people. They are the people we represent first and foremost.

You have to explain too much around here these days when it comes to an issue related to working people. OSHA is under attack because of the fact that there is a perception that it belongs to the unions, it is something that unions created and that unions are not very popular and that we should go out and dismantle some of the kinds of regulatory agencies that were set up to protect workers.

Not only is OSHA under attack, but you have the comp time bill that is before us now that passed the House, and the Senate has to act on it.

You would not have to explain to Charlie Hayes what is going on when you talk about taking away people's cash payments for overtime. Charlie Hayes would understand that readily. My father, overtime was the one time that he got above the minimum wage, when they had to pay overtime. Of course, usually in the plant where my father worked if you paid overtime 1 week or 2 weeks, down the road you were going to get laid off a long time. So you really did not get ahead of the game because the layoffs were always there.

I cannot think of a single year my father worked that he did not have layoffs. And Charlie would understand that you need cash to put bread on the table. You need cash to put shoes on the feet of your children. The kind of arguments you hear now about comptime versus overtime are the arguments that are coming from upper class, middle income workers, often workers, two in a family, doing very well, who want more time off with their children and for other purposes. That is all very well. But the proposal that I put on the table here, an amendment which said, OK, let us do it, let us do something for everybody. Those people who want comptime off and they do not want the Fair Labor Standards Act to stop their boss from being more flexible in terms of giving them time off, let them have it.

But that is only about one-third of the work force. Two-thirds of the work force make less than $10 an hour. The people who are making less than $10 an hour, they want cash. They need cash. The standard of living that they have will be affected greatly if they do not have the cash.

Charlie Hayes would have been a passionate advocate for that. He would not have to have long explanations.

It sort of took us a long time to get started on understanding how detrimental to working class people the comptime bill is. Among Democrats, they were off to a slow start. Even some of the labor leaders I do not think had been in the trenches as much as Charlie Hayes had been.

Charlie made a beeline straight for the Education and Labor Committee when he came here. He and I had that in common. I found that when I got here and I wanted to serve on the Education and Labor Committee, I remember when I talked to Tip O'Neill and he said, what do you want? I said, I want to be on Education and Labor. He chuckled, because Education and Labor had many slots. Nobody was dying to get on the Education and Labor Committee.

Charlie was one of the few who came in and headed straight for Education and Labor, as I did, because my colleagues who were more sophisticated in my freshman class said, why do you want to get on Education and Labor? There is no money there. We are right back to the old issue of raising money for campaigns. You cannot raise any money for your campaigns on Education and Labor. A handful of unions have to stretch themselves out. They cannot give you that much. Children and education, they certainly cannot help you very much, only two teachers unions. They explained it all to me.

But I headed straight for the Education and Labor Committee. I have been there for the whole 14 years that I am here. I have never tried to get on another committee. I think it is very important.

Charlie felt the same way. There was no place for Charlie Hayes to be except on the Committee on Education and Labor. The first bill he introduced was similar to the first bill I introduced. The first bill, I knew it was not going anywhere, but I thought it was very important.

I introduced a bill that said that the right to a job opportunity should be guaranteed to every American, the right to a job opportunity. What is so radical about that? Why cannot this very prosperous Nation move in the direction of guaranteeing a job opportunity for every American who wants to work?

And when the job opportunities are not there in the private sector, why cannot the Government step in as it did in the Depression?

The WPA and the various instruments that were used by Franklin Roosevelt to create jobs are very real in my mind. Because my father never forgot, he never forgot that all those months of not being employed were ended when the WPA came along. He never forgot Roosevelt.

Roosevelt was like a god in my house; and among working people, Roosevelt was like a god. Charlie Hayes looked at Roosevelt like a god. And the first bill he introduced was the reinstatement of Franklin Roosevelt's bill of rights for workers, human rights.

People talk about human rights. It is not only the Chinese who say that human rights ought to mean that we always have enough to eat. Human rights ought to mean we always have employment. Human rights ought to mean that we have housing.

That is not a radical idea that the Chinese Communists have to push forward. Franklin Roosevelt set it forth very early in his New Deal. He did not get all of his New Deal passed, unfortunately, so we did not have any guarantees to jobs. But of course, due to Franklin Roosevelt, we did have jobs.

First of all, they created jobs for the Government; and later the war came along and the issue of jobs was taken off the table because there was plenty of work during World War II. But Charlie reinstated, picked up where Roosevelt had left off.

And part of the Roosevelt set of rights was a right to healthcare. Universal healthcare is not a radical idea, and Charlie's first bill laid out all of those rights that Franklin Roosevelt had set forth.

Charlie would understand right away that our failure to pass the healthcare bill here was a major defeat. And we wonder why working people turn off out there, why so many people feel desperate, feel that working hard in the political arena is futile.

Nobody is even addressing their needs anymore. We have got 40 million Americans who are not covered by healthcare, 40 million Americans. And all we are talking about here is a show, we may put on a show in this Congress to cover 5 million children. Of the 40 million Americans not covered, at least 10 million are children.

So we are going to show the world that we have a heart somewhere underneath all this talk about millions and millions of dollars being raised for campaigns and the cruelty of trying to wipe out OSHA and trying to wipe out unions and institute a team act and various kinds of other things that are aimed at working people; underneath all that we want to show we got a heart.

So what are we going to do? We are proposing to provide healthcare for 5 million of the 10 million children. If we really care about children, why not all children? Why can we not come out of the 105th Congress with at least 10 million children covered if we cannot have universal healthcare and cover all the 40 million who are not covered?

Charlie would have been angry about this deep in his bones, and Charlie would have been a great asset in moving to get this kind of healthcare coverage. Charlie would certainly be very angry about some of the bills that are before our committee right now.

He sat right next to me in the Education and Labor Committee, which the name has changed now, I want the people to know. The Republican majority took over; and the word "labor" they hate so much, they would not even put the word "labor" in the committee name. It was changed to Economic and Educational Opportunities. That was the first name change.

Then now this year when the Republican majority got reelected, they decided that since people out there are very upset and they want education and they have to change their whole attitude toward education, then they put education back in the title. It is Education and the Workforce now, but not labor.

I think Charlie would understand the implications of that and be very upset about it. But, also, some of the first hearings that we had in the committee are hearings directed at the destruction of organized labor.

That is Charlie's bread and butter, Charlie's career. He was first and foremost a leader of organized labor. He was a union man, a union executive. He probably outranks any person who has come to this Chamber in terms of his credentials as a union person.

So he would be very upset that the team act now is one of the first acts that the Senate has on its agenda and the House has on its agenda.

The team act says it is the employer, boss, management can go and pick the people they want among the employees to form some kind of management committee, team of management and employees; and they will do what the collective bargaining process usually does, determine the working conditions and deal with the employees.

They can only do this in places that do not now have unions. Which means, if they were allowed to do that, in violation of present labor relations law, they would guarantee that those places will never have unions, independent unions. The team would smother everybody out.

It is very hard right now to organize labor unions, harder than it was in the days that Charlie talked about. He used to talk about the knock-them-upside-the-head days, where it was dangerous to organize.

He used to go all over the country as food and commercial workers; and as one of the leading people in the meat cutters union, he used to go all over the country.

In the South he got into a lot of trouble, and he used to talk about his adventures and how dangerous it was and he got in a lot of situations where his life was in danger.

Mr. RUSH. If the gentleman would yield for just a moment, would the gentleman please expound on how he thinks that Congressman Hayes would have felt about welfare reform and the onerous effect that it has on people, particularly welfare reform without even the possibility, remote possibility, of getting a job?

□ 1845

Mr. OWENS. I think Charlie would immediately understand that welfare reform was not reform. It was an attack again on working people, on poor people, people that do not work but who are aspiring to become working people, people who are working but lose their job and they fall back into the welfare. Workers who are unemployed and need food stamps.

Nobody would have to explain anything to Charlie about the devastating impact of the welfare reform. I am sure that in his last days, his knowledge of what had happened did not help at all in terms of how he felt about this country, where the country is moving. I am sure he was quite upset by the welfare reform and the fact we had this attack on the working class, attack on people in a way which really goes at the heart of survival.

We cannot survive unless we have something to eat. We cannot survive unless we have a place to stay. And the attack on welfare was an attack, of course, also on children, because welfare is mainly aid to dependent children. They obscure the fact that only families with children receive aid to dependent children. That is the basic program. The food stamps was broadened so that everybody who was in need was covered, including working people who had lost their jobs and are heavily dependent on food stamps.

I think he would understand that we suffered a grave defeat and setback, and as a New Dealer, a man who admired Roosevelt, I am sure it would have pained him as greatly as it pained some of us that we lost an entitlement. That entitlement, the Federal responsibility for the poorest people, where any poor person in the Nation who met the criteria or the means test and showed that they were really poor, the Federal Government said that they would have enough to eat, that they would have a place to stay.

That is what welfare was all about, and it mainly said to children that they would have an opportunity to survive. That is gone. What we have now is the Federal Government participating in a program which goes to the States. But the Federal Government does not have the obligation anymore. It is a matter of giving the States the money and attaching conditions to that money. But that can all change.

There is no law which says that the Federal Government has to do this. There is no law which says that any person is entitled. And many people who are poor, of course, at the State level, when the State runs out of money, they will say, "We are out of money. People do not have an entitlement. We do not have to do it." The Federal Government would print or borrow more money, whatever is necessary. They would provide because the entitlement was there for everybody who needed it.

So Charlie Hayes would not have been happy if he was in the 104th Congress. He would not be happy about the way the 105th Congress has started. But his spirit lives on. And we are not beggars. We are the majority. The working people of this country are still the majority.

A lot of people thinking they had fled into the middle class find themselves, in a quick turn of fate economically, that they are right back in the same arena economically as the large number of working people. We are the majority. When we put all the people together, and they understand a majority, we can make laws in this country which are reasonable and fair and do not attempt to wipe out working people and the benefits that we have labored so hard to create for working people.

Mr. Speaker, I want to thank the gentleman for taking out this special order. It is my great delight to salute the spirit of Charlie Hayes. Regular order will go on and on, and we will all work to help keep his spirit alive.

Mr. RUSH. Mr. Speaker, I thank the gentleman for his eloquent and outstanding remarks. His remarks certainly captured Charlie Hayes and captured the plight of working people, both in the days of Charlie Hayes and also the working people in their plight today as we speak on this floor.

Mr. Speaker, much has been said about Charlie Hayes, much has been said about the kind of leader that he was; not only as a labor leader, as a political leader, but also as a community leader.

Mr. Speaker, his leadership goes back as far as, as I indicated earlier, 1938, when he originally started organizing a group of workers at the E.L. Bruce Flooring Company in Cairo, IL, and how at the tender age of 20 he became the president of the local, Local 1424.

Mr. Speaker, we jump to 1942, and he had moved to Chicago and an uncle helped Charlie land a job as a fresh pork laborer at Wilson & Co. there in Chicago at the old stockyard, and he soon became a leader in a long and bitter struggle which culminated in 1944 with the recognition of Local 25 of the United Packing House Workers of America as the official bargaining unit for 3,500 Wilson workers; black workers and white workers and Hispanic workers and Asian workers.

This effort marked the beginning of an end to segregated facilities and discriminatory hiring and promotion practices that were pervasive there at that particular plant.

In the 1948 packing house workers' strike at Wilson & Co. Charlie was framed on charges of violence and was

fired. He won reinstatement as the result of the National Labor Relations Board arbitration in 1949. By then he had, in the interim, accepted a position to represent the union's 35,000 employees in district 1 as the international field representative, where he led successful fights for job benefits, including paid sick leave and vacations and holidays.

In 1954 he was elected director of district 1 of the United Packing House Workers of America, and he again, with his energy and his resolve and his commitment and his dedication and his courage, he had an immediate long-term and far-reaching impact on the American labor movement.

We can go on and on and on. Chicago was known to have historically troublesome racial relationships, and there was a riot in 1949 in Chicago at Trumbull Park Homes there, and Charlie led the effort to raise money for those families that were in critical and crisis situations as a result of the race riot there in Trumbull Park.

Also, during this same period of time, Charlie Hayes led the charge to raise money to assist in the prosecution of the murderers of Emmet Till, a young African-American from the South Side of Chicago who had ventured down to Mississippi and was found murdered, floating in a river. Charlie Hayes was moved and used his position in the labor movement, took up the call, involved himself in a fight that was highly controversial and certainly not within the purview of a defined role for a labor leader.

Charlie Hayes, when the AFL–CIO emerged in 1955, he became the international vice president and director of district 12, representing a union which was at that time the largest labor union in this Nation, representing 500,000 members. He became the vice president because he was unparalleled in terms of his courage and in terms of his commitment.

Mr. Speaker, the civil rights movement, this movement that saw black Americans and white Americans and others come together to talk about basic civil rights for all Americans, this movement that was spearheaded in the South by Dr. Martin Luther King and others, this movement that captured the imagination of this Nation because it showed this Nation that there was a part of this Nation where just basic rights, rights to public accommodation, rights to vote, just rights to speak up and stand up, even a right to ride on public transportation in the front, where this was a right that was not shared by many citizens of this Nation, Charlie Hayes took up the call, took up the charge, raised money, provided support, critical support for Dr. King and the Southern Christian Leadership Conference in their fight for equal rights.

Mr. Speaker, I can go on and on and on, but let me wind up this particular special order. Charlie Hayes was a civil rights leader, labor leader, political leader, but he was also a devoted family man, a devoted husband. His wife Emma passed in 1973. Charlie Hayes' family, his children, Charlene and Barbara, and his grandchildren, all have in their father, in their grandfather a man who is a role model for all in this world, for all in this Nation.

This man who came from the killing floors of a packinghouse, who came through the labor movement, who served here in this country will always be held in the highest of esteem by all freedom loving people of the world, and his example serves as a sterling example and a beacon for all of us who are fighting to end discrimination of all types and are fighting for a world where all people can have equal rights and justice.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today with fellow colleagues to express our honor and respect at the passing of a former Member of this body, Congressman Charles Arthur Hayes.

There is a lot that we could say about the late Honorable Charles Arthur Hayes, but a day or a week, not even a month would allow us enough time to express all that Congressman Charlie Hayes was to the city of Chicago, to the First Congressional District of Illinois which he represented, to the Congress of the United States, and to the working men and women of this country.

When colleagues of Congressman Hayes would rise to speak on labor issues, they would have to remember that a member of labor was among them. After more than 45 years as a trade unionist, Congressman Charlie Hayes was the congressional expert of labor issues.

In the depths of the Great Depression, Charlie Hayes graduated from Sumner High School and began work with the Civilian Conservation Corps to plant trees on the banks of the Mississippi River.

Charlie Hayes began his long labor career after returning to work in his home town of Cairo, IL. He worked at the E.L. Bruce Hardwood Flooring Co. as a machine operator and helped to organize local No. 1424 of the United Brotherhood of Carpenters and Joiners of America and served as its president from 1940 to 1942.

In 1943 he joined the grievance committee of the United Packing House Workers of America (UPWA) and served as district director for the UPWA's District One from 1954 until 1968, when he became a district director and an international vice president of the newly merged packing house and meat cutters' union.

After 40 years of laboring in the vineyard, Charlie Hayes retired as vice president and director of region 12 of the United Food and Commercial Workers International Union in September of 1983.

But a man like Charlie Hayes, who had worked most of his life on the front line of workers' rights, found retirement to be just a bit too slow a pace.

In April 1983, the Congressional seat for the First District of Illinois became open with the resignation of Harold Washington. Retired Charlie Hayes was then ready to go back to work, but now on the behalf of the residents of the First Congressional District of Illinois.

Congressman Hayes represented the people of the First District located in the city of Chicago, IL. The First District of Illinois includes about half of Chicago's South Side black community.

The South Side of Chicago had been the Nation's largest black community for nearly a century, until redistricting earlier in the 1990's.

The area's demographic statistics however, do not speak to the love Charlie Hayes had for the people of Chicago, and especially for the people of the First Congressional District.

Chicago, and especially the working men and women of the First Congressional District of Illinois, needed the hands, heart, and devotion of a committed warrior in the well of the House of Representatives.

They found all that they needed and much more in the person of Charles Arthur Hayes.

Congressman Hayes came to Washington, DC to work—and that is exactly what he did.

Congressman Hayes served on the Committee on Education and Labor and the Small Business Committee.

He introduced several pieces of legislation to address the educational and employment needs of many Americans. Prominent among these are acts to encourage school drop-outs to reenter and complete their education and to provide disadvantaged young people with job training and support services. Hayes also sponsored bills to reduce high unemployment rates and make it easier for municipalities to offer affordable utility rates through the purchase of local utility companies.

I offer my sympathy and best regards to the family, friends, and colleagues of Congressman Charlie Hayes.

His life's record is a statement of public service.

Mr. CONYERS. Mr. Speaker, I rise today to pay tribute to one of the original leaders of the American civil rights movement, a lifetime advocate of the American worker, and a true crusader for social justice and racial equality: Charles Arthur Hayes. Charlie was a dear friend, a respected colleague, and a trusted ally. He will be deeply missed.

When Harold Washington announced his endorsement of Charles Hayes to replace him in the U.S. House of Representatives, Washington said that "[Hayes] has shown unparalleled leadership and ability to unite blacks, whites and Hispanics into organized coalitions fighting for economic, political, and social justice." This is a role Hayes played throughout his life and during his entire tenure in Congress.

As we remember Hayes, it is important to look back on his lifetime of work so that we might truly appreciate what it was that be brought to the House of Representatives and the Congressional Black Caucus.

A tireless labor leader and a champion of racial equality, Hayes was the first vice president of a labor union to become a Member of Congress. He joined the labor movement in the 1930's after his graduation from high school. As a young machine operator in 1938 he organized a strike by black workers in a hardwood flooring company that lasted 6

weeks. The workers won—not a surprise given that Hayes was their leader. Hayes organized the group into a carpenters' local and became its president. Soon afterward, Hayes moved to Chicago's south side and organized black workers in meat-packing plants into a United Packing house Workers local. He was the key figure in the desegregation of meat-packing plants and also fought successfully for equal pay for black workers.

This outstanding commitment to the plight of America's workers led Hayes to be brought before the House Committee on Un-American Activities in 1959. He took the fifth amendment rather than cooperate with the committee.

I was proud to work with Hayes as a member of the original civil rights movement and as one of the first allies of Dr. Martin Luther King, Jr. As a leader of the Amalgamated Meatcutters and Butchers Union, Hayes rallied support for King in the 1956 Montgomery bus boycott, the 1963 march on Washington, and the 1966 campaign for open housing in Chicago. Hayes was also the driving force behind Chicago's black independent political movement. He led the efforts to get Ralph Metcalfe and then Harold Washington elected to Congress and subsequently helped Washington to be chosen mayor of Chicago.

When Hayes himself became a Member of Congress in 1983, he was once again at the forefront of a hard-fought battle, this time the political assault on President Reagan's economic policies. Hayes stated that in electing him, his constituents had "[served] notice on Ronald Reagan." He vowed to replace Reagan "with a chief executive committed to solving the problems of poor people." We were all thankful for Hayes' presence in this particular battle.

Hayes sponsored bills to reduce high unemployment rates and make it easier for municipalities to offer affordable utility rates through the purchase of local utility companies. He was one of the earliest supporters of my bill for a 32-hour work week. In 1992, he submitted a job bill which would have created 570,000 jobs nationwide while rebuilding the country's infrastructure by channeling money to States for building roads, bridges, and schools at a rate corresponding to the State's unemployment rate.

Even given Charlie's life-long crusade on behalf of America's workers, I may best remember and honor him for his unparalleled commitment to end apartheid in South Africa. In 1984, Charlie, together with Joseph Lowery, was arrested for staging a sit-in at the South African Embassy in Washington while 150 demonstrators chanted "Free South Africa." The demonstration kicked off a nationwide Free South Africa Movement. Two years later, Hayes participated in a congressional delegation to the Crossroads Shantytown near Cape Town. The delegation met with Zulu Chief Gatsha Buthelezi who urged the lawmakers not to side with those favoring violent opposition to apartheid. The visit to South Africa solidified Hayes' commitment to disinvestment in South Africa and encouraged him to work even harder toward this goal, a commitment he brought back with him to the Hill.

I shared a great deal of personal and political history with Charlie Hayes. We were both active in the labor movement before coming to Congress and continued to advocate on behalf of America's workers at every chance we got once on the Hill. We both fought for racial equality along side of some of the greatest leaders in American civil rights history. We both believed that the U.S. Congress was the vehicle through which to continue this work. I am committed to this vision of the Congress and to the work which both Charlie and I came here to do.

It was an honor and a privilege to have known and worked with Charlie Hayes. I thank BOBBY SCOTT for organizing this tribute and I commend the other Members who have participated. I hope that we live to see all of Charlie's battles won. Thank you.

GENERAL LEAVE

Mr. RUSH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. RADANOVICH). Is there objection to the request of the gentleman from Illinois?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. COSTELLO (at the request of Mr. GEPHARDT), for today, on account of an illness in the family.

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 Member (at the request of Mr. JOHN) to revise and extend his remarks and include extraneous material:)

Mr. MASCARA, for 5 minutes, today.

(The following Members (at the request of Mr. ROGAN) to revise and extend their remarks and include extraneous material:)

Mr. BILIRAKIS, for 5 minutes, today.

Mr. GOODLATTE, for 5 minutes, today.

Mrs. LINDA SMITH of Washington, for 5 minutes, today.

Mr. FORBES, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ROGAN) to revise and extend their remarks and include extraneous material:)

Mr. GEKAS.

Mr. METCALF.

Mr. COBLE.

Mr. HILL.

Mr. PAPPAS.

Mr. MCINTOSH.

Mr. HUNTER.

Mr. PACKARD.

Mr. BILIRAKIS.

(The following Members (at the request of Mr. JOHN) to revise and extend their remarks and include extraneous material:)

Mr. LIPINSKI.

Mr. KUCINICH.

Mr. HAMILTON.

Mr. LAFALCE.

Mr. KLECZKA.

Mr. FOGLIETTA.

Mr. MCDERMOTT.

Mr. DELLUMS.

(The following Members (at the request of Mr. RUSH) and to include extraneous matter:)

Mr. SMITH of New Jersey.

Mr. KNOLLENBERG.

Mr. STRICKLAND.

Mr. STOKES.

Mr. SABO.

Mr. GINGRICH.

Mrs. JOHNSON of Connecticut.

Mr. MCNULTY.

Mr. FILNER.

Ms. SANCHEZ.

Mr. SHAW.

ADJOURNMENT

Mr. RUSH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 p.m.), the House adjourned until tomorrow, Thursday, April 17, 1997, 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:

2830. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Change in Disease Status of Northern Ireland and Norway Because of Exotic Newcastle Disease [Docket No. 97-021-1] received April 16, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2831. A letter from the Director, Office of Administration and Management, Department of Defense, transmitting the Department's final rule—Pilot Program Policy [32 CFR Part 2] received April 8, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

2832. A letter from the Assistant Secretary for Pension and Welfare Benefits, Department of Labor, transmitting the Department's final rule—Interim Rules Amending ERISA Disclosure Requirements for Group Health Plans (Pension and Welfare Benefits Administration) (RIN: 1210-AA55) received April 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

2833. A letter from the Chair, Federal Energy Regulatory Commission, transmitting the 1996 annual report of the Federal Energy Regulatory Commission, pursuant to 16 U.S.C. 797(d); to the Committee on Commerce.

2834. A letter from the Secretary of Health and Human Services, transmitting a report

on operations of the Medicaid Drug Rebate program, pursuant to Public Law 101–508, section 4401(a) (104 Stat. 1388–155); to the Committee on Commerce.

2835. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the semi-annual report for the period October 1, 1995 to March 31, 1996 listing voluntary contributions made by the U.S. Government to International Organizations, pursuant to 22 U.S.C. 2226(b)(1); to the Committee on International Relations.

2836. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's report on condition in Hong Kong of interest to the United States since the last report in March 1996, pursuant to 22 U.S.C. 5731; to the Committee on International Relations.

2837. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report of activities under the Freedom of Information Act for the calendar year 1996, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

2838. A letter from the Assistant Secretary for Indian Affairs, Department of the Interior, transmitting the Department's final rule—Indian Country Law Enforcement (Bureau of Indian Affairs) [25 CFR Part 12] (RIN: 1076–AD56) received April 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2839. A letter from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Revisions to Recordkeeping and Reporting Requirements [Docket No. 961119321–7071–02; I.D. 110796G] (RIN: 0648–AI68) received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2840. A letter from the Attorney General, transmitting the 1996 annual report of the Attorney General of the United States; to the Committee on the Judiciary.

2841. A letter from the Assistant Secretary of the Army (Civil Works), Department of the Army, transmitting a report with respect to the Army Corps of Engineers recreation day use fee program, pursuant to Public Law 104–303, section 208(b)(2) (110 Stat. 3680); to the Committee on Transportation and Infrastructure.

2842. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Nonprocurement Debarment and Suspension (RIN: 2105–AC25) received April 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2843. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Fort Lauderdale, Florida (U.S. Coast Guard) [CGD07–012] (RIN: 2115–AE46) received April 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Transportation and Infrastructure.

2844. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Delegation of Authority to Officer in Charge, Marine Inspection (U.S. Coast Guard) [CGD 97–001] (RIN: 2115–AF41) received April 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2845. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulation; Salute to the Queen (U.S. Coast Guard) [CGD08–97–010] (RIN: 2115–AE46) received April 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2846. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Regulated Navigation Area Regulations; Lower Mississippi River (U.S. Coast Guard) [CGD08–97–008] (RIN: 2115–AE84) received April 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2847. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Antarctic Treaty Environmental Protection Protocol (U.S. Coast Guard) [CGD 97–015] (RIN: 2115–AF43) received April 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2848. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Retroactive Payments Due to a Liberalizing Law or VA Issue [38 CFR Part 3] (RIN: 2900–AI57) received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2849. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—List of Designated Private Delivery Services [Notice 97–26] received April 11, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2850. A letter from the President, U.S. Institute of Peace, transmitting a report of the audit of the Institute's accounts for fiscal year 1996, pursuant to 22 U.S.C. 4607(h); jointly, to the Committees on International Relations and Education and the Workforce.

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 calendar, as follows:

Mr. LEACH: Committee on Banking and Financial Services. H.R. 607. A bill to amend the Truth in Lending Act to require notice of cancellation rights with respect to private mortgage insurance which is required by a creditor as a condition for entering into a residential mortgage transaction, and for other purposes; with an amendment (Rept. 105–55). Referred to the Committee of the Whole House on the State of the Union.

Mr. MCINNIS: Committee on Rules. House Resolution 116. Resolution providing for consideration of the bill (H.R. 400) to amend title 35, United States Code, with respect to patents, and for other purposes (Rept. 105–56). Referred to the House Calendar.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 117. Resolution providing for consideration of motions to suspend the rules (Rept. 105–57). 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. SMITH of Oregon:

H.R. 1342. A bill to provide for a 1-year enrollment in the conservation reserve of land covered by expiring conservation reserve program contracts; to the Committee on Agriculture.

By Mr. BATEMAN (for himself and Mr. ABERCROMBIE) (both by request):

H.R. 1343. A bill to authorize appropriations for fiscal years 1998 and 1999 for certain maritime programs of the Department of Transportation, and for other purposes; to the Committee on National Security.

H.R. 1344. A bill to amend the Panama Canal Act of 1979, and for other purposes; to the Committee on National Security.

By Mr. CUMMINGS (for himself, Mr. CLAY, Mr. JEFFERSON, Mr. FOGLIETTA, Mr. FORD, Mr. DELLUMS, Ms. BROWN of Florida, Mr. FILNER, Mr. FROST, Ms. PELOSI, Mrs. MEEK of Florida, Mr. CLYBURN, Mrs. CARSON, Ms. NORTON, Ms. JACKSON-LEE, Mr. SCOTT, Mr. OWENS, and Mr. RUSH):

H.R. 1345. A bill to establish the Commission on National Drug Policy; to the Committee on the Judiciary, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILCHREST (for himself, Mr. BARCIA, Mr. DINGELL, Mr. CALVERT, Mr. HOLDEN, Mr. GIBBONS, Ms. RIVERS, Ms. KILPATRICK, Mr. CONYERS, Mr. LEVIN, Mr. BEREUTER, Mr. KILDEE, Ms. STABENOW, and Mr. CLYBURN):

H.R. 1346. A bill to amend the Solid Waste Disposal Act to provide congressional authorization for restrictions on receipt of out-of-State municipal solid waste, and for other purposes; to the Committee on Commerce.

By Mrs. JOHNSON of Connecticut (by request):

H.R. 1347. A bill to amend title 18, United States Code, to prohibit the mailing of certain mail matter; to the Committee on the Judiciary.

By Mr. JONES:

H.R. 1348. A bill to amend title 18, United States Code, relating to war crimes; to the Committee on the Judiciary.

By Mr. KENNEDY of Massachusetts:

H.R. 1349. A bill to regulate handgun ammunition, and for other purposes; to the Committee on the Judiciary.

By Mr. SHAW (for himself, Mr. NEY, and Mr. BOEHNER):

H.R. 1350. A bill to amend the Internal Revenue Code of 1986 to allow associations of persons holding timeshare interests in residential property to elect to be taxed as homeowner associations; to the Committee on Ways and Means.

By Mr. LEWIS of Georgia (for himself, Mr. SHAYS, Mr. SERRANO, Ms. RIVERS, Mr. FILNER, Mr. STARK, Mr. DELLUMS, Ms. NORTON, Mr. MCGOVERN, Mrs. MINK of Hawaii, Ms. JACKSON-LEE, and Mr. OBERSTAR):

H.R. 1351. A bill to prohibit smoking in any transportation facility for which Federal financial assistance is provided; to the Committee on Transportation and Infrastructure.

By Mrs. LOWEY:

H.R. 1352. A bill to amend the Public Health Service Act to provide, with respect to research on breast cancer, for the increased involvement of advocates in decision making at the National Cancer Institute; to the Committee on Commerce.

By Mr. MINGE (for himself, Mr. RAMSTAD, Mr. KLUG, Mr. DEFAZIO, Ms. FURSE, Mr. KENNEDY of Massachusetts, Mr. LUTHER, Mr. PASCRELL, Mr. MCINTYRE, Mr. HEFLEY, and Mr. BISHOP):

H.R. 1353. A bill to amend the Internal Revenue Code of 1986 to allow individuals to designate any portion of their income tax overpayments, and to make other contributions, for the purpose of retiring the national debt; to the Committee on Ways and Means.

Mr. OLVER (for himself, Mr. BONIOR, Mr. BOUCHER, Mr. EVANS, Mr. FROST, and Ms. LOFGREN):

H.R. 1354. A bill to amend title XIX of the Social Security Act to provide for mandatory coverage of services furnished by nurse practitioners and clinical nurse specialists under State Medicaid plans; to the Committee on Commerce.

By Mrs. THURMAN (for herself and Mr. SHAW):

H.R. 1355. A bill to amend the Internal Revenue Code of 1986 to modify the tax treatment of qualified State tuition programs; to the Committee on Ways and Means.

By Mr. WATTS of Oklahoma (for himself, Mr. ENGLISH of Pennsylvania, Mr. WOLF, Mr. CONDIT, and Mr. NORWOOD):

H.R. 1356. A bill to amend title 10, United States Code, to permit beneficiaries of the military health care system to enroll in Federal employees health benefits plans; to improve health care benefits under the CHAMPUS and TRICARE Standard, and for other purposes; to the Committee on National Security, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WATTS of Oklahoma:

H.R. 1357. A bill to require the Secretary of Defense and the Secretary of Health and Human Services to carry out a demonstration project to provide the Department of Defense with reimbursement from the Medicare Program for health care services provided to Medicare-eligible beneficiaries under the TRICARE program; to the Committee on Ways and Means, and in addition to the Committees on Commerce, and National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. EMERSON (for herself and Mr. CONDIT):

H.J. Res. 72. Joint resolution proposing an amendment to the Constitution of the United States allowing an item veto in appropriations bills; to the Committee on the Judiciary.

By Mr. LANTOS (for himself, Mr. GILMAN, Mr. HAMILTON, Mr. ACKERMAN, Mr. BERMAN, Mr. FALEOMAVAEGA, and Mr. ROTHMAN):

H. Con. Res. 63. Concurrent resolution expressing the sense of the Congress regarding the 50th anniversary of the Marshall Plan and reaffirming the commitment of the United States to the principles that led to the establishment of that program; to the Committee on International Relations.

By Mr. LINDER:

H.J. Res. 114. Resolution designating majority membership on certain standing committees of the House; considered and agreed to.

By Mr. ROYCE (for himself, Mr. PAYNE, Mr. MENENDEZ, Mr. CAMPBELL, Mr. HASTINGS of Florida, Mr. CHABOT, Mr. GILMAN, Mr. HAMILTON, Mr. BEREUTER, Mr. SMITH of New Jersey, Mr. KIM, Mr. GRAHAM, Mr. GEJDENSON, and Mr. BERMAN):

H.J. Res. 115. Resolution concerning the promotion of peace, stability, and democracy in Zaire; to the Committee on International Relations.

By Mr. RUSH:

H.J. Res. 118. Resolution designating minority membership on certain standing committees of the House; considered and agreed to.

By Mr. FARR of California (for himself, Mr. PALLONE, Mr. PORTER, Mrs. MORELLA, Mr. EVANS, Mr. YATES, MR. OLVER, Ms. WOOLSEY, Mr. BLUMENAUER, Mr. TORRES, Mr. CUMMINGS, Ms. NORTON, Mr. WALSH, Mr. ABERCROMBIE, Mr. SANDERS, Mr. MURTHA, Mr. WAXMAN, Ms. HARMAN, Mr. GEJDENSON, Mr. GEPHARDT, Mr. CAPPS, Mr. SHAYS, and Ms. JACKSON-LEE):

H.J. Res. 119. Resolution providing for the mandatory implementation of the Office Waste Recycling Program in the House of Representatives; to the Committee on House Oversight.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

41. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Virginia, relative to Senate Joint Resolution No. 365 urging Congress to repeal section 13612(a)(C) of the Omnibus Budget Reconciliation Act of 1993; to the Committee on Commerce.

42. Also, memorial of the Legislature of the State of Idaho, relative to Senate Joint Resolution No. 102 urging Congress to pass, and send to the legislatures of the States for ratification, an amendment to the Constitution requiring, in the absence of a national emergency, that the total of all appropriations may not exceed the total of all estimated Federal revenues; to the Committee on the Judiciary.

43. Also, memorial of the Legislature of the State of Idaho, relative to Senate Joint Resolution No. 103 requesting that Congress and the President of the United States amend the Internal Revenue Code so that the maximum tax rate on long-term capital gains be lowered to 14 percent; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 143: Mr. NUSSLE, Mr. BENTSEN, Ms. KILPATRICK, Mrs. KELLY, Mr. TOWNS, Mr. COYNE, Ms. ESHOO, Mr. GALLEGLY, Mr. PORTMAN, Mr. CAMPBELL, Mr. FROST, and Mr. WOLF.

H.R. 144: Mr. TALENT.

H.R. 165: Mr. STUPAK.

H.R. 213: Mr. WEYGAND.

H.R. 273: Ms. SLAUGHTER.

H.R. 339: Mr. MCINTYRE.

H.R. 383: Mr. GALLEGLY and Mr. MCINTYRE.

H.R. 399: Ms. KAPTUR.

H.R. 411: Ms. WOOLSEY.

H.R. 437: Mr. BILIRAKIS.

H.R. 453: Mrs. TAUSCHER, Mr. FRANK of Massachusetts, Mrs. MINK of Hawaii, and Mr. MARKEY.

H.R. 500: Mr. TORRES.

H.R. 521: Mr. COOK, Mr. BAESLER, and Mr. FRANK of Massachusetts.

H.R. 536: Mr. DINGELL, Mr. TOWNS, and Mr. LANTOS.

H.R. 629: Mr. SANDLIN.

H.R. 638: Mr. ENGLISH of Pennsylvania.

H.R. 641: Mr. MCINTOSH and Mr. WATTS of Oklahoma.

H.R. 647: Mr. SOUDER.

H.R. 648: Mr. KUCINICH, Mr. OWENS, Mrs. MALONEY of New York, Ms. NORTON, Mr. DAVIS of Illinois, Mr. KIND of Wisconsin, Mr. DEFAZIO, Ms. SLAUGHTER, and Mr. BARRETT of Wisconsin.

H.R. 653: Mr. BARRETT of Wisconsin.

H.R. 688: Mr. PASTOR, Mr. BARRETT of Nebraska, and Mr. TIAHRT.

H.R. 695: Mrs. LINDA SMITH of Washington.

H.R. 715: Mr. WELLER and Mr. SOUDER.

H.R. 716: Mr. DEAL of Georgia and Mr. OXLEY.

H.R. 744: Mr. OWENS, Mr. YATES, Mr. WEXLER, Mr. PAYNE, Mr. DELLUMS, Mrs. CLAYTON, Mr. MANTON, Mr. BOUCHER, Mr. GONZALEZ, Mr. DELAHUNT, Mr. OLVER, Ms. LOFGREN, and Mr. WEYGAND.

H.R. 745: Mr. NEUMANN and Mr. SMITH of New Jersey.

H.R. 755: Ms. CHRISTIAN-GREEN.

H.R. 767: Mr. THUNE.

H.R. 789: Mr. CAMP and Mr. CONDIT.

H.R. 805: Mr. EWING.

H.R. 811: Mr. KUCINICH.

H.R. 813: Mr. ADERHOLT.

H.R. 815: Mr. BALDACCI, Ms. PRYCE of Ohio, Mr. KASICH, Mr. COOKSEY, Mr. DEFAZIO, Mr. MARKEY, Mr. FATTAH, Mr. HUTCHINSON, Mr. SAWYER, Mr. SKAGGS, Mr. FRANK of Massachusetts, Mr. MASCARA, Mr. KOLBE, Mr. FOGLIETTA, Mr. GUTIERREZ, Ms. BROWN of Florida, Mr. KLINK, Mr. MCHALE, and Mr. SANDERS.

H.R. 816: Mr. KINGSTON and Mr. GRAHAM.

H.R. 878: Mr. EVANS, Mr. NADLER, and Ms. CHRISTIAN-GREEN.

H.R. 900: Mr. MCGOVERN, Mr. MCNULTY, Mr. FRANKS of New Jersey, Mr. COYNE, Mr. LAMPSON, Mr. PALLONE, Mr. SPRATT, Mr. HASTINGS of Florida, Ms. ESHOO, Mr. SHERMAN, Ms. HOOLEY of Oregon, Mr. LUTHER, Mr. PRICE of North Carolina, Mr. KIND of Wisconsin, Mr. CAMPBELL, Mr. ROEMER, Mr. KLECZKA, Ms. NORTON, Mr. DIXON, Mr. ALLEN, Mr. ACKERMAN, and Mr. BARRETT of Wisconsin.

H.R. 925: Mr. KUCINICH, Mr. OWENS, Mr. KIND of Wisconsin, Mr. DAVIS of Illinois, Mr. BARRETT of Wisconsin, and Ms. SLAUGHTER.

H.R. 947: Mr. BROWN of California.

H.R. 950: Mr. GUTIERREZ, Mr. OBERSTAR, Ms. WOOLSEY, Mr. BORSKI, Mr. KUCINICH, Mr. LEWIS of Georgia, Ms. LOFGREN, and Mr. JACKSON.

H.R. 956: Mr. DREIER and Mr. PICKERING.

H.R. 965: Mr. GALLEGLY and Mrs. CUBIN.

H.R. 981: Mr. SCHUMER and Ms. HOOLEY of Oregon.

H.R. 982: Mr. SCHUMER.

H.R. 1010: Mr. BERRY, Mr. TURNER, and Mr. NETHERCUTT.

H.R. 1033: Mr. CALVERT and Mr. RADANOVICH.

H.R. 1039: Ms. LOFGREN and Mr. MEEHAN.

H.R. 1053: Mr. FRANK of Massachusetts, Mr. STARK, and Mr. HOBSON.

H.R. 1071: Mr. ACKERMAN and Mr. MCINTYRE.

H.R. 1079: Mr. TRAFICANT, Mr. SABO, Mr. LIPINSKI, Mr. DELLUMS, Mr. BECERRA, Mr. OLVER, Mr. EVANS, Mr. DEFAZIO, Mr. DAVIS of Illinois, Mr. STARK, Mrs. CARSON, Mr.

VENTO, Mr. LEWIS of Georgia, Ms. CHRISTIAN-GREEN, Mrs. MEEK of Florida, Mr. RAHALL, Mr. STUPAK, Mr. PASCRELL, Mr. KUCINICH, Mrs. MINK of Hawaii, Mr. CONYERS, Ms. MCKINNEY, Mr. NADLER, Mr. YATES, Ms. KAPTUR, Mr. OWENS, Mr. HINCHEY, Mr. GONZALEZ, Mr. HOLDEN, Mr. BOYD, Mr. MCGOVERN, Mr. TIERNEY, Ms. SLAUGHTER, Mr. CLYBURN, Mr. BROWN of Ohio, Mr. MASCARA, Mr. RUSH, Mr. PALLONE, Ms. NORTON, and Mr. TORRES.

H.R. 1126: Mr. LAZIO of New York.

H.R. 1132: Mr. OLVER, Mr. MEEHAN, Mrs. KELLY, Mr. LEWIS of Georgia, Mr. DELLUMS, Mr. YATES, Ms. SLAUGHTER, Mr. ROTHMAN, Mr. ABERCROMBIE, Ms. MCKINNEY, and Mr. GUTIERREZ.

H.R. 1134: Mr. BLILEY.

H.R. 1138: Mr. CHABOT, Mr. DEFAZIO, Mr. COX of California, Mrs. CHENOWETH, Mr. CAMP, and Mr. POMBO.

H.R. 1161: Ms. LOFGREN.

H.R. 1166: Mr. BERMAN, Mr. EVANS, Mr. MCNULTY, Mr. DICKS, Mr. CARDIN, Mr. FROST, Mr. MCDERMOTT, Mr. DELAHUNT, Mr. LEWIS of Georgia, Mr. KILDEE, Mr. KENNEDY of Rhode Island, Mrs. MINK of Hawaii, Ms. CHRISTIAN-GREEN, Mr. GREEN, and Mr. PASCRELL.

H.R. 1169: Mr. WELDON of Florida.

H.R. 1227: Mr. CALVERT and Mr. RADANOVICH.

H.R. 1232: Mr. FOLEY, Mr. CUNNINGHAM, Mr. DEAL of Georgia, and Mr. MCHUGH.

H.R. 1247: Mr. YOUNG of Alaska and Mr. PAPPAS.

H.R. 1263: Mr. DELAHUNT, Mr. LIPINSKI, Mr. MEEHAN, Mr. BALDACCI, Mr. FRANK of Massachusetts, and Mr. DELLUMS.

H.R. 1288: Mr. FILNER, Mr. TOWNS, Ms. LOFGREN, Ms. CHRISTIAN-GREEN, Ms. DELAURO, Mr. FROST, and Mr. DEFAZIO.

H.J. Res. 54: Mr. SMITH of Michigan.

H. Con. Res. 6: Mr. DINGELL.

H. Con. Res. 8: Mr. UNDERWOOD.

H. Con. Res. 55: Mrs. MORELLA, Mr. DOYLE, Mr. MCHUGH, Mr. TORRES, Mr. WALSH, Mr. KNOLLENBERG, Mr. FARR of California, and Mr. NORWOOD.

H. Res. 98: Mr. ABERCROMBIE.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 400

OFFERED BY: MR. CAMPBELL

AMENDMENT NO. 1: amend section 302(C)(2), p. 68 of March 20 text: Strike lines 4–6.

Insert: "under this chapter, and such use shall not be greater in quantity, volume, or scope than had been the actual quantity, volume, or scope of the prior use, however, the defense shall also extend to improvements in "

Amend section 302(C)(6), p. 69 of March 20 text:

At line 23, strike "." add: "; in which case the use of the defense shall not be greater in quantity, volume, or scope than had been the actual quantity, volume, or scope of the prior use."

H.R. 400

OFFERED BY: MR. CAMPBELL

AMENDMENT NO. 2: page 48 of March 20 text, strike line 3, insert:

"111(b) of this title, as to which there have been two substantive Patent Office actions since the filing, shall be published, in accordance"

Line 17, insert:

"(D) 'Substantive Patent Office action' means an action by the patent office relating to the patentability of the material of the application (not including an action to separate a parent application into parts), unless the patent applicant demonstrates under procedures to be established by the patent office that the office action in question was sought in greater part for a purpose other than to achieve a delay in the date of publication of the application. Such Patent Office decision shall not be appealable, or subject to the Administrative Procedures Act."

H.R. 400

OFFERED BY: MR. COBLE

AMENDMENT NO. 3: Page 3, insert in the table of contents after the item relating to section 149 the following:

Subtitle D—Under Secretary of Commerce for Intellectual Property Policy

Sec. 151. Under Secretary of Commerce for Intellectual Property Policy.

Sec. 152. Relationship with existing authorities.

Page 3, in the item relating to section 402, strike "development" and insert "promotion".

Page 5, line 12, insert "(1)" before "For purposes".

Page 5, insert after line 15 the following:

"(2) As used in this title, the term 'Under Secretary' means the Under Secretary of Commerce for Intellectual Property Policy.

Page 5, line 21, strike "under" and insert "subject to".

Page 6, line 1, strike "conduct" and insert ", in support of the Under Secretary, assist with".

Page 6, line 4, strike ", the administration" and all that follows through line 8 and insert a semicolon.

Page 6, line 9, strike "authorize or conduct studies and programs cooperatively" and insert ", in support of the Under Secretary, assist with studies and programs conducted cooperatively".

Page 7, strike line 23 and all that follows through page 8, line 3, and insert the following:

"(5) may establish regulations, not inconsistent with law, which—

"(A) shall govern the conduct of proceedings in the Office;

Page 9, line 1, insert "shall" after "(E)".

Page 9, after line 6, insert the following:

"(F) provide for the development of a performance-based process that includes quantitative and qualitative measures and standards for evaluating cost-effectiveness and is consistent with the principles of impartiality and competitiveness;

Page 11, strike lines 15 through 17 and redesignate the succeeding paragraphs accordingly.

Page 11, add the following after line 25:

"In exercising the Director's powers under paragraphs (6) and (7)(A), the Director shall consult with the Administrator of General Services when the Director determines that it is practicable, efficient, and cost-effective to do so.".

Page 13, strike lines 4 through 18 and redesignate the succeeding subparagraphs accordingly.

Page 14, strike line 18 and all that follows through page 15, line 7, and insert the following:

"(5) COMPENSATION.—The Director shall be paid an annual rate of basic pay not to exceed the maximum rate of basic pay of the Senior Executive Service established under section 5382 of title 5, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of title 5. In addition, the Director may receive a bonus in an amount up to, but not in excess of, 50 percent of such annual rate of basic pay, based upon an evaluation by the Secretary of Commerce of the Director's performance as defined in an annual performance agreement between the Director and the Secretary. The annual performance agreement shall incorporate measurable organization and individual goals in key operational areas as delineated in an annual performance plan agreed to by the Director and the Secretary. Payment of a bonus under this paragraph may be made to the Director only to the extent that such payment does not cause the Director's total aggregate compensation in a calendar year to equal or exceed the amount of the salary of the President under section 102 of title 3.

Page 16, line 2, strike "policy and".

Page 16, insert the following after line 20:

"(3) TRAINING OF EXAMINERS.—The Patent and Trademark Office shall develop an incentive program to retain as employees patent and trademark examiners of the primary examiner grade or higher who are eligible for retirement, for the sole purpose of training patent and trademark examiners.".

Page 21, line 13, insert "including inventors," after "Office,".

Page 21, line 20, insert after "call of the chair" the following: ", not less than every 6 months,".

Page 27, line 9, insert after the period close quotation marks and a second period.

Page 27, strike line 10 and all that follows through page 28, line 14.

Page 32, insert the following immediately before line 10 and redesignate the succeeding paragraphs accordingly:

(5) Section 41(h) of title 35, United States Code, is amended by striking "Commissioner of Patents and Trademarks" and inserting "Director".

Page 33, line 7, strike "Title" and insert "(A) Except as provided in subparagraph (B), title".

Page 33, insert the following after line 9:

(B) Chapter 17 of title 35, United States Code, is amended by striking "Commissioner" each place it appears and inserting "Commissioner of Patents".

Page 33, insert the following after line 12:

(12) Section 157(d) of title 35, United States Code, is amended by striking "Secretary of Commerce" and inserting "Director".

(13) Section 181 of title 35, United States Code, is amended in the third paragraph by striking "Secretary of Commerce under rules prescribed by him" and inserting "Director under rules prescribed by the Patent and Trademark Office".

(14) Section 188 of title 35, United States Code, is amended by striking "Secretary of Commerce" and inserting "Patent and Trademark Office".

(15) Section 202(a) of title 35, United States Code, is amended by striking "iv)" and inserting "(iv)".

Page 46, add the following after line 23:

Subtitle D—Under Secretary of Commerce for Intellectual Property Policy

SEC. 151. UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY POLICY.

(a) APPOINTMENT.—There shall be within the Department of Commerce an Under Secretary of Commerce for Intellectual Property Policy, who shall be appointed by the President, by and with the advice and consent of the Senate. On or after the effective date of this title, the President may appoint an individual to serve as the Under Secretary until the date on which an Under Secretary qualifies under this subsection. The

President shall not make more than 1 appointment under the preceding sentence.

(b) DUTIES.—The Under Secretary of Commerce for Intellectual Property Policy, under the direction of the Secretary of Commerce, shall perform the following functions with respect to intellectual property policy:

(1) In coordination with the Under Secretary of Commerce for International Trade, promote exports of goods and services of the United States industries that rely on intellectual property.

(2) Advise the President, through the Secretary of Commerce, on national and international intellectual property policy issues.

(3) Advise Federal departments and agencies on matters of intellectual property protection in other countries.

(4) Provide guidance, as appropriate, with respect to proposals by agencies to assist foreign governments and international intergovernmental organizations on matters of intellectual property protection.

(5) Conduct programs and studies related to the effectiveness of intellectual property protection throughout the world.

(6) Advise the Secretary of Commerce on programs and studies relating to intellectual property policy that are conducted, or authorized to be conducted, cooperatively with foreign patent and trademark offices and international intergovernmental organizations.

(7) In coordination with the Department of State, conduct programs and studies cooperatively with foreign intellectual property offices and international intergovernmental organizations.

(c) DEPUTY UNDER SECRETARIES.—To assist the Under Secretary of Commerce for Intellectual Property Policy, the Secretary of Commerce shall appoint a Deputy Under Secretary for Patent Policy and a Deputy Under Secretary for Trademark Policy as members of the Senior Executive Service in accordance with the provisions of title 5, United States Code. The Deputy Under Secretaries shall perform such duties and functions as the Under Secretary for Intellectual Property Policy shall prescribe.

(d) COMPENSATION.—Section 5314 of title 5, United States Code, is amended by adding at the end the following:

"Under Secretary of Commerce for Intellectual Property Policy.".

(e) FUNDING.—Funds available to the United States Patent and Trademark Office shall be made available for all expenses of the office of the Under Secretary for Intellectual Property Policy, subject to prior approval in appropriations Acts. Amounts made available under this subsection shall not exceed 2 percent of the projected annual revenues of the Patent and Trademark Office from fees for services and goods of that Office. The Secretary of Commerce shall determine the budget requirements of the office of the Under Secretary for Intellectual Property Policy.

SEC. 152. RELATIONSHIP WITH EXISTING AUTHORITIES.

Nothing in section 151 shall derogate from the duties of the United States Trade Representative as set forth in section 141 of the Trade Act of 1974 (19 U.S.C. 2171).

Page 48, insert the following after line 18:

"(B) An application that is in the process of being reviewed by the Atomic Energy Commission, the Department of Defense, or a defense agency pursuant to section 181 of this title shall not be published until the Director has been notified by the Atomic Energy Commission, the Secretary of Defense, or the chief officer of the defense agency, as the case may be, that in the opinion of the Atomic Energy Commission, the Secretary of Defense, or such chief officer, as the case may be, publication or disclosure of the invention by the granting of a patent would not be detrimental to the national security of the United States.".

Page 48, line 19, strike "(B)" and insert "(C)".

Page 48, strike line 22 and all that follows through page 49, line 2, and insert the following:

"(D)(i) Upon the request at the time of filing by an applicant that is a small business concern or an independent inventor entitled to reduced fees under section 41(h)(1) of this title, the application shall not be published in accordance with paragraph (1) until 3 months after the Director makes a second notification to such applicant on the merits of the application under section 132 of this title. The Director may require applicants that no longer have the status of a small business concern or an independent inventor to so notify the Director not later than 15 months after the earliest filing date for which a benefit is sought under this title.

Page 49, line 7, strike ", 121,".

Page 49, insert after line 8 the following:

"(iii) Applications asserting the benefit of an earlier application under section 121 shall not be eligible for a request pursuant to this subparagraph unless filed within 2 months after the date on which the Director required the earlier application to be restricted to 1 of 2 or more inventions in the earlier application.

Page 49, line 9, strike "(iii)" and insert "(iv)".

Page 49, line 13, strike "(iv)" and insert "(v)".

Page 49, line 14, insert "nominal" before "fees".

Page 49, line 16, strike "(D)" and insert "(E)".

Page 49, line 17, strike "(C)" and insert "(D)".

Page 50, line 2, strike "(C)" and insert "(D)".

Page 50, after line 2, insert the following:

"(F) No fee established under this section shall be collected nor shall be available for spending without prior authorization in appropriations Acts.".

Page 58, strike lines 1 through 17 and insert the following:

(11) Section 135(b) of title 35, United States Code, is amended to read as follows:

"(b)(1) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an issued patent may only be made in an application if—

"(A) such a claim is made prior to 1 year after the date on which the patent was granted; and

"(B) the applicant files evidence which demonstrates that the applicant is prima facie entitled to a judgment relative to the patent.

"(2)(A) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of a published application may only be made in an application filed after the date of publication of the published application if, except in a case to which subparagraph (B) applies—

"(i) such a claim is made prior to 1 year after the date of publication of the published application; and

"(ii) the applicant of the application filed after the date of publication of the published application files evidence that demonstrates that the applicant is prima facie entitled to a judgment relative to the published application.

"(B) If the applicant of the application filed after the date of publication of the published application alleges that the invention claimed in the published application was derived from that applicant, such a claim may only be made if that applicant files evidence which demonstrates that the applicant is prima facie entitled to a judgment relative to the published application.".

Page 59, line 7, strike "appellate".

Page 61, strike lines 5 through 9 and redesignate subclauses (III) through (V) as subclauses (II) through (IV), respectively.

Page 62, insert the following after line 6:

"(B) The period of extension of the term of a patent under clause (iv) of paragraph (1)(A), which is based on the failure of the Patent and Trademark Office to meet the criteria set forth in clause (v) of paragraph (1)(B), shall be reduced by the cumulative total of any periods of time that an applicant takes to respond in excess of 3 months after the date on which the Patent and Trademark Office makes any rejection, objection, argument, or other request.

Page 62, line 7, strike "(B)" and insert "(C)".

Page 62, line 19, strike "(C)" and insert "(D)".

Page 63, insert the following after line 4:

Section 132 of title 35, United States Code, is amended—

(1) in the first sentence by striking "Whenever" and inserting "(a) Whenever"; and

(2) by adding at the end the following:

Page 63, strike lines 5 through 7 and insert the following:

"(b) The Director shall prescribe regulations to provide for the further limited examination of applications for patent at the request of the applicant.

Page 63, line 9, strike "reexamination" and insert "examination".

Page 63, strike lines 11 and 12 and insert the following:

qualify for reduced fees under section 41(h)(1) of this title."

Page 63, line 21, insert "secular or" after "succeeding".

Page 64, lines 2 and 3, strike "an applicant who has been accorded the status of independent inventor under section 41(h)" and insert "applicants who are independent inventors entitled to reduced fees under section 41(h)(1)".

Page 71, line 8, strike "**DEVELOPMENT**" and insert "promotion".

Page 71, line 11, strike "**DEVELOPMENT**" and insert "**PROMOTION**".

Page 71, in the item relating to section 58 in the matter after line 12, strike "developer" and insert "promoter".

Page 71, line 15, strike "development" and insert "promotion".

Page 71, lines 16 and 17, strike "developer" and insert "promoter".

Page 71, line 17, strike "development" and inserting "promotion".

Page 71, strike line 20 and all that follows through page 72, line 1, and insert the following: "partnership, corporation, or other entity who enters into a financial relationship or a contract".

Page 72, line 22, strike "development" and insert "promotion".

Pages 73 through 84, strike "invention developer" and "INVENTION DEVELOPER" each place it appears and insert "invention promoter" and "INVENTION PROMOTER", respectively.

Pages 73 through 84, strike "invention development" and "INVENTION DEVELOPMENT" each place it appears and insert "invention promotion" and "INVENTION PROMOTION", respectively.

Page 74, line 1, strike "DEVELOPER" and insert "PROMOTER".

Page 74, line 22, strike "developer" and insert "invention promoter".

Page 77, line 1, strike "DEVELOPER'S" and insert "PROMOTER'S".

Page 81, line 7, strike "DEVELOPER" and insert "PROMOTER".

Page 81, line 16, strike "developer's" and insert "promoter's.

Page 83, lines 19 and 21, and page 84, line 2, strike "developers" and insert "promoters".

Page 84, lines 3 and 4, strike "**developer**" and insert "**promoter**".

Page 84, in the matter after line 19, strike "**Development**" and insert "**Promotion**".

Page 85, line 16, strike "Any" and insert "(a) REQUEST FOR REEXAMINATION.—".

Page 85, line 19, strike "or on the basis of" and all that follows through "invention" on line 21.

Page 86, line 2, strike "or the" and all that follows through line 4 and insert a period.

Page 86, line 7, strike the quotation marks and second period and insert the following: "If multiple requests for reexamination of a patent are filed, they shall be consolidated by the Office into a single reexamination, if a reexamination is ordered.

"(b) COLLECTION AND AVAILABILITY OF FEES.—No fee for reexamination shall be collected nor shall be available for spending without prior authorization in appropriations Acts.".

Page 86, line 21, strike "or by the failure" and all that follows through line 24 and insert a period.

Page 89, line 8, insert before the quotation marks the following: "Special dispatch shall not be construed to limit the patent owner's ability to extend the time for taking action by payment of the fees set forth in section 41(a)(8) of this title.".

Page 95, line 13, strike "6 months" and insert "1 year".

Page 95, line 15, insert "effective" after "such".

Page 95, line 25, strike "If" and insert "Subject to section 119(e)(3) of this title, if".

Page 98, line 2, strike "Section" and insert "(a) IN GENERAL.—Section".

Page 99, add the following after line 8:

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date that is 2 years after the date of the enactment of this Act and shall apply to applications for patent filed on or after such effective date.

SEC. 606. PUBLICATIONS.

Section 11 of title 35, United States Code, is amended by adding at the end the following:

"(c) The Patent and Trademark Office shall make available for public inspection during regular business hours all solicitations issued by the Office for contracts for goods or services, and all contracts entered into by the Office for goods or services.".

Amend the table of contents accordingly.

H.R. 400

OFFERED BY: MR. FORBES

AMENDMENT NO. 4. Page 20, line 3, insert the following after the period: "Of the members appointed by each appointing authority—

"(A) 1 shall be selected from among small business concerns entitled to reduced fees under section 141(h)(1) of title and individuals who are independent inventors entitled to reduced fees under such section;

"(B) 1 shall be selected from among patent attorneys; and

"(C) 1 shall be selected from among patent examiners.

Page 21, strike lines 10 through 15 and insert the following:

"(b) BASIS FOR APPOINTMENTS.—Members of the Advisory Board shall be citizens of the United States, and those appointed under subparagraphs (A) and (B) of subsection (a)(1) shall be chosen so as to represent the interests of diverse users of the United States Patent and Trademark Office.

Page 22, strike line 8 and insert the following:

"(f) COMPENSATION.—

"(1) IN GENERAL.—Subject to paragraph (2), members of the Advisory Board".

Page 22, insert the following after line 18:

"(2) FEDERAL EMPLOYEES.—Members of the Advisory Board who are appointed under subparagraph (C) of subsection (a)(1) shall receive no additional compensation by reason of their service on the Advisory Board.

H.R. 400

OFFERED BY: MR. FORBES

AMENDMENT NO. 5. Page 48, insert the following after line 21:

"(C) An application filed by a small business concern entitled to reduced fees under section 41(h)(1) of this title, or by an individual who is an independent inventor entitled to reduced fees under such section shall not be published until a patent is issued thereon, except upon the request of the applicant.

Page 48, line 22, strike "(C)" and insert "(D)".

Page 49, line 16, strike "(D)" and insert "(E)".

Page 49, line 17, strike "(C)" and insert "(D)".

Page 50, line 2, strike "(C)" and insert "(D)".

H.R. 400

OFFERED BY: MR. FORBES

AMENDMENT NO. 6: Page 85, line 16, strike "at any time" and insert ", not later than 9 months after a patent is issued,".

Page 85, line 17, strike "a" and insert "the".

Page 86, line 7, insert the following after the first period: "No person may file more than 1 request for reexamination with respect to the same patent.".

Page 90, line 20, insert ", subject to the limitations on filing requests for reexamination set forth in section 302," after "not".

Page 92, line 10, strike the quotation marks and second period.

Page 92, insert the following after line 10:

"(c) LIMITATION ON FILING REQUESTS FOR REEXAMINATION.—Nothing in subsection (a) or (b) shall be construed to permit any person to file a request for reexamination of a patent more than 9 months after the patent is issued, or to file more than 1 request for reexamination of a patent as provided in section 302.".

H.R. 400

OFFERED BY: MR. FORBES

AMENDMENT NO. 7: Page 99, add the following after line 8:

TITLE VII—PATENT TERM.

SEC. 701. PATENT TERMS.

(a) AMENDMENT TO TITLE 35, UNITED STATES CODE.—Effective on the date of the enactment of this Act, section 154 of title 35, United States Code, is amended—

(1) in paragraph (2) of subsection (a), by striking "and ending" and all that follows in that paragraph and inserting "and ending—

"(A) 17 years from the date of the grant of the patent, or

"(B) 20 years from the date on which the application for the patent was filed in the United States, except that if the application contains a specific reference to an earlier filed application or applications under section 120, 121, or 365(c) of this title, 20 years from the date on which the earliest such patent application was filed,

whichever is later."; and

(2) in subsection (c)(1), by striking "shall be the greater of the 20-year term as provided in subsection (a), or 17 years from grant" and inserting "shall be the term provided in subsection (a)".

(b) TECHNICAL AMENDMENT.—Section 534(b) of the Uruguay Round Agreements Act is amended by striking paragraph (3).

H.R. 400

OFFERED BY: MR. HUNTER

AMENDMENT NO. 8: Page 99, insert the following after line 8 and redesignate the succeeding sections accordingly:

"SEC. 606. CRIMINAL INFRINGEMENT OF A PATENT.

"(a) ESTABLISHMENT OF OFFENSE.—

"(1) IN GENERAL.—Chapter 113 of title 18, United States Code, is amended by adding at the end of Section 2319 the following:

"Sec. 2319A. Criminal Infringement of a Patent

"(a) PROHIBITION.—Whoever,

"(1) willingly and intentionally uses, offers to sell, or sells any infringed patented invention, within the United States or imports into the United States any infringed patented invention during the term of the patent;

"(2) attempts to commit an offense under paragraph (1); or

"(3) is a party to a conspiracy of two or more persons to commit an offense under paragraph (1),

"(4) offers to sell or sells within the United States or imports into the United States a component of a patented machine, manufacture, combination or composition, or a material or apparatus for use in practicing a patented process, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in violation of paragraph(1)

shall be punished as provided in subsection (b).

"(b) PUNISHMENT.—

"(1) IN GENERAL.—Whoever violates subsection (a) shall be punished as follows:

"(a) If the victim has five or more patents, the infringer shall be sentenced to one year imprisonment and fined one million dollars;

"(b) If the victim has four or fewer patents, the infringer shall be sentenced to three years imprisonment and fined three million dollars;

"(c) If the victim has one patent or has a patent pending that has been published, the infringer shall be sentenced to five years imprisonment and fined five million dollars and shall be assessed a 5% royalty which shall be payable to the victim of the infringement.

"(2) RESTITUTION.—In sentencing a defendant convicted of an offense under this section, the court may order the defendant to make restitution in accordance with section 3663.

"(C) DEFINITION.—In this section—

"(1) the term "patent" has the same meaning as in chapter 10 of title 35, United States Code; and

"(2) the term "victim" shall mean anyone who owns a patent or has a published pending patent application that has not been granted that is infringed in accordance with the above.

"(3) the term "infringement" has the same meaning as in chapter 28 of title 35 United States Code.

"(2) CLERICAL AMENDMENT.—The chapter analysis for chapter 47 of title 18, United States Code, is amended by adding at the end the following:

"2319. Criminal Infringement of a Patent.

"(b) RESTITUTION.—Section 3663 of title 18, United States Code, is amended by adding at the end the following:

"Criminal Infringement of a Patent.—

"(1) IN GENERAL.—In sentencing a defendant convicted of an offense under section 2319A, the court may order, in addition to any other penalty authorized that the defendant make restitution to any victim of the offense.

"(2) COST INCLUDED.—Making restitution to a victim under this subsection may include payment for any costs, including attorneys fees, incurred by the victim in connection with any civil or administrative proceeding arising as a result of the actions of the defendant.".

H.R. 400,

OFFERED BY: MR. HUNTER

AMENDMENT NO. 9: Strike title V and insert the following:

"TITLE V—REEXAMINATION PROCEDURE

"SEC. 501. CONDUCT OF REEXAMINATION.

"Section 305 of title 35, United States Code, is amended in the first sentence by inserting before the period at the end the following: ', except that the primary examiner who issued the patent may not conduct the reexamination'.

"SEC. 502. EFFECTIVE DATE.

"The amendment made by this title shall take effect on the date that is 6 months after the date of the enactment of this Act and shall apply to all reexamination requests filed on or after such date."

Amend the table of contents accordingly.

H.R. 400,

OFFERED BY: MR. HUNTER

AMENDMENT NO. 10: Strike title I of the bill and insert the following:

"TITLE I—PATENT SOVEREIGNTY ACT

"SEC. 101. SHORT TITLE.

"This title may be cited as the 'Patent Sovereignty Act of 1997'.

"SEC. 102. FINDINGS.

"The Congress finds that—

"(1) the quality of United States letters patent is essential for preserving the technological lead and economic well-being of the United States in the next century;

"(2) the quality of United States letters patent is highly dependent upon the maintenance and the comprehensiveness of patent examiners' search files; and

"(3) the quality of United States letters patent is inextricably linked to the professionalism of patent examiners and the quality of the training of patent examiners.".

SEC. 103. SECURE PATENT EXAMINATION.

Section 3 of title 35, United States Code, is amended by adding at the end the following:

"(f) All examination and search duties for the grant of United States letters patent are sovereign functions which shall be performed within the United States by United States citizens who are employees of the United States Government.".

SEC. 104. MAINTENANCE OF EXAMINERS' SEARCH FILES.

Section 9 of title 35, United States Code, is amended—

(1) by striking "may revise and maintain" and inserting "shall maintain and revise"; and

(2) by adding at the end the following "United States letters patent, and all such other patents and printed publications shall be maintained in the examiners' search files under the United States Patent Classification System.".

SEC. 105. PATENT EXAMINER TRAINING.

(a) IN GENERAL.—Chapter 1 of title 35, United States Code, is amended by adding at the end the following new section:

"§ 15. Patent examiner training

"(a) IN GENERAL.—All patent examiners shall spend at least 5 percent of their duty time per annum in training to maintain and develop the legal and technological skills useful for patent examination.

"(b) TRAINERS OF EXAMINERS.—The Patent and Trademark Office shall develop an incentive program to retain as employees patent examiners of the primary examiner grade or higher who are eligible for retirement, for the sole purpose of training patent examiners who have not achieved the grade of primary examiner.".

(b) CLERICAL AMENDMENT.—The table of contents for chapter 1 of title 35, United States Code, is amended by adding at the end the following:

"15. Patent examiner training.".

SEC. 106. ADMINISTRATIVE MATTERS.

(a) LIMITATIONS ON PERSONNEL.—Section 3(a) of title 35, United States Code, is amended by adding at the end the following: "The Office shall not be subject to any administratively or statutorily imposed limitation on positions or personnel, and no positions or personnel of the Office shall be taken into account for purposes of applying any such limitation.".

(b) RETENTION OF FEES.—(1) Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended by inserting after the item relating to the National Credit Union Administration, credit union share insurance fund, the following new item:

"Patent and Trademark Office".

(2) Section 10101(b)(2)(B) of the Omnibus Budget Reconciliation Act of 1990 (35 U.S.C. 41 note) is amended by striking ", to the extent provided in appropriation Acts," and inserting "without appropriation".

(3) Section 42(c) of title 35, United States Code, is amended by amending by striking first sentence and inserting the following: "Revenue from fees shall be available to the Commissioner to carry out the activities of the Patent and Trademark Office, in such allocations as are approved by Act of Congress. Such revenues shall not be made available for any purpose other than that authorized for the Patent and Trademark Office.".

(c) USE OF FEES.—Section 42(c) of title 35, United States Code, is amended by adding at the end the following: "All patent application fees collected under paragraphs (1), (3)(A), (3)(B), and (4) through (8) of section 41(a), and all other fees collected under section 41 for services or the extension of services to be provided by patent examiners shall be used only for the pay and training of patent examiners.".

(d) PUBLICATIONS.—Section 11 of title 35, United States Code, is amended by adding at the end the following:

"(c) The Patent and Trademark Office shall make available for public inspection during regular business hours all solicitations issued by the Office for contracts for goods or services, and all contracts for goods or services entered into by the Office.

"(d) Notice of a proposal to change United States patent law that will be made on behalf of the United States to a foreign country or international body shall be published in the Federal Register before, or at the same time as, the proposal is transmitted.".

SEC. 107. EFFECTIVE DATE.

This title, and the amendments made by this title, shall take effect 30 days after the date of the enactment of this Act.

In the table of contents, strike all items relating to title I and insert the following:

Title I—Patent Sovereignty Act

Sec. 101. Short title.
Sec. 102. Findings.
Sec. 103. Secure patent examination.
Sec. 104. Maintenance of examiners' search files.
Sec. 105. Patent examiner training.
Sec. 106. Administrative matters.
Sec. 107. Effective date.

H.R. 400

OFFERED BY: MR. ROHRABACHER

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 11: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Patent Rights and Sovereignty Act of 1997".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the right of an inventor to secure a patent is assured through the authorization powers of the Congress contained in Article I, section 8 of the Constitution, has been consistently upheld by the Congress, and has been the stimulus to the unique technological innovativeness of the United States;

(2) the right must be assured for a guaranteed length of time in the term of the issued patent and be further secured by maintaining absolute confidentiality of all patent application data until the patent is granted if the applicant is timely prosecuting the patent;

(3) the quality of United States patents is also an essential stimulus for preserving the technological lead and economic well-being of the United States in the next century;

(4) the process of examining and issuing patents is an inherently governmental function that must be performed by Federal employees acting in their quasi-judicial roles under regular executive and legislative oversight; and

(5) the quality of United States patents is inextricably linked to the professionalism of patent examiners and the quality of the training of patent examiners as well as to the resources supplied to the Patent and Trademark Office in the way of adequate manpower, appropriately maintained search files, and other needed professional tools.

SEC. 3. SECURE PATENT EXAMINATION.

Section 3 of title 35, United States Code, is amended by adding at the end thereof the following:

"(f) All examination and search duties for the grant of United States patents are sovereign functions which shall be performed within the United States by United States citizens who are employees of the United States Government.".

SEC. 4. MAINTENANCE OF EXAMINERS' SEARCH FILES.

Section 9 of title 35, United States Code, is amended—

(1) by striking "may revise and maintain" and inserting "shall maintain and revise"; and

(2) by adding at the end thereof the following: "United States patents, and all such other patents and printed publications shall be maintained in the examiners' search files under the United States Patent Classification System.".

SEC. 5. PATENT EXAMINER TRAINING.

(a) IN GENERAL.—Chapter 1 of title 35, United States Code, is amended by adding at the end the following new section:

"§ 15. Patent examiner training

"(a) IN GENERAL.—All patent examiners shall spend at least 5 percent of their duty time per annum in training to maintain and develop the legal and technological skills useful for patent examination.

"(b) TRAINERS OF EXAMINERS.—The Patent and Trademark Office shall develop an incentive program to retain as employees patent examiners of the primary examiner grade or higher who are eligible for retirement, for the sole purpose of training patent examiners who have not achieved the grade of primary examiner.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 1 is amended by adding at the end the following:

"15. Patent examiner training."

SEC. 6. ADMINISTRATIVE MATTERS.

(a) LIMITATIONS ON PERSONNEL.—Section 3(a) of title 35, United States Code, is amended by adding at the end thereof the following: "The Office shall not be subject to any administratively or statutorily imposed limitation on positions or personnel, and no positions or personnel of the Office shall be taken into account for purposes of applying any such limitation.".

(b) RETENTION OF FEES.—(1) Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended by inserting after the item relating to the National Credit Union Administration, credit union share insurance fund, the following new item:

"Patent and Trademark Office".

(2) Section 10101(b)(2)(B) of the Omnibus Budget Reconciliation Act of 1990 (35 U.S.C. 41 note) is amended by striking ", to the extent provided in appropriation Acts," and inserting "without appropriation".

(3) Section 42(c) of title 35, United States Code, is amended by striking the first sentence and inserting the following: "Revenues from fees shall be available to the Commissioner to carry out the activities of the Patent and Trademark Office, in such allocations as are approved by Act of Congress. Such revenues shall not be made available for any purpose other than that authorized for the Patent and Trademark Office.".

(c) USE OF FEES.—Section 42(c) of title 35, United States Code, is amended by adding at the end thereof the following: "All patent application fees collected under paragraphs (1), (3)(A), (3)(B), and (4) through (8) of section 41(a), and all other fees collected under section 41 for services or the extension of services to be provided by patent examiners shall be used only for the pay and training of patent examiners.".

(d) PUBLICATIONS.—Section 11 of title 35, United States Code, is amended by adding at the end thereof the following:

"(c) The Patent and Trademark Office shall make available for public inspection during regular business hours all solicitations issued by the Office for contracts for goods or services and all contracts for goods or services entered into by the Office.

"(d) Notice of a proposal to change United States patent law that will be made on behalf of the United States to a foreign country or international body shall be published in the Federal Register before, or at the same time as, the proposal is transmitted.".

SEC. 7. GAO STUDY AND REPORT.

(a) IN GENERAL.—The Comptroller General shall conduct a study of—

(1) the total number of patents applied for, issued, abandoned, and pending in the period of the study;

(2) the classification of the applicants for patents in terms of the country they are a citizen of and whether they are an individual inventor, small entity, or other;

(3) the pendency time for applications for patents and such other time and tracking data as may indicate the effectiveness of the amendments made by this Act;

(4) the number of applicants for patents who also file for a patent in a foreign country, the number of foreign countries in which such filings occur and which publish data from patent applications in English and make it available to citizens of the United States through governmental or commercial sources;

(5) a summary of the fees collected by the Patent and Trademark Office for services related to patents and a comparison of such fees with the fully allocated costs of providing such services; and

(6) recommendations regarding—

(A) a revision of the organization of the Patent and Trademark Office with respect to its patent functions, and

(B) improved operating procedures in carrying out such functions,

and a cost analysis of the fees for such procedures and the impact of the fees.

(b) ADDITIONAL STUDY MATTER.—The Committees on Appropriations, Judiciary, and Small Business of the House of Representatives and the Senate may, no later than 12 months after the beginning of the study under subsection (a), direct the Comptroller General to include other matters relating to patents and the Patent and Trademark Office in the study conducted under subsection (a).

(c) REPORT.—Upon the expiration of 36 months after the beginning of the study under subsection (a), the Comptroller General shall report the results of the study to the Congress.

SEC. 8. PATENT TERMS.

(a) AMENDMENT OF TITLE .—Effective on the date of the enactment of this Act, section 154 of title 35, United States Code, as amended by the Uruguay Round Agreements Act, is amended—

(1) in paragraph (2) of subsection (a), by striking "and ending" and all that follows in that paragraph and inserting "and ending—

"(A) 17 years from the date of the grant of the patent, or

"(B) 20 years from the date on which the application for the patent was filed in the United States, except that if the application contains a specific reference to an earlier filed application or applications under section 120, 121, or 365(c) of this title, 20 years from the date on which the earliest such patent application was filed,

whichever is later.".

(2) in subsection (c)(1), by striking "shall be the greater of the 20-year term as provided in subsection (a), or 17 years from grant" and inserting "shall be the term provided in subsection (a)".

(b) TECHNICAL AMENDMENT.—Section 534(b) of the Uruguay Round Agreements Act is amended by striking paragraph (3).

SEC. 9. DEFINITION OF SPECIAL CIRCUMSTANCES TO PROTECT THE CONFIDENTIALITY STATUS OF APPLICATIONS.

Section 122 of title 35, United States Code, is amended by striking "as may be determined by the Commissioner" and inserting "as in any of the following:

"(1) In the case of an application under section 111(a) for a patent for an invention for which the applicant intends to file or has filed an application for a patent in a foreign country, the Commissioner may publish, at the discretion of the Commissioner and by means determined suitable for the purpose, no more than that data from such application under section 111(a) which will be made or has been made public in such foreign country. Such a publication shall be made only after the date of the publication in such foreign country and shall be made only if the data is not available, or cannot be made readily available, in the English language through commercial services.

"(2)(A) If the Commissioner determines that a patent application which is filed after the date of the enactment of this paragraph—

"(i) has been pending more than 5 years from the effective filing date of the application,

"(ii) has not been previously published by the Patent and Trademark Office,

"(iii) is not under any appellate review by the Board of Patent Appeals and Interferences,

"(iv) is not under interference proceedings in accordance with section 135(a),

"(v) is not under any secrecy order pursuant to section 181,

"(vi) is not being diligently pursued by the applicant in accordance with this title, and

"(vii) is not in abandonment,

the Commissioner shall notify the applicant of such determination.

"(B) An applicant which received notice of a determination described in subparagraph (A) may, within 30 days of receiving such notice, petition the Commissioner to review the determination to verify that subclauses (i) through (vii) are all applicable to the applicant's application. If the applicant makes such a petition, the Commissioner shall not publish the applicant's application before the Commissioner's review of the petition is completed. If the applicant does not submit a petition, the Commissioner may publish the applicant's application no earlier than 90 days after giving such a notice.

"(3) If after the date of the enactment of this paragraph a continuing application has been filed more than 6 months after the date of the initial filing of an application, the Commissioner shall notify the applicant under such application. The Commissioner shall establish a procedure for an applicant which receives such a notice to demonstrate that the purpose of the continuing application was for reasons other than to achieve a delay in the time of publication of the application. If the Commissioner agrees with such a demonstration by the applicant, the Commissioner shall not publish the applicant's application. If the Commissioner does not agree with such a demonstration by the applicant or if the applicant does not make an attempt at such a demonstration within a reasonable period of time as determined by the Commissioner, the Commissioner shall publish the applicant's application.

The Commissioner shall ensure that publications under paragraph (1), (2), or (3) will not result in third-party pre-issuance oppositions which will delay or interfere with the issuance of the patents whose applications' data will be published.".

SEC. 10. INVENTION DEVELOPMENT SERVICES.

(a) INVENTION DEVELOPMENT SERVICES.—Part I of title 35, United States Code, is amended by adding after chapter 4 the following new chapter:

"CHAPTER 5—INVENTION DEVELOPMENT SERVICES

"Sec.

"§ 51. Definitions

"For purposes of this chapter—

"(1) the term 'contract for invention development services' means a contract by which an invention developer undertakes invention development services for a customer;

"(2) the term 'customer' means any person, firm, partnership, corporation, or other entity who is solicited by, seeks the services of, or enters into a contract with an invention promoter for invention promotion services;

"(3) the term 'invention promoter' means any person, firm, partnership, corporation, or other entity who offers to perform or performs for, or on behalf of, a customer any act described under paragraph (4), but does not include—

"(A) any department or agency of the Federal Government or of a State or local government;

"(B) any nonprofit, charitable, scientific, or educational organization, qualified under applicable State law or described under section 170(b)(1)(A) of the Internal Revenue Code of 1986; or

"(C) any person duly registered with, and in good standing before, the United States Patent and Trademark Office acting within the scope of that person's registration to practice before the Patent and Trademark Office; and

"(4) the term 'invention development services' means, with respect to an invention by a customer, any act involved in—

"(A) evaluating the invention to determine its protectability as some form of intellectual property, other than evaluation by a person licensed by a State to practice law who is acting solely within the scope of that person's professional license;

"(B) evaluating the invention to determine its commercial potential by any person for purposes other than providing venture capital; or

"(C) marketing, brokering, licensing, selling, or promoting the invention or a product or service in which the invention is incorporated or used, except that the display only of an invention at a trade show or exhibit shall not be considered to be invention development services.

"§ 52. Contracting requirements

"(a) IN GENERAL.—(1) Every contract for invention development services shall be in writing and shall be subject to the provisions of this chapter. A copy of the signed written contract shall be given to the customer at the time the customer enters into the contract.

"(2) If a contract is entered into for the benefit of a third party, such party shall be considered a customer for purposes of this chapter.

"(b) REQUIREMENTS OF INVENTION DEVELOPER.—The invention developer shall—

"(1) state in a written document, at the time a customer enters into a contract for invention development services, whether the usual business practice of the invention developer is to—

"(A) seek more than 1 contract in connection with an invention; or

"(B) seek to perform services in connection with an invention in 1 or more phases, with the performance of each phase covered in 1 or more subsequent contracts; and

"(2) supply to the customer a copy of the written document together with a written summary of the usual business practices of the invention developer, including—

"(A) the usual business terms of contracts; and

"(B) the approximate amount of the usual fees or other consideration that may be required from the customer for each of the services provided by the developer.

"(c) RIGHT OF CUSTOMER TO CANCEL CONTRACT.—(1) Notwithstanding any contractual provision to the contrary, a customer shall have the right to terminate a contract for invention development services by sending a written letter to the invention developer stating the customer's intent to cancel the contract. The letter of termination must be deposited with the United States Postal Service on or before 5 business days after the date upon which the customer or the invention developer executes the contract, whichever is later.

"(2) Delivery of a promissory note, check, bill of exchange, or negotiable instrument of any kind to the invention developer or to a third party for the benefit of the invention developer, without regard to the date or dates appearing in such instrument, shall be deemed payment received by the invention developer on the date received for purposes of this section.

"§ 53. Standard provisions for cover notice

"(a) CONTENTS.—Every contract for invention development services shall have a conspicuous and legible cover sheet attached with the following notice imprinted in boldface type of not less than 12-point size:

"'YOU HAVE THE RIGHT TO TERMINATE THIS CONTRACT. TO TERMINATE THIS CONTRACT, YOU MUST SEND A WRITTEN LETTER TO THE COMPANY STATING YOUR INTENT TO CANCEL THIS CONTRACT. THE LETTER OF TERMINATION MUST BE DEPOSITED WITH THE UNITED STATES POSTAL SERVICE ON OR BEFORE FIVE (5) BUSINESS DAYS AFTER THE DATE ON WHICH YOU OR THE COMPANY EXECUTE THE CONTRACT, WHICHEVER IS LATER.

"'THE TOTAL NUMBER OF INVENTIONS EVALUATED BY THE INVENTION DEVELOPER FOR COMMERCIAL POTENTIAL IN THE PAST FIVE (5) YEARS IS _____. OF THAT NUMBER, _____ RECEIVED POSITIVE EVALUATIONS AND _____ RECEIVED NEGATIVE EVALUATIONS.

"'IF YOU ASSIGN EVEN A PARTIAL INTEREST IN THE INVENTION TO THE INVENTION DEVELOPER, THE INVENTION DEVELOPER MAY HAVE THE RIGHT TO SELL OR DISPOSE OF THE INVENTION WITHOUT YOUR CONSENT AND MAY NOT HAVE TO SHARE THE PROFITS WITH YOU.

"'THE TOTAL NUMBER OF CUSTOMERS WHO HAVE CONTRACTED WITH THE INVENTION DEVELOPER IN THE PAST FIVE (5) YEARS IS _____. THE TOTAL NUMBER OF CUSTOMERS KNOWN BY THIS INVENTION DEVELOPER TO HAVE RECEIVED, BY VIRTUE OF THIS INVENTION DEVELOPER'S PERFORMANCE, AN AMOUNT OF MONEY IN EXCESS OF THE AMOUNT PAID BY THE CUSTOMER TO THIS INVENTION DEVELOPER IS _____.

"'THE OFFICERS OF THIS INVENTION DEVELOPER HAVE COLLECTIVELY OR INDIVIDUALLY BEEN AFFILIATED IN THE LAST TEN (10) YEARS WITH THE FOLLOWING INVENTION DEVELOPMENT COMPANIES: (LIST THE NAMES AND ADDRESSES OF ALL PREVIOUS INVENTION DEVELOPMENT COMPANIES WITH WHICH THE PRINCIPAL OFFICERS HAVE BEEN AFFILIATED AS OWNERS, AGENTS, OR EMPLOYEES). YOU ARE ENCOURAGED TO CHECK WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE, THE FEDERAL TRADE COMMISSION, YOUR STATE ATTORNEY GENERAL'S OFFICE, AND THE BETTER BUSINESS BUREAU FOR ANY COMPLAINTS FILED AGAINST ANY OF THESE COMPANIES.

"'YOU ARE ENCOURAGED TO CONSULT WITH AN ATTORNEY OF YOUR OWN CHOOSING BEFORE SIGNING THIS CONTRACT. BY PROCEEDING WITHOUT THE ADVICE OF AN ATTORNEY REGISTERED TO PRACTICE BEFORE THE UNITED STATES PATENT AND TRADEMARK OFFICE, YOU COULD LOSE ANY RIGHTS YOU MIGHT HAVE IN YOUR IDEA OR INVENTION.'.

"(b) OTHER REQUIREMENTS FOR COVER NOTICE.—The cover notice shall contain the items required under subsection (a) and the name, primary office address, and local office address of the invention developer, and may contain no other matter.

"(c) DISCLOSURE OF CERTAIN CUSTOMERS NOT REQUIRED.—The requirement in the notice set forth in subsection (a) to include the 'TOTAL NUMBER OF CUSTOMERS WHO HAVE CONTRACTED WITH THE INVENTION DEVELOPER IN THE PAST FIVE (5) YEARS' need not include information with respect to customers who have purchased trade show services, research, advertising, or other nonmarketing services from the invention developer, nor with respect to customers who have defaulted in their payments to the invention developer.

"§ 54. Reports to customer required

"With respect to every contract for invention development services, the invention developer shall deliver to the customer at the address specified in the contract, at least once every 3 months throughout the term of the contract, a written report that identifies the contract and includes—

"(1) a full, clear, and concise description of the services performed to the date of the report and of the services yet to be performed and names of all persons who it is known will perform the services; and

"(2) the name and address of each person, firm, corporation, or other entity to whom the subject matter of the contract has been disclosed, the reason for each such disclosure, the nature of the disclosure, and complete and accurate summaries of all responses received as a result of those disclosures.

"§ 55. Mandatory contract terms

"(a) MANDATORY TERMS.—Each contract for invention development services shall include in boldface type of not less than 12-point size—

"(1) the terms and conditions of payment and contract termination rights required under section 52;

"(2) a statement that the customer may avoid entering into the contract by not making a payment to the invention developer;

"(3) a full, clear, and concise description of the specific acts or services that the invention developer undertakes to perform for the customer;

"(4) a statement as to whether the invention developer undertakes to construct, sell, or distribute one or more prototypes, models, or devices embodying the invention of the customer;

"(5) the full name and principal place of business of the invention developer and the name and principal place of business of any parent, subsidiary, agent, independent contractor, and any affiliated company or person who it is known will perform any of the services or acts that the invention developer undertakes to perform for the customer;

"(6) if any oral or written representation of estimated or projected customer earnings is given by the invention developer (or any agent, employee, officer, director, partner, or independent contractor of such invention developer), a statement of that estimation or projection and a description of the data upon which such representation is based;

"(7) the name and address of the custodian of all records and correspondence relating to the contracted for invention development services, and a statement that the invention developer is required to maintain all records and correspondence relating to performance of the invention development services for such customer for a period of not less than 2 years after expiration of the term of such contract; and

"(8) a statement setting forth a time schedule for performance of the invention development services, including an estimated date in which such performance is expected to be completed.

"(b) INVENTION DEVELOPER AS FIDUCIARY.—To the extent that the description of the specific acts or services affords discretion to the invention developer with respect to what specific acts or services shall be performed, the invention developer shall be deemed a fiduciary.

"(c) AVAILABILITY OF INFORMATION.—Records and correspondence described under subsection (a)(7) shall be made available after 7 days written notice to the customer or the representative of the customer to review and copy at a reasonable cost on the invention developer's premises during normal business hours.

"§ 56. Remedies

"(a) IN GENERAL.—

"(1) VOIDABLE CONTRACT.—Any contract for invention development services that does not comply with the applicable provisions of this chapter shall be voidable at the option of the customer.

"(2) RELIANCE ON FALSE, FRAUDULENT, OR MISLEADING INFORMATION.—Any contract for invention development services entered into in reliance upon any material false, fraudulent, or misleading information, representation, notice, or advertisement of the invention developer (or any agent, employee, officer, director, partner, or independent contractor of such invention developer) shall be voidable at the option of the customer.

"(3) WAIVER.—Any waiver by the customer of any provision of this chapter shall be deemed contrary to public policy and shall be void and unenforceable.

"(4) ACTION BY DEVELOPER.—Any contract for invention development services which provides for filing for and obtaining utility, design, or plant patent protection shall be voidable at the option of the customer unless the invention developer offers to perform or performs such act through a person duly registered to practice before, and in good standing with, the Patent and Trademark Office.

"(b) CIVIL ACTION.—

"(1) IN GENERAL.—Any customer who is injured by a violation of this chapter by an invention developer or by any material false or fraudulent statement or representation, or any omission of material fact, by an invention developer (or any agent, employee, director, officer, partner, or independent contractor of such invention developer) or by failure of an invention developer to make all the disclosures required under this chapter, may recover in a civil action against the invention developer (or the officers, directors, or partners of such invention developer) in addition to reasonable costs and attorneys' fees, the greater of—

"(A) $5,000; or

"(B) the amount of actual damages sustained by the customer.

"(2) DAMAGE INCREASE.—Notwithstanding paragraph (1), the court may increase damages to not more than 3 times the amount awarded.

"(c) REBUTTABLE PRESUMPTION OF INJURY.—For purposes of this section, substantial violation of any provision of this chapter by an invention developer or execution by the customer of a contract for invention development services in reliance on any material false or fraudulent statements or representations or omissions of material fact shall establish a rebuttable presumption of injury.

"§ 57. Records of complaints

"(a) RELEASE OF COMPLAINTS.—The Director shall make all complaints received by the United States Patent and Trademark Office involving invention developers publicly available, together with any response of the invention developers.

"(b) REQUEST FOR COMPLAINTS.—The Director may request complaints relating to invention development services from any Federal or State agency and include such complaints in the records maintained under subsection (a), together with any response of the invention developers.

"§ 58. Fraudulent representation by an invention developer

"Whoever, in providing invention development services, knowingly provides any false or misleading statement, representation, or omission of material fact to a customer or fails to make all the disclosures required under this chapter, shall be guilty of a misdemeanor and fined not more than $10,000 for each offense.

"§ 59. Rule of construction

"Except as expressly provided in this chapter, no provision of this chapter shall be construed to affect any obligation, right, or remedy provided under any other Federal or State law.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of chapters for part I of title 35, United States Code, is amended by adding after the item relating to chapter 4 the following:

"5. Invention Development Services ... 51".

SEC. 11. PROVISIONAL APPLICATIONS, PLANT BREEDER'S RIGHTS, DIVISIONAL APPLICATIONS.

(a) ABANDONMENT.—Section 111(b)(5) of title 35, United States Code, is amended to read as follows:

"(5) ABANDONMENT.—Notwithstanding the absence of a claim, upon timely request and as prescribed by the Director, a provisional application may be treated as an application filed under subsection (a). If no such request is made, the provisional application shall be regarded as abandoned 12 months after the filing date of such application and shall not be subject to revival thereafter.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to any provisional application filed on or after June 8, 1995.

(c) INTERNATIONAL APPLICATIONS.—Section 119 of title 35, United States Code, is amended—

(1) in subsection (a), by inserting "or in a WTO member country" after "the United States" the first place it appears; and

(2) by adding at the end the following new subsections:

"(f) APPLICATIONS FOR PLANT BREEDER'S RIGHTS.—Applications for plant breeder's rights filed in a WTO member country (or in a UPOV Contracting Party) shall have the same effect for the purpose of the right of priority under subsections (a) through (c) of this section as applications for patents, subject to the same conditions and requirements of this section as apply to applications for patents.

"(g) DEFINITIONS.—As used in this section—

"(1) the term 'WTO member country' has the same meaning as the term is defined in section 104(b)(2) of this title; and

"(2) the term 'UPOV Contracting Party' means a member of the International Convention for the Protection of New Varieties of Plants.".

(d) PLANT PATENTS.—

(1) TUBER PROPAGATED PLANTS.—Section 161 of title 35, United States Code, is amended by striking "a tuber propagated plant or".

(2) RIGHTS IN PLANT PATENTS.—The text of section 163 of title 35, United States Code, is amended to read as follows: "In the case of a plant patent, the grant shall include the right to exclude others from asexually reproducing the plant, and from using, offering for sale, or selling the plant so reproduced, or any of its parts, throughout the United States, or from importing the plant so reproduced, or any parts thereof, into the United States.".

(3) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply on the date of the enactment of this Act. The amendment made by paragraph (2) shall apply to any plant patent issued on or after the date of the enactment of this Act.

(e) ELECTRONIC FILING.—Section 22 of title 35, United States Code, is amended by striking "printed or typewritten" and inserting "printed, typewritten, or on an electronic medium".

(f) DIVISIONAL APPLICATIONS.—Section 121 of title 35, United States Code, is amended—

(1) in the first sentence by striking "If" and inserting "(a) If"; and

(2) by adding at the end the following new subsections:

"(b) In a case in which restriction is required on the ground that two or more independent and distinct inventions are claimed in an application, the applicant shall be entitled to submit an examination fee and request examination for each independent and distinct invention in excess of one. The examination fee shall be equal to the filing fee, including excess claims fees, that would have applied had the claims corresponding to the asserted independent and distinct inventions been presented in a separate application for patent. For each of the independent and distinct inventions in excess of one for which the applicant pays an examination fee within two months after the requirement for restriction, the Director shall cause an examination to be made and a notification of rejection or written notice of allowance provided to the applicant within the time period specified in section 154(b)(1)(B)(i) of this title for the original application. Failure to meet this or any other time limit set forth in section 154(b)(1)(B) of this title shall be treated as an unusual administrative delay under section 154(b)(1)(A)(iv) of this title.

"(c) An applicant who requests reconsideration of a requirement for restriction under this section and submits examination fees

pursuant to such requirement shall, if the requirement is determined to be improper, be entitled to a refund of any examination fees determined to have been paid pursuant to the requirement.".

SEC. 12. PROVISIONAL RIGHTS.

Section 154 of title 35, United States Code, is amended—

(1) in the section caption by inserting "; **provisional rights**" after "**patent**"; and

(2) by adding at the end the following new subsection:

"(d) PROVISIONAL RIGHTS.—

"(1) IN GENERAL.—In addition to other rights provided by this section, a patent shall include the right to obtain a reasonable royalty from any person who, during the period beginning on the date of publication of the application for such patent pursuant to the voluntary disclosure provisions of section 122 or the publication provisions of section 122(1) or 122(2) of this title, or in the case of an international application filed under the treaty defined in section 351(a) of this title designating the United States under Article 21(2)(a) of such treaty, the date of publication of the application, and ending on the date the patent is issued—

"(A)(i) makes, uses, offers for sale, or sells in the United States the invention as claimed in the published patent application or imports such an invention into the United States; or

"(ii) if the invention as claimed in the published patent application is a process, uses, offers for sale, or sells in the United States or imports into the United States products made by that process as claimed in the published patent application; and

"(B) had actual notice of the published patent application and, where the right arising under this paragraph is based upon an international application designating the United States that is published in a language other than English, a translation of the international application into the English language.

"(2) RIGHT BASED ON SUBSTANTIALLY IDENTICAL INVENTIONS.—The right under paragraph (1) to obtain a reasonable royalty shall not be available under this subsection unless the invention as claimed in the patent is substantially identical to the invention as claimed in the published patent application.

"(3) TIME LIMITATION ON OBTAINING A REASONABLE ROYALTY.—The right under paragraph (1) to obtain a reasonable royalty shall be available only in an action brought not later than 6 years after the patent is issued. The right under paragraph (1) to obtain a reasonable royalty shall not be affected by the duration of the period described in paragraph (1).

"(4) REQUIREMENTS FOR INTERNATIONAL APPLICATIONS.—The right under paragraph (1) to obtain a reasonable royalty based upon the publication under the treaty defined in section 351(a) of this title of an international application designating the United States shall commence from the date that the Patent and Trademark Office receives a copy of the publication under such treaty of the international application, or, if the publication under the treaty of the international application is in a language other than English, from the date that the Patent and Trademark Office receives a translation of the international application in the English language. The Director may require the applicant to provide a copy of the international publication of the international application and a translation thereof.".

SEC. 13. EFFECTIVE DATE.

Except as otherwise provided, this Act and the amendments made by this Act shall take effect 60 days after the date of the enactment of this Act.

EXTENSIONS OF REMARKS

THE GEKAS GOVERNMENT SHUTDOWN PREVENTION AMENDMENT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. GEKAS. Mr. Speaker, in approximately 2 weeks the U.S. House of Representatives will be voting on fiscal year 1997 supplemental appropriations bills. At the appropriate time, I intend to appear before the House Rules Committee to request that my Government shutdown prevention amendment be made in order. My amendment will provide fiscal year 1997 spending levels to continue at 98 percent through the end of fiscal year 1998, in the absence of regular appropriations or a continuing resolution.

Since my election to the House of Representatives in 1982, I have witnessed the enactment of 53 different continuing resolutions, including a whopping 14 during the 104th Congress alone. The absence of either a budget agreement or a stopgap spending bill has resulted in eight partial Government shutdowns during my 14 years in Congress.

In February 1989, I introduced legislation to put an end to these senseless interruptions of Government operations. As originally drafted, my Automatic Continuing Resolution Act would allow the Government to continue to function at the prior year's funding levels should a lapse in appropriations occur. I often referred to this legislation as my instant replay bill, since it was a repeat of the previous year's appropriations measures.

Mr. Speaker, at the time, I knew I was facing an uphill battle in a long war. After all, the threat of a shutdown is one of the most effective weapons in the congressional arsenal. Every fiscal year, the then Democrat-led Congress routinely placed Presidents Reagan and Bush in the position of accepting its budget priorities, or else. If the White House refused to cooperate, Congress would grind large portions of the Federal Government to a complete halt. The shutdown threat, coupled and the public outcry that inevitably results from a lull in Government services, forced both Presidents to grudgingly submit to congressional spending priorities.

Obviously, a Congress jealous of its prerogatives was not going to give up this exceedingly effective tactic overnight. So I bided my time, and gradually garnered support for my legislation during the 101st, 102d, 103d, and 104th Congresses.

Mr. Speaker, without question, the time for enactment of the Gekas Government shutdown prevention amendment is now. The shutdown debacle of last winter has underscored the need to keep the Government operating without interruption. The 27-day shutdown jolted America's confidence in its elected officials, and caused reverberations that can still be felt today. We need to restore the public's faith in its leaders by showing that we have learned from our mistakes. Enactment of this amendment will send a clear message to the American people that we will no longer allow them to be pawns in budget disputes between Congress and the White House.

AMENDMENT TO H.R. —, AS REPORTED, OFFERED BY MR. GEKAS OF PENNSYLVANIA

At the appropriate place, add the following new title:

TITLE ___—PREVENTION OF GOVERNMENT SHUTDOWN

SHORT TITLE

SEC. ___. This title may be cited as the "Government Shutdown Prevention Act".

CONTINUING FUNDING

SEC. ___. (a) If any regular appropriation bill for fiscal year 1998 does not become law prior to the beginning of fiscal year 1998 or a joint resolution making continuing appropriations is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any program, project, or activity for which funds were provided in fiscal year 1997.

(b) Appropriations and funds made available, and authority granted, for a program, project, or activity for fiscal year 1998 pursuant to this title shall be at 98 percent of the rate of operations that was provided for the program, project, or activity in fiscal year 1997 in the corresponding regular appropriation Act for fiscal year 1997.

(c) Appropriations and funds made available, and authority granted, for fiscal year 1998 pursuant to this title for a program, project, or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

(1) the date on which the applicable regular appropriation bill for fiscal year 1998 becomes law (whether or not that law provides for that program, project, or activity) or a continuing resolution making appropriations becomes law, as the case may be; or

(2) the last day of fiscal year 1998.

TERMS AND CONDITIONS

SEC. ___. (a) An appropriation of funds made available, or authority granted, for a program, project, or activity for fiscal year 1998 pursuant to this title shall be made available to the extent and in the manner which would be provided by the pertinent appropriations Act for fiscal year 1997, including all of the terms and conditions and the apportionment schedule imposed with respect to the appropriation made or funds made available for fiscal year 1997 or authority granted for the program, project, or activity under current law.

(b) Appropriations made by this title shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

COVERAGE

SEC. ___. Appropriations and funds made available, and authority granted, for any program, project, or activity for fiscal year 1998 pursuant to this title shall cover all obligations or expenditures incurred for that program, project, or activity during the portion of fiscal year 1998 for which this title applies to that program, project, or activity.

EXPENDITURES

SEC. ___. Expenditures made for a program, project, or activity for fiscal year 1998 pursuant to this title shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of fiscal year 1998 providing for that program, project, or activity for that period becomes law.

INITIATING OR RESUMING A PROGRAM, PROJECT, OR ACTIVITY

SEC. ___. No appropriation or funds made available or authority granted pursuant to this title shall be used to initiate or resume any program, project, or activity for which appropriations, funds, or other authority were not available during fiscal year 1997.

PROTECTION OF OTHER OBLIGATIONS

SEC. ___. Nothing in this title shall be construed to effect Government obligations mandated by other law, including obligations with respect to Social Security, Medicare, Medicaid, and veterans benefits.

DEFINITION

SEC. ___. In this title, the term "regular appropriation bill" means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of programs, projects, and activities:

(1) Agriculture, rural development, and related agencies programs.

(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

(3) The Department of Defense.

(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.

(6) The Departments of Veterans and Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

(7) Energy and water development.

(8) Foreign assistance and related programs.

(9) The Department of the Interior and related agencies.

(10) Military construction.

(11) The Department of Transportation and related agencies.

(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

(13) The legislative branch.

DR. ROBERT "BOB" BUCHANAN: AN EDUCATOR'S EDUCATOR

HON. JO ANN EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mrs. EMERSON. Mr. Speaker, I rise today to pay tribute and say thanks to a 31-year veteran educator in our public school system. The superintendent of Sikeston schools, Dr. Robert "Bob" Buchanan, has decided to move on to life's next challenge.

Bob's retirement closes a remarkable chapter in Sikeston, Missouri's Public R–VI School District. As a teacher, coach, principal, and ultimately superintendent, Bob Buchanan has done it all in his 25 years in Sikeston. Moreover, he's been a positive influence on so many kids and touched many of their families over the past 31 years of dedication to education.

Bob's long and winding road in education started in January 1966 when he first was hired as a social studies instructor in Harrisburg, AR. He then moved across the border to his home State to teach social studies in Bernie, MO—his original hometown—and just down the road in Charleston, MO, before planting new and, as we know today, deep roots in Sikeston in 1972.

Bob Buchanan is a leader by example. His community service record is exemplary. For instance, Bob is a member of Sikeston's chamber of commerce quality of life committee. He's also on the physicians medical organization board, Missouri Delta medical center board, Sikeston area development council board, and in the mid-eighties, he served as chairman of the board of adjustment.

Bob also knows that you must keep learning in life so that you're prepared for the next challenge or hurdle. His personal achievements in his academic pursuits are impressive. After graduating from Bernie High School in 1961, Bob graduated from Arkansas State University with a bachelor of science in education. He earned his master in education administration from Southeast Missouri State University in my hometown of Cape Girardeau in 1971. He graduated with honors 10 years later in 1981 with a specialist in education administration from Southeast Missouri State. Then, in 1987, he earned his doctor of philosophy from the Department of Educational Leadership at Southern Illinois University in Carbondale. Remember, most of these scholastic achievements came about in his spare time because Bob's full-time job was educating our children and helping to provide them a better, brighter future.

Although this will be the last school year for Bob as superintendent of Sikeston schools, I'm sure folks will still find him going to every Bulldog game he and his wife Glenda can attend. Most importantly, I hope that the enthusiastic spirit and drive for excellence that Dr. Buchanan brings to the classrooms under his charge lives on for future generations. Bob Buchanan will be missed, but I truly believe his legacy will live on.

ESTATE AND GIFT TAXES

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. PACKARD. Mr. Speaker, I worry about how our current tax structure will affect America's families and small businesses. I hear from constituents every day who fret that their cherished family home or small business they built from the ground up will end up liquidated because our current estate and gift tax laws make it impossible for families to hold onto their loved one's legacy.

No American should have to stay up late at night worrying about how the tax system will hurt them. The estate and gift tax seems especially cruel when you consider it strips people of the very thing a life well lived provides—the opportunity to endow our children with the fruits of our labor. For all of the suffering estate taxes cause loved ones, the tax accounts for only a small fraction of the Federal Government's revenue—about 1 percent or $15 billion.

Most people mistakenly assume that the estate and gift tax socks it only to the rich. Nothing is further from the truth. In fact, this tax hits small businesses the hardest. More than 70 percent of small businesses never make it into the hands of the next generation, and more than 80 percent never make it to the third generation. The effect on the economy is immeasurable. How many jobs have been lost because a family had to shut down a thriving business just to pay the taxes?

Mr. Speaker, I recently cosponsored the Family Heritage Preservation Act, introduced by Congressman CHRIS COX, Republican from Newport Beach. This legislation would repeal Federal estate and gift taxes. President Clinton's own White House Conference on Small Business has cited estate tax repeal as one of his No. 1 objectives. I will work to repeal the Federal estate and gift taxes in order to ensure for the future of our children and grandchildren.

THE IRS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 16, 1997, into the CONGRESSIONAL RECORD:

THE IRS: OVERHAUL OVERDUE

More than 200 million individuals and companies recently sent their tax returns to the Internal Revenue Service. This yearly ritual—and the frustration that surrounds it—makes the IRS the most vilified agency in the federal government. Of course, tax collectors have been criticized since biblical times. No one expects the IRS to be popular, and fair-minded people understand the difficulty of collecting taxes. But American taxpayers have a right to expect fairness and efficiency from their tax collectors.

The IRS is widely recognized to be inefficient. In the previous fiscal year, 74% of all telephone calls to the IRS got a busy signal. The IRS still enters paper returns manually into computers, with a 20% error rate. Because its computers are out of date, the IRS focuses on processing instead of fraud. It is no wonder, then, that millions of suspect returns go unexamined. When it does investigate, the IRS is not always held accountable for investigations that are unfair or overly intrusive. I am most troubled by allegations that some IRS employees "snoop" through tax-payer records without authorization. Any employee who does so should be fired immediately. The IRS is long overdue for a massive management overhaul.

FORMIDABLE TASK

In 1996 the IRS collected $1.5 trillion from more than 200 million individual and corporate taxpayers. The IRS computer system is the largest in the world, and it is difficult to find highly-skilled computer experts who will work for government salaries. Today the IRS collects about $150 billion a year less than what the law requires. Strengthening enforcement, however, can sometimes require more intrusive measures that would be rejected by taxpayers and Congress. If is difficult to strike a proper balance.

These challenges are not new, and Congress has pushed the IRS to modernize for years. A few years ago, Congress created a Taxpayer Advocate and authorized a computer modernization project. Unfortunately, the IRS spent $4 billion to create 12 computer systems that can't even talk to each other. This failed effort is an outrageous symbol of the mismanagement that has pervaded the agency.

SIGNS OF PROGRESS

The IRS is beginning to make some improvements. About 70% of individuals taxpayers use the one-page "EZ" tax form, and other forms have been simplified. The IRS takes 45 million toll-free calls per year. Taxpayers still complain that they cannot get a real person to speak to them on the telephone, but when they do, they now get the correct answer 91% of the time, up from 63% in 1989. The IRS is also beginning to move to automated returns. The new telephone filing service is used by 17 million people; 15 million use computer filing. Taxpayers who file automatically get their refunds in an average of 16 days, compared with 38 days for paper. Moreover, the error rate on automated returns is just 1/40th of the paper rate. The popular IRS internet site (www.irs.ustreas.gov) provides tax forms and answers to frequently asked questions. I commend these steps, but they still fall short of the efficiency and fairness taxpayers deserve.

MAJOR REFORMS

The last major reform of the IRS took place in 1952, when the agency was riddled with political appointees and was widely corrupt. Today's task is more of a management challenge.

Last year, Congress established the National Commission on Restructuring the IRS to issue a report by July 1. This commission has set six objectives: (1) The taxpayer deserves superior, courteous service; (2) the IRS management structure needs to be revamped; (3) the IRS workforce should be the highest quality; (4) the agency needs state-of-the-art technology; (5) the IRS must balance its books; and (6) the tax code should not be so complex or change so often.

I think there are several specific steps we should take.

Independent Board: The IRS should have an independent board of directors. This

board would set goals and hold the IRS accountable for reaching them. A similar board was recently set up for IRS computers, and it boosted private contracting from 40% to 64%. this trend should continue.

Experienced Commissioner: Top leaders of the IRS should have management experience. In the past, Commissioners have been tax lawyers, but we should ensure that top managers know how to manage a large organization.

Reduce Complication: Congress should be forced to consider the complexity of all proposed changes before they are enacted. Many proposed tax measures sound attractive, but they only add to the growing complexity of the tax code. It is easier for Congress to support tax credits for education, investment, and other worthy goals than it is to simplify the tax code.

Crackdown on Fraud: The IRS must reduce fraud. The IRS has made many attempts to strengthen tax compliance and collection, but more needs to be done. A more efficient processing system will free up resources to strengthen enforcement. The IRS should improve its enforcement while protecting taxpayer privacy.

Electronic Filing: The IRS should develop a plan to make it convenient for virtually all taxpayers to file electronically. We should not be spending taxpayer dollars on antiquated processing.

Restructuring: The IRS should be realigned by types of taxpayers: individuals, small businesses, large corporations, and excise taxes. Now, the IRS is separated into collection, processing, service, and auditing—divisions that don't work well together.

Amnesty: Taxpayers should not be liable for IRS mistakes. When the IRS gives taxpayers bad advice, they should not be penalized for following it.

CONCLUSION

The IRS is facing serious management problems and needs a comprehensive overhaul. Taxpayers have a right to demand more from the IRS. Talk of eliminating the IRS is largely political: as long as the federal government requires revenue, we need a way to collect it. But the IRS should be fair and efficient, and Congress must move forward on major IRS reform.

HONORING DR. MINA BISSELL

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. DELLUMS. Mr. Speaker, I rise to honor Dr. Mina Bissell of Berkeley, CA, who will be honored this month by the Department of Energy. On April 18, 1997, Dr. Bissell will receive the Ernest Orlando Lawrence Award for her pioneering contributions to our understanding of the extracellular matrix and microenvironment in differentiation, programmed cell death, and cancer.

Dr. Bissell's outstanding dedication as the director of the Lawrence Berkeley National Laboratory's Life Sciences Division has resulted in tremendous scientific discoveries. Among these was identifying the extracellular matrix, a network of proteins that surrounds and supports breast cancer cells as a crucial regulator of normal and malignant breast cancer cells.

Dr. Bissell was born in Iran, where she was the top high school graduate in the country and received a scholarship to study abroad. She came to the United States and studied chemistry at Bryn Mawr College, before transferring to Radcliffe College.

After earning her Ph.D. in microbiology and molecular genetics at Harvard University, she came to the University of California at Berkeley to conduct post-doctoral research. Since joining the Berkeley Lab in 1972, Dr. Bissell has worked tirelessly to increase our knowledge of cancer in the hope of someday finding a cure.

Dr. Bissell's tremendous success is largely due to the unorthodox approach she used in her research. Rather than searching for new cancerous genes, as most cancer researchers were doing, she focused on studying the changes cells go through as they develop, aiming to precisely define normal cell behavior.

This research led to many important conclusions about malignant cells that were considered heretical at the time but have since been shown to be correct. Today, thanks to Dr. Bissell's persistence and initiative, it is widely accepted that the extracellular matrix plays an important role in the spread of cancer and other abnormalities.

A driven researcher, Dr. Bissell motivates her collaborators and students with her passion for science. These traits have made her an effective leader as well as an accomplished scientist. Through her decades of dedication, Dr. Bissell has earned the respect and admiration of the cancer-research community.

Mr. Speaker, I ask my colleagues to rise with me today in honoring the invaluable achievements of Dr. Mina Bissell and in wishing her continued success in her research.

IN RECOGNITION OF AUDIO CRAFT CO., INC.

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. KUCINICH. Mr. Speaker, I rise to honor the achievement of Audio Craft Co., Inc., a specialty retailer of home entertainment and mobile electronics which recently was a finalist for the National Torch Award for Marketplace Ethics from the Better Business Bureau.

Audio Craft Co., Inc. employs 75 people in Cleveland, OH. The company was established in 1954 and has set a standard for customer service ever since. Audio Craft regularly exceeds its customer's expectations through rigorously training its staff and by standing behind its guarantees. Audio Craft offers a 30-day, no questions asked return policy. It empowers its employees to make decisions regarding repair and replacement. Audio Craft has an excellent repair shop. Audio Craft's advertising is factual and well designed.

For the past 12 years, Audio Craft has been the recipient of the coveted Audio/Video Best Retailer Award and the Better Business Bureau of Cleveland, OH honored the company with a top place award for customer commitment in 1995.

Audio Craft is actively involved in the support of the Northeast Ohio Alzheimer's Association through the Albums for Alzheimer's Program, which was created by Audio Craft and has grown to become a national and international program.

To become a finalist for the Torch Award, a company must have demonstrated a commitment to ethical practices in the marketplace; high standards of behavior toward customers, employees, suppliers, shareholders, and their communities; truthfulness and accuracy of advertising and sales practices; and training and communications programs designed to assist employees in carrying out established ethics policies.

AMERICAN FAMILIES DESERVE TAX RELIEF

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. RADANOVICH. Mr. Speaker, Americans should keep more of their own money. They should keep more so that they can invest in their children's future, or purchase a home, or start a small business.

Yesterday, the Tax Foundation—as it has done for the past 25 years—announced that the average American will have to work 128 days for the Federal Government before he or she can begin to work for themselves and their families; 128 days, Mr. Speaker. That means that they still have 3½ weeks to go before May 9—the day they stop working for the Government.

A lot of folks talk about the different ways to achieve tax reform or tax simplification—many of which I support. But it seems to me that the best thing for the American people is to just give it back. Instead of new programs and new bureaucracies, give back to the American people some of their hard earned dollars.

This is not a new idea at all. John Kennedy did it in 1962, and so did Ronald Reagan in 1981. It is not a difficult concept. When you give back to the American people what already belongs to them, they reward the economy by investing and spending more.

This is easy, Mr. Speaker. American families deserve tax relief. Support House Resolution 109.

TRIBUTE TO DAVID E. ORTMAN FOR 21 YEARS OF SERVICE ON BEHALF OF THE ENVIRONMENT

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. McDERMOTT. Mr. Speaker, I rise today to congratulate and pay tribute to one of my constituents, David E. Ortman, who stepped down in February as director of the Northwest Office of Friends of the Earth to become director of the Seattle-based Wise Use Movement. On this first day of Earth Week, it is most appropriate to recognize his career dedicated to

the protection, restoration, and rational use of our planet's natural ecosystems and precious resources.

Mr. Ortman began working for Friends of the Earth in 1975 through the Mennonite Voluntary Service program. His endeavors for Friends of the Earth encompassed a broad array of environmental and humanitarian issues. During the late 1970's, he worked with the Alaska Coalition in urging Congress to designate Federal land in Alaska as national parks and wildlife refuges. He participated in the United Nations Habitat Conference in Vancouver B.C., as well as the United Nations Special Session on Disarmament in New York.

In the 1980's David's work on wetlands and coastal issues culminated in the establishment of the Grays Harbor National Wildlife Refuge in southwestern Washington.

In the 1990's, David organized the Seattle Citizen Host Committee for the 1993 Asia Pacific Economic Cooperation conference, working with labor unions, environmental organizations, and human rights groups to develop and publicize new approaches to international trade policy.

Mr. Ortman has testified before congressional committees many times during the past 21 years addressing such diverse matters as trade, forest habitat, wetland and coastal ecosystems protection, oil spill prevention, and the Panama Sea Level Canal. He authored a number of position papers for Coastal Zone Management conferences, served on the Department of the Interior's Outer Continental Shelf Policy Advisory Committee, and on the Aquaculture Assessment panel for the Office of Technology Assessment. In addition, Mr. Ortman is a founding board member of the Puget Sound Alliance and of Earth Share of Washington.

David's work has earned him awards from the Seattle and Black Hills Audubon Societies. The Young Alumnus Award from Bethel College, Kansas, and the national Chervon Conservation Award are among other acknowledgments of his commitment to the environment.

Mr. Ortman plans to continue this work as director of Wise Use Movement. He will lead this organization's campaign to preserve and protect wise use of public lands and resources, to educate the public, and to promote environmentally sound regulation of private lands and activities.

Mr. Speaker, our natural habitat is healthier and the diversity of our ecosystems more sustainable thanks to the work of David E. Ortman, a true world citizen. I thank him for his many years of hard work, and wish him well in his future endeavors.

TRIBUTE TO JAMES AND MARGO BITTNER

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. LAFALCE. Mr. Speaker, I rise today to pay tribute to James and Margo Bittner, of Barker, NY, for being chosen as Outstanding Young Farmers for the years 1997–98 by the New York State Junior Chamber of Commerce.

James Bittner is president of Niagara County Farm Bureau and managing partner of Singer Farms. Jim and his wife, Margo, operate a 450 acre farm that produces apples, sweet and tart cherries, peaches and pears. The Bittners are long-time residents of western New York and have made significant contributions on behalf of farmers in Niagara County and the entire community.

I would like to share with my colleagues a resolution passed by the Niagara County Legislature commending the Bittners for their hard work and congratulating them for their achievement:

Whereas, agriculture and farming are the County of Niagara's leading industry, and

Whereas, the Niagara County Legislature knows the importance that agriculture plays in the economy of Niagara County, and

Whereas, each year the New York State Junior Chamber of Commerce awards excellence to individuals who display outstanding achievement in farming, and

Whereas, James and Margo Bittner of Barker, New York, operate a farm which totals over 450 acres of land, with 250 acres of apples, 50 acres of sweet cherries, 30 acres of tart cherries and 20 acres of peaches and pears, and

Whereas, the New York State Junior Chamber of Commerce named the Bittner's Outstanding Young Farmers 1997–1998 for New York State on November 16, 1996, now, therefore be it

Resolved, that the Niagara County Legislature does hereby commend James and Margo Bittner on a "job well done" and offer sincere congratulations on being awarded such a prestigious title.

I am pleased to join the Niagara County Legislature in commending and congratulating James and Margo Bittner for this well-deserved recognition.

A TRIBUTE TO JOYCE GAMBRELL DRAYTON

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. FOGLIETTA. Mr. Speaker, I rise today to pay tribute to Joyce Gambrell Drayton in honor of her lifelong dedication to the art of sacred choral music. Ms. Drayton has lived in Philadelphia all her life, and has enriched our community with her musical talents since her early days playing organ for the Nazarene Baptist Church School Choir.

Ms. Drayton has served over 37 years in the Nazarene Baptist Church, where she is the organist for the senior choir, the Davis Gospel Chorus, and the women's chorus. In addition, Ms. Drayton is the organist and director of the Hardeman Gospel Chorus of the Hickman Temple AME Church. In 1987, Ms. Drayton added to her accomplishments when she was appointed director of the City Wide Revival Choir.

Ms. Drayton's latest project is the publishing of "Distinguished Church Musicians in the United States," a book she hopes will bring recognition to her craft and attract more young people into the field of church music.

Ms. Drayton was recently honored at a dinner reception at the Nazarene Baptist Church in Nicetown, Philadelphia. I would like to take this opportunity, and I hope my colleagues will join me, Mr. Speaker, in recognizing Ms. Drayton for her contributions to Philadelphia's musical tradition and commend her for her dedication to her craft.

HON. TED WEDEMEYER, JR., NAMED AS 1997 PAL JOEY RECIPIENT

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. KLECZKA. Mr. Speaker, I rise today to congratulate the Honorable Ted Wedemeyer on being named the 1997 Pal Joey Award recipient by the St. Joseph's Foundation, Inc., of Milwaukee, WI.

In honoring Ted, the St. Joseph's Foundation is recognizing a man who has done so much for the community he loves. His commitment to justice is evident in his distinguished career on the circuit court and currently as presiding judge of the First District Court of Appeals, and in his volunteerism with several community organizations, including the St. Joseph's Foundation.

Ted Wedemeyer has shown his dedication to the Milwaukee area throughout his entire life. Over the years he has been committed to improving the lives of many of Milwaukee's citizens through his involvement with organizations including the Wisconsin Children's Service Society, Wisconsin Easter Seals, and the American Legion, just to name a few. His many years of loyal service to the St. Joseph's Foundation demonstrate his desire to make Milwaukee an even better place for all of its citizens. For this reason, the St. Joseph's Foundation wishes to honor Ted by awarding him with the 1997 Pal Joey Award.

Ted Wedemeyer has clearly set an example for all of us to follow. Congratulations, Ted, this is an honor that is well deserved.

INTRODUCTION OF THE BIPARTISAN LINE-ITEM VETO CONSTITUTIONAL AMENDMENT

HON. JO ANN EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mrs. EMERSON. Mr. Speaker, I am joined today by my colleague from California, Representative GARY CONDIT, in proudly introducing a bipartisan resolution to amend the Constitution to provide the President of the United States with line-item veto authority.

On April 10, the U.S. District Court ruled unconstitutional the Line Item Veto Act of 1996 which was a statutory version of this much needed authority to rein-in Federal spending. On the eve of the deadline for hard-working folks to file their Federal income taxes, this court's ruling denied American taxpayers an important protection against wasteful spending. It is time to put to rest the constitutional questions surrounding the line-item veto by

passing the constitutional amendment we are introducing today to give the President the explicit authority to zero-out special interest goodies tucked away in the fine print of large spending bills.

Forty-three of our Nation's governors have a line-item veto at their disposal, and it works. Wisconsin Governor Tommy Thompson used the line-item veto hundreds of times to save the taxpayers of Wisconsin close to $3 billion. In Massachusetts, Governor William Weld used the line-item veto to help eliminate an $850 million deficit in his first month in office and resolve a $1.8 billion structural deficit within the first 6 months of his term. While Governor of Arkansas, Bill Clinton repeatedly balanced his State's budget, and an important tool that helped him do so was the line-item veto. The evidence is clear and convincing that the line-item veto saves taxpayers money, and the Congress should answer the 14-year-old call issued by President Reagan to pass the line-item veto amendment.

Mr. Speaker, we tried the legal approach and a Federal court said it will not work. We have yet to hear from the Supreme Court, but the prospects look bleak. So, here we are at the end of tax season and the American public is denied line-item veto protection by a Federal court. We must put an end to the constitutional debate by providing the President the explicit authority of the line-item veto. What would have been good for Presidents Reagan and Bush would be good for President Clinton and every future American President. The line-item veto amendment we are introducing today will guarantee the validity of Harry Truman's adage that "the Buck Stops Here"—right at the President's desk. I urge my colleagues to adopt this most important fiscal tool to ensure that taxpayers never again witness the day when wasteful special interest spending can sneak its way into law.

NATIONAL ASSOCIATION OF LETTER CARRIERS BRANCH 70 AND BRANCH 2525: SAN DIEGO-IMPERIAL COUNTIES LABOR COUNCIL, AFL–CIO COMMUNITY SERVICE AWARD

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. FILNER. Mr. Speaker and colleagues, I rise today to recognize the National Association of Letter Carriers Branch 70 and Branch 2525, as they are honored by the San Diego-Imperial Counties Labor Council, AFL–CIO, for their contributions to the labor movement and to the community as a whole.

The Labor Council's Community Service Award goes to the National Association of Letter Carriers Branch 70 and Branch 2525, primarily for their successful food drives. For the sixth consecutive year, with the cooperation of the Postal Service, they have organized the most successful food drives in San Diego County, collecting between 60 tons and 170 tons of food per year for needy working families.

With 2,500 members, including both active and retired letter carriers representing the majority of San Diego County, Branch 70 and Branch 2525 also contribute each year to the muscular dystrophy telethon. Last year, almost $10,000 was collected locally—joining thousands of other members nationwide to contribute $1.5 million to this worthy cause.

Branch 70 and Branch 2525 of the National Association of Letter Carriers are truly deserving of the award which they are receiving. I join in adding my sincere thanks to their members, and I take pleasure in highlighting their service for my colleagues in the House of Representatives.

TRIBUTE TO THE MEMORY OF LYMAN SPITZER

HON. MICHAEL PAPPAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. PAPPAS. Mr. Speaker, I rise today to pay tribute to Lyman Spitzer who passed away on March 31.

Lyman was one of the greatest astrophysicists that our world has ever seen and was the visionary for the Hubble space telescope. His passing came just days before the April 3 closing of the Tokamak Fusion Test Reactor [TFTR] at the Princeton Plasma Physics Laboratory which he founded and headed for many years.

The Tokamak experiment was based on one of Dr. Spitzer's most exciting ideas—that it should be possible to recreate the energy producing process of the stars and harness it as an abundant source of energy on Earth. Despite the TFTR's major world record accomplishments of controlled fusion power during its history it was shut down 2 weeks ago.

The long-term interests and needs of our Nation, like the need to find environmentally safe and abundant sources of energy will not end with Lyman Spitzer, but the progress he made in this area will serve as a starting point for years to come.

As America faces a new century, looking for new answers to our Nation's problems, it is the vision and effort of people like Lyman Spitzer that will guide us to the solutions.

TRIBUTE TO JACKIE ROBINSON

HON. MICHAEL R. McNULTY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. MCNULTY. Mr. Speaker, I am pleased to join with Representative CARRIE MEEK and others in commemorating the 50th anniversary of the day Jackie Robinson broke Major League Baseball's color barrier.

As a ballplayer, Jackie Robinson set standards through both his superior athleticism and dignified grace. His unflinching commitment and determination to achieve set him apart from countless numbers of his peers.

However, a look beyond pure statistics—6 National Pennants and 6 seasons batting over .300, to name a couple—allows us to truly understand why Jackie Robinson is a hero to us all.

Jackie Robinson was an American pioneer. His perseverance when all the odds were against him is certainly an inspiration. This strength of will is reflective of the true spirit of America. His personal sacrifice reflects his commitment to our society. Robert Kennedy once said: "Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope." America was formed and is continually transformed by these "ripples of hope." Jackie Robinson was a "ripple of hope" for many Americans.

Yet, we must never forget the times in which Jackie Robinson lived. Discrimination and dehumanization were societal norms of the 1940's and 1950's. We must continually reflect on these ills, and admit past mistakes. This American conscience has always shaped our society for the better.

People have said that Jackie Robinson never took a step backwards. A lot has changed in the 50 years since he first put on that Brooklyn Dodger cap, yet too much has remained the same. We must continually move forward, ensuring all Americans their rights. The first step is to recognize those individuals who have strived to make an impact. Jackie Robinson's impact is still being felt today.

Therefore, I urge all the Members of this House, and all of my fellow Americans to remember Jackie Robinson as a great ballplayer, an inspirational American hero, and most important of all, an individual whose courage has touched the lives of millions.

GRAPHIC POSTCARD ACT OF 1997

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I rise to urge support for legislation that I have introduced, the Graphic Postcard Act of 1997. My bill, formulated after postcards showing a dismembered fetus were sent unsolicited to a number of towns in Connecticut, requires that material depicting violent or sexually explicit acts sent through the U.S. Postal Service be enclosed in an envelope emblazoned with a large print warning.

It is not unusual for parents to allow small children to open the mailbox and examine the contents. Bills, letters, and most advertisements pose no threats to young children. Sexually explicit material is already required to be covered when sent through the mail.

The right to free speech is one we all cherish. This legislation will not interfere with free speech; it does not prohibit graphic materials to be mailed, but instead places a simple requirement on their mailing in order to protect children. Like it or not, those responsible for these postcards have every legal right to use the U.S. mail to express their viewpoints. However, I believe that parents have an equal right to protect their children from graphic presentations of frightening or violent actions. Requiring an envelope and warning does not infringe on the sender's freedom of speech; it simply guarantees protection for our Nation's children.

This is rational action to stop potentially dangerous behavior. Hundreds of my constituents have called or written to let me know they were outraged by these postcards. The level of violence in our society has reached an unprecedented level and is eroding the values that have made us a strong society. We have a special obligation to protect young hands and eyes from unsuitable material, and this is step one.

I therefore urge my colleagues to join me in support of the Graphic Postcard Act of 1997.

H.R. —

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Graphic Postcard Act of 1997".

SEC. 2. NONMAILABILITY OF CERTAIN MAIL MATTER.

Section 1463 of title 18, United States Code, is amended—

(1) in the first paragraph by inserting "(a)(1)" before "All matter";

(2) in the second paragraph by inserting "(2)" before "Whoever" and by striking "section" and inserting "subsection"; and

(3) by adding at the end the following:

"(b)(1) All matter otherwise mailable by law, upon the envelope or outside cover or wrapper of which, and all postal cards upon which, any delineations, epithets, terms, photographs, drawings, visual depictions, or language of a violent or clinically graphic character, or unsuitable for persons under 18 years of age, are written or printed or otherwise impressed or apparent, are non-mailable matter, and shall not be conveyed in the mails nor delivered from any post office nor by any letter carrier, and shall be withdrawn from the mails under such regulations as the Postal Service shall prescribe, except as provided in paragraph (2).

"(2) Paragraph (1) shall not apply with respect to any mail matter which is enclosed in an envelope or other outside cover or wrapper which—

"(A) bears on its face, in conspicuous and legible type in contrast by typography, layout, or color, in accordance with regulations which the Postal Service shall prescribe, such notice as the Postal Service shall by regulation require as to the nature of the contents of the mailing; and

"(B) satisfies such other requirements as the Postal Service may by regulation prescribe in order to carry out the purposes of this subsection.

"(3) Whoever knowingly deposits for mailing or delivery, anything declared by this subsection to be nonmailable matter, or knowingly takes the same from the mails for the purpose of circulating or disposing of or aiding in the circulation or disposition of the same, shall be fined under this title or imprisoned not more than 5 years, or both, for the first such offense, and shall be fined under this title or imprisoned not more than 10 years, or both, for each such offense thereafter.".

REV. WALTER "PAPA" HUFF: 100 YEARS

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. FILNER. Mr. Speaker, I rise today on behalf of all of my constituents to wish the Reverend Walter R. Huff, known affectionately by family and friends as "Papa," a most glorious 100th birthday.

In his 100 years, Papa Huff has witnessed the growth of our Nation, from its horse and buggy days, to the Model-T, to today's space age. He saw, first hand, the rise of organizations like the NAACP and the Urban League and the elimination of legalized segregation in our society.

Born in 1897, Papa Huff lived in Little Rock, AR, for most of his life. It was here, at the Arkansas Baptist College, that Papa Huff received his education.

In 1916, Papa Huff began his career with the Missouri Pacific Railroad. He started his 45-year tenure with the railroad by laying track. During his time with the Missouri Pacific, he progressed in the company from laying track to working the boilers, locomotive operation, and finally, as an inspector.

In 1925, Papa Huff married Lucy Sterling of Little Rock, AR. They were united happily for 45 years.

Papa Huff begin his preaching career in 1925 as assistant pastor of the Mount Pleasant Baptist Church in Little Rock, AR. It was also during this time that Reverend Huff joined the NAACP, led at that time by Mrs. Daisy Bates.

In 1961, Papa Huff retired from the Missouri Pacific Railroad. He began his third career as an entrepreneur. He was the proud owner and operator of a painting business.

Papa Huff came to my district in 1992, where he joined the Mount Erie Baptist Church, led by the Reverend Walter G. Wells. He remains an active member of this congregation.

I, along with the residents of my congressional district, salute the Reverend Walter "Papa" Huff as a living celebration of history, steadfastness, and love. We wish him well on the joyous occasion of his 100th birthday.

SALUTE TO THE NATIONAL FELLOWSHIP COUNCIL OF CHURCHES WORLDWIDE, INC.

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. SCHUMER. Mr. Speaker, I rise in honor of the National Fellowship Council of Churches Worldwide, Inc. They are preparing this week for the consecration and appointment of three new bishops, Rev. Ervin Dease, Sr., Rev. Roy Roberson, and Rev. John Lee Paulson.

The National Fellowship Council of Churches Worldwide, Inc., consists of a vast number of ministries all of which are geared to helping the underprivileged and downtrodden. They find shelter for the homeless and feed the hungry, spiritually as well as physically.

Bishop Anthony R. Monk, Sr., the founder of the fellowship has been instrumental in stamping out crack houses and getting drug dealers off the street corners. He has trained the ministers to assist law enforcement officers in eliminating substance abuse and making neighborhoods safe places to live for our elderly and youth.

The women ministers help, with counseling sessions and workshops, mothers who are raising their children alone to cope with the problems of being a single parent. They also help battered women realize that they do not have to stay in that situation and help them relocate if necessary. The women ministers also try to show other women in the community the need for a spiritual awakening.

I salute them today as they celebrate this most sacred ceremony of consecration and ask my colleagues to join me. A special recognition for Bishops Monk and Billings for starting and maintaining this program. Let us be reminded by the actions and mission of this group that we can come together as people, whatever our personal doctrines, and work in the service of a higher power.

EARTH DAY

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. SABO. Mr. Speaker, I rise today in recognition of the 27th annual Earth Day, which occurs next Tuesday, April 22.

Mr. Speaker, it is easy for us to be complacent today about the state of our environment. After a century of severe pollution, we have rallied over nearly three decades to accomplish major successes in environmental protection and restoration. Among them are the Clean Water Act, the Endangered Species Act, and the Clean Air Act. These laws have left our air and water cleaner than it has been in generations, and they have restored healthy populations of many plant and animal species that were on the brink of extinction.

Perhaps more important than laws, however, is the unprecedented shift in public attitudes and practices that has occurred over the past 25 years. It is becoming commonplace, for instance, to see recycling bins alongside every trash bin; schoolchildren are taught about preservation of resources; and volunteer groups can regularly been seen cleaning up our riverbanks, parks, and open spaces.

After so many years of successfully struggling to improve our environment, it can be easy to lose perspective on why this struggle is important, and why we must remain ever vigilant. Earth Day exists so that we can pause and remember why we began working to protect the environment in the first place.

In debates over whether to preserve a particular species or ban a certain pollutant, we tend to forget why these things are important to us. Simply put, our planet is our home. By polluting it, abusing its natural resources, and reducing the diversity of its species, we make it a more difficult and less healthy place in which to live. Very often we hear people invoke "our children and grandchildren" when talking about the environment. This is not idle sentimentality. A child born today is breathing cleaner air, and can swim in cleaner lakes and rivers than a child born 10 years ago. Environmental protection is about quality of life and survival. It is precisely for this reason that we cannot rest on our laurels.

Americans are clearly living in a healthier environment than we were a generation ago.

But there are still many old problems that have not been resolved, and many new challenges that we must face. This is not the time to be satisfied with our accomplishments and begin to roll back our environmental protections. Rather, it is time to examine what we have done and look for ways to do better.

The debate over clean air presents a good example. There are many opinions about the best way to reduce pollution in our atmosphere. While this debate continues, we must not overlook an important way that individuals and government can ease air pollution—mass transit and environmentally friendly transportation. As a member of the Appropriations Subcommittee on Transportation and now as its ranking member, I have been proud to advocate more investment in mass transit for our cities, and for further development of alternative modes of transportation like bicycling. By making it easier for people to ride their bikes, the bus, or the train to work every day, we can take an important step toward reducing both pollution and our heavy use of gasoline and other limited fossil fuels.

This is just one example of the many ways that environmental protection is important in our daily lives. It shows us that protecting our environment is not an abstract goal that we pursue simply for its own sake. The laws that we enact and the habits we form affect the way we live our lives, and help determine whether future generations will be able to live happy, healthy, and productive lives. This is what I urge all of my colleagues, and all Americans, to think about this Earth Day.

PRESERVING THE DUAL BANKING SYSTEM

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. KENNEDY of Massachusetts. Mr. Speaker, I rise today to comment on the importance of preserving our dual banking system. As we march into the brave new world of interstate banking and branching, we must not forget the critical role that States play in creating an effective banking system which meets the diverse needs of community participation, economic development, and the service of all people in our society.

Specifically, my concern is that Federal regulators do not preempt State law when it comes to determining how State banks best operate within their own boundaries and serve their communities. This concern is sparked by a situation in my own State of Massachusetts. Recently, the Bank of New York, a State bank, filed an application to increase their investment in State Street Boston Corp. a Massachusetts-based holding company which is the parent company of a Massachusetts State chartered bank, State Street Bank.

On March 14, 1997, the Massachusetts Board of Bank Inc. ruled against approving Bank of New York's application to increase its share in State Street Boston Corp. Acting pursuant to Massachusetts State law, the Board of Bank Inc. cited "serious concerns regarding the potentially negative competitive effects of this petition." The board further went on to find that the Bank of New York application "failed to meet its burden to demonstrate that the public convenience and advantage will be promoted" as a result of its proposed investment increase in State Street Boston Corp.

Mr. Speaker, this was precisely the type of State prerogative that we tried to preserve when we approved the Riegle-Neal Interstate Banking and Branching Efficiency Act back in 1994. In my opinion, if Federal regulators approve this application and preempt Massachusetts State law in this matter, we will have undermined both the intent of Riegle-Neal and the preservation of the dual banking system.

So, I ask my colleagues to join me in urging the Federal Reserve to defer to the will of the people of Massachusetts, by acknowledging the Board of Bank Inc.'s ruling against the Bank of New York's application to increase its stake in State Street Bank.

UNITED NURSES ASSOCIATION ORGANIZING COMMITTEE: SAN DIEGO-IMPERIAL COUNTIES LABOR COUNCIL, AFL–CIO ORGANIZING AWARD

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. FILNER. Mr. Speaker and colleagues, I rise today to recognize the United Nurses Association of California [UNAC] Organizing Committee, as they are honored by the San Diego-Imperial Counties Labor Council, AFL–CIO, for their contributions to the labor movement and to the community as a whole.

The UNAC Organizing Committee is being recognized by the labor council with its Organizing Award for the committee's commitment to organizing in the health care industry. This organizing committee conducted an historic drive for union representation at Sharp Hospital during 1996 and won the election by an overwhelming margin. UNAC and Sharp are now at the negotiating table to secure a contract for 2,700 nurses and other health care professionals.

This is a milestone achievement, for UNAC is also celebrating its 25th anniversary this year. Representing 8,000 members in southern California and 3,300 in San Diego, UNAC's members include nurses at Kaiser Permanente and the civilian nurses at Balboa Naval Hospital, as well as the newest members at Sharp. UNAC is also a member of the Coalition for Quality Health Care, which worked to educate the public about a proposed merger of Columbia and Sharp—one which has recently been rejected. They are active legislatively at the local, State, and national levels.

UNAC is a true pioneer in protecting the future of health care in the San Diego community. I want to sincerely congratulate this organization and its members on receiving this significant award.

TRIBUTE TO JOHN J. MANCE

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to John J. Mance, who officially retired from the NAACP on February 15 of this year. The tenure of Mr. Mance with the NAACP parallels the rise of the civil rights movement. He joined the organization in 1944, and became president of the San Fernando Valley Branch in 1959. That same year he met Dr. Martin Luther King at the NAACP Convention in New York City.

John Mance was an active participant in the events that finally brought legal segregation to an end in the American south. Much of his work was done in the San Fernando Valley, educating local residents to the need for change. For example, he organized demonstrations in support of the Southern College student sit-ins, stopping street traffic and halting business at Woolworth, Kress, and Grant's stores for several weekends.

It is because of people like John Mance that the civil rights movement was such a success. And it is because of people such as John Mance that we all recognize the work that remains to be done. He has set a wonderful example for the next generation of community leaders to follow.

I ask my colleagues to join me in honoring John J. Mance, along with his wife, Eleanore, and sons Rick and David. John's tireless dedication and profound sense of justice serve as examples to us all.

TEXT OF ADDRESS BY SPEAKER NEWT GINGRICH TO THE AMERICAN CHAMBER OF COMMERCE, HONG KONG

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. GINGRICH. Mr. Speaker, with the bipartisan excursion to Korea, China, and Japan that 13 Members took part in last month, and the review of the trip several of us participated in through last week's special order, public interest in Asia is at an all-time high. With its low tax rates, balanced budget, and surging economy, the experience of Hong Kong has much to teach Americans. Thus, I enter into the CONGRESSIONAL RECORD a copy of comments made there to the American Chamber of Commerce.

TEXT OF ADDRESS BY SPEAKER NEWT GINGRICH TO THE AMERICAN CHAMBER OF COMMERCE, HONG KONG, MARCH 27, 1997

(Following introduction by Mr. Douglas Henck, Chairman of the American Chamber of Commerce)

Thank you very much, Doug. Let me say first of all that, as a Georgian, I am delighted to be here, as you can imagine. If you're from Atlanta, you sort of wake up every morning with a certain worldwide sense of curiosity, partly based on CNN, partly based on Coca Cola, partly based on

Delta Airlines—I have now done my constituent duty [laughter] and, of course, the Olympics last year brought it all home in a dramatic way. So in that sense, I'm delighted to be here.

It occurred to me, we had a very good meeting with your board of directors a few minutes ago and I want to share a little bit of the way we're approaching this. I think we are a little different than a lot of congressional delegations. This is the beginning of what we believe, will be a long-term commitment to look at a number of issues in a positive way and to frame things in a way that we think will be effective. And I'll talk about that more when we're done. But we also approach this, I think, with a very different approach at a human level. We recognize that America is a remarkable country but that we have much to learn. I mentioned the other night in a meeting we had in talking about imperfections. We were in South Korea at the time, the Republic of Korea. And I mentioned that two of my colleagues on this trip, Congressman Hastings of Florida and Congressman Jefferson of Louisiana, in their lifetime, would have found it difficult, if not impossible, to go across America comfortably because they could not, when they were young, have found hotels in many towns to accommodate them. Jay Kim, our Congressman from California, who has very close family relations and friends in Korea, commented in a way that I think moved all of us that night. That he and his family, he was very young, when Seoul was overrun by North Korea in 1950. Then Seoul was liberated by the United Nations Command, and then Seoul was overrun a second time and his family fled that time. And he came to America. And his first job was working as a janitor in a hospital, cleaning the hospital. And he recently went back to that hospital, where his son, I believe it is, is now a doctor. And one of the older doctors looked at Jay for a moment and said: Didn't you use to scrub the floors here? And he said "yes." He of course is now quite successful and has decided that, while he is successful, he is willing to go through the complexities of public life and so he is also a congressman. And it occurs to us, I think, that we've come on this trip to engage in a dialogue between an imperfect America which has been open to all people of all backgrounds and which seeks to illustrate the best in the human spirit and a variety of countries with whom we desire nothing but friendship and goodwill. For part of the genius of America has been to seek everywhere to extend and exalt the human spirit, so that everyone can have the opportunities that Jay Kim found and to recognize that we need to keep looking at our own imperfections and to reach out to correct those that in our lifetime still exist.

In that sense, I am particularly pleased to have an opportunity to be with you here today to share some observations at this historic moment of transition for Hong Kong. We are particularly delighted to visit Hong Kong, because the people of Hong Kong have created a prosperity that is a tribute to endeavor. Your energy, your courage, your vision, and your creativity have built a standard of living admired throughout the world.

Expanding economic growth is a goal of our agenda in the U.S. Congress. We are about to begin a historic debate between a flat income tax and the replacement of the income tax with a sales tax, two choices that will dramatically improve the current Internal Revenue Service 110,000-agent very complex system. As we discuss Hong Kong's future, we also want your advice about America's future. We have been asking questions beyond just the reversion question. We have been asking about economic growth, about tax codes. Hong Kong has a binding commitment to a balanced budget. It has no outstanding government debt. It has a remarkably low tax rate.

Not surprisingly, Hong Kong has remarkable economic growth. Ten years of Hong Kong's growth rates would transform the American economy and prove to the world that freedom and free enterprise are the model for 21st century success. So, we Americans have much to admire and to learn from you who have helped make Hong Kong a jewel for the entire planet.

I am also here to use this moment to reflect on some enduring American values, values that I believe can serve as a guide for the transition that faces Hong Kong this summer. I am told the overall view from Hong Kong, as the July 1 deadline approaches, continues to be upbeat but cautious. Confidence and uncertainty often exist together, especially for a society faced with momentous change.

As an American, I believe that the confidence to face that future begins with a commitment to freedom. No American leaders would be true to our tradition if they came here and congratulated you on your economic achievements without also saying we believe that economic vitality ultimately depends upon political and personal freedom.

For that reason, America cannot remain silent about the lack of basic freedom—speech, religion, assembly, the press—in China. Were we to do so, we would not only betray our own tradition, we would also fail to fulfill our obligation as a friend of both China and of Hong Kong. For no one can be considered a true friend if that person avoids the truth.

As Americans, we take seriously a country's commitment to human rights. And I say this in the context of having already said: There are failures in America, there are weaknesses, and there are places where we can legitimately be criticized. And our answer should be to listen to those critics and to look at those criticisms, and to try to improve our performance. But we cannot look the other way when the People's Republic of China ignores Article 35 of its own Constitution by depriving a citizen of his free speech; we cannot disregard its failure to uphold Article 36 of its own Constitution every time it denies the free exercise of religion.

The truth is that any effort to provide a partial freedom to any people, to tell them that they can be free in one sphere but not in another, will ultimately fail. China needs to understand that political freedom must accompany economic freedom. If it attempts to restrict the freedom Hong Kong already enjoys, it will have political—and economic—consequences.

We support the Sino-British Joint Declaration which governs the peaceful reversion of Hong Kong to the People's Republic of China, and we fully expect China to honor its pledge of "one country, two systems." We are concerned that China has taken steps to weaken Hong Kong's Bill of Rights. In addition, it has decided to dissolve the elected legislative council on June 30.

As July 1 approaches, the leaders of Congress would look with deep concern on any action that would undermine the Sino-British Joint Declaration. We believe that preserving key elements of Hong Kong society—the rule of law, an independent civil service and judiciary, respect for civil liberties, freedom of religion, a free press—is essential to Hong Kong's future.

If Hong Kong loses the things in which its society is grounded, both American values and American interests will suffer, and the people of Hong Kong will lose opportunity.

It is our strong view that China must maintain Hong Kong's current laws regarding civil rights. These laws are necessary to ensure its future prosperity. Even minor changes or seemingly minor changes in these laws could undermine confidence in the rule of law in Hong Kong, which would significantly affect Hong Kong's attractiveness as a regional center for commerce. Any unilateral changes would indicate that China values power over keeping its word.

A smooth transition in Hong Kong, consistent with the Joint Agreement and Basic Law, will be a key test for Beijing. Reversion will test Chinese standards of governance and international conduct. How that transition is managed will be critical to the future of Taiwan, to China's international standing, and to China's relations with the United States.

Ultimately, we believe the transition for Hong Kong will succeed if it leads to broader economic and political freedom for both "systems." And as Americans, we believe that freedom strengthens both the individual and society.

Our country reacts faster to crises, rectifies its mistakes more rapidly, and maintains a more dynamic national consensus precisely because it has a freely elected government based upon "We the People." Those three words are the first three words of our Constitution, and they frame our view of government.

People who are free to work anywhere come to America because they know that America offers greater opportunity. People who are free to study anywhere come to America because they know that there is more creative research going on in our universities and corporations than in any other country in the world. This freedom and creativity derives from the deepest convictions of our people, and it is built into the political and economic system that has made us a great nation. The legislature invented by American's Founding Fathers is a wonderful protection from any government that would attempt to ignore or thwart the will of the people. That's why the Constitution begins in Article I by establishing the branch of government closest to the people, the United States Congress.

That branch is closest to the people because it is most sensitive to any change that might infringe upon our liberty. Because the founding fathers feared dictatorship, they wanted a government designed to preserve freedom.

They deliberately created a system that dispersed the power of the federal government widely: two legislative bodies, the executive branch, the judiciary. And they reserved all other powers to the state and to the people. They recognized that while God gives us freedom, governments all too often are ready to take that freedom away.

Now America's history has been one of permanent tension between order and freedom between government and the individual, between selfishness and selflessness, between idealism and cynicism. For over 200 years, Americans have worked, fought, sweated and bled, to preserve and extend freedom to all people of all backgrounds from all races and every country of the world.

Look around the world today. We are in the third decade of a global democratic revolution. From Portugal and Spain in the mid-seventies, to Latin America, Central and

Eastern Europe, and the Soviet Union and its allies, the old oppressive regimes have been replaced with new democracies.

In some cases—like the former Soviet Union—the political change preceded the creation of free markets, while in others—like South Korea and Taiwan—there was a substantial transformation of the economic system before political freedom was achieved.

But at the end of the day all found that freedom was indivisible. It was not possible to grant one form of freedom—whether political or economic—without finally granting it all.

And I want to suggest to you that beginning on July 1, Hong Kong has a duty that is historic, because its great economic endeavor can have a moral purpose—the expansion of freedom.

As Americans, we believe our freedom is not the gift of any government. It is a right bestowed by our Creator. With the liberty we receive from God, we can work together and live together to achieve remarkable things.

If you visit the Lincoln Memorial in Washington, you will find etched in stone the Second Inaugural Address Lincoln delivered near the end of our civil war. It is short enough to be one wall, yet it refers to God twelve times. If you walk across to the Jefferson Memorial, you will read on the wall, "The God who gave us life, gave us liberty at the same time; the hand of force may destroy but cannot disjoin them."

If you read our founding document, the Declaration of Independence, you will find the fundamental belief that our Creator has given us the inalienable rights of life, liberty, and the pursuit of happiness.

And at the conclusion of that great declaration of freedom, you will read that the Founding Fathers pledged their lives, their fortunes, and their sacred honor. They viewed their "sacred" honor as their most valuable collateral, and they put it at risk in order to secure the blessings of liberty that we hold as our inalienable right. As Americans, we still recognize today that we cannot be successful if we do not recognize that our rights come from our Creator.

This American system of Creator-endowed rights based on self-evident truths is as current as Microsoft, biotechnology, and the space shuttle. However, its roots go back through our Founding Fathers, to the signing of the Magna Carta in 1215, the creation of Roman law 300 years before Christ, the rise of Greek democracy 500 years before Christ, the founding of Jerusalem by King David 3,000 years ago, and ultimately, to the statement of God's law given to Moses in the earliest period of recorded history.

It all relates to East Asia. The Chinese word for crisis combines the characters for "danger" and "opportunity." In that sense, Hong Kong faces a "crisis" today. It has danger and opportunity. There could be problems or there could be a greater Hong Kong of even greater prosperity, of even greater importance, to the world. On the one hand, Hong Kong confronts challenges and even dangers as it approaches reversion to China. On the other hand, it has enormous opportunities in technology, in entrepreneurship, in the sheer level of human talent dedicated to dynamic economic growth.

For its part, China also faces a "crisis," meaning "danger" and "opportunity." Mishandling reversion would endanger China's relationship with Taiwan, the region, and the broader international community. Honoring the commitments of the Joint Declaration and the Basic Law, on the other hand, would not only enhance economic growth in China; it would also strengthen China's standing in the international community.

If you, as leaders in the Hong Kong business community, can continue to harness the energy aroused by danger and opportunity, and, virtually every entrepreneur every morning senses both of those, we will all stand in admiration at the excitement you continue to produce and the further progress you achieve as you enter the 21st century.

Free societies rely on the courage, creativity, and commitment of each individual citizen. Dictatorship may marshal the obedience of their unthinking subjects, but democracies rely on the unique spark of each person's God-given talent. It may be a far less orderly society, but it is a vastly superior one.

Since each of us is uniquely endowed by the Creator with inalienable rights, there is not and cannot be a single dream. A free society has as many dreams as there are people. The power of those dreams has made America a great country filled with good people. The power of those dreams has made Hong Kong a uniquely successful community admired and studied all around the world.

We want to see the continued fulfillment of the dream of each citizen of Hong Kong. We want to be helpful and making sure that the opportunity outweighs the danger. We recognize that this is a long-term process, that true friendship and good neighbors require much talking over a long period of time and, whenever possible, require avoiding arguments in favor of having discussions. One of the steps we are going to take, after talking with a wide range of leaders here, including Mr. Tung, the current governor, the members of the legislative council, members of the business community, is that Congressmen Bereuter, who was the chairman of our Asia subcommittee, will be regularly coming back at the advice and suggestion of a very broad range of folks to visit here and to visit Beijing in a positive way, to seek positive understanding, to have a positive dialogue. We leave tonight to go to Beijing. We hope to meet with members of the National People's Congress to talk about the idea of a long-term relationship between our two legislative bodies, to develop the understanding and the dialogue.

Now, creating freedom didn't happen overnight anywhere. Having a healthy, open, free society is hard and going through transitions is difficult. We have more than enough examples of pain and failure in American history to not look on anyone with a judgmental sense of superiority. But we also know that, in the end, adhering to the great virtues of individual freedom and seeking to protect the right of the maximum number of people pursuing the maximum amount of happiness, because they get to define their lives is, in fact, the ultimate destiny of the human race. And in that calm optimism we can afford to reach out a helping hand to everyone, to have a dialogue with anyone, and it is in that spirit of learning from your successes, coming to understand your situation, and hopefully having a genuine exchange in the next few days in Beijing and beyond that, in Tokyo and in Taiwan, that we've started this trip. I think just to tell you that we have all found Hong Kong to be fully as remarkable as everyone always told us it was. Those of us who are here for the first time, just as you would expect, are overwhelmed by the achievement of the people of Hong Kong. And we look forward to helping you build on that to a even better 21st century.

Thank you very, very much.

TRIBUTE TO ALLEN BIAS

HON. TED STRICKLAND

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. STRICKLAND. Mr. Speaker, I rise to honor Allen Bias, a great Ohioan. Mr. Bias has inspired a community, a country, and a family. It is a great honor to pay tribute today to such an esteemed individual.

Mr. Bias grew up during the Depression with six brothers and sisters on a poor 60-acre hillside farm. Raised by their mother, they were taught the values of honesty and integrity. Despite their modest beginnings, Mr. Bias and his siblings have had successful careers and led productive lives.

At age 17, Mr. Bias joined the Navy to fight for his country in World War II. He volunteered for a special unit in the South Pacific Islands. A member of Marine Aircraft Group Twelve, Mr. Bias displayed tremendous heroism while engaging enemy forces in the South Pacific. He and other members of the Marine Aircraft Group Twelve received the Presidential Unit Citation presented by the President of the United States. Mr. Bias served this country with courage, dedication, and honor.

Mr. Bias has always had a strong work ethic which enabled him to have a long and highly respected career in the baking industry. He held several key management positions with one of the largest companies in the baking industry. He knew how to succeed in business, but more importantly, he knew how to treat employees and coworkers with respect and dignity.

When it was time to retire, Mr. Bias took the opportunity to continue his service to others by working at a center for the mentally disabled. Once again he gained the respect and admiration from those around him.

Mr. Bias has served his country, his community, and his family. He has taught his children honesty and integrity. For these reasons, Mr. Speaker, I'm proud to share his accomplishments with this Congress and the country.

HOUSTON QUICK, REBECCA UNDERHILL, KEN WILSON: SAN DIEGO-IMPERIAL COUNTIES LABOR COUNCIL, AFL–CIO FRIENDS OF LABOR AWARDS

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. FILNER. Mr. Speaker and colleagues, I rise today to recognize Houston Quick, Rebecca Underhill, and Ken Wilson, as they are honored by the San Diego-Imperial Counties Labor Council, AFL–CIO, for their dedication to helping working families and organized labor.

Houston Quick was raised in a union family. I worked with his father, H.B. "Hughie" Quick, who was an organizer for the International Association of Machinists and Aerospace Workers. Since early childhood, Houston has been

assisting and supporting labor causes. Motivated by his deep commitment, he has created the Houston Quick Organizing Scholarship Fund to train a new generation of labor organizers.

Rebecca Underhill has redefined the word "voluntarism" with her actions behind the scenes in support of every part of organized labor's services and programs. She has volunteered literally thousands of hours with the Labor Council, United Way's Labor Participation Program, annual food drives, and Labor to Neighbor. She is being honored by the Labor Council for this long-time commitment to the working families of San Diego.

Ken Wilson has been a friend to labor with his contributions and participation in labor causes and event. Formerly a member of the Hotel Employees and Restaurant Employees Union Local 30, Ken is in his seventh season as General Manager of San Diego Jack Murphy Stadium. He is the type of professional employer who exemplifies positive labor-management relationships.

These three individuals are being honored by the Labor Council as friends of labor: members of the community whose work has strengthened labor's efforts and who have touched the lives of thousands of San Diegans. It is truly fitting that the House of Representatives join in this recognition of Houston Quick, Rebecca Underhill, and Ken Wilson.

HONORING BAY RIDGE/MORGAN'S POINT NATIONAL HISTORIC DISTRICT DESIGNATION

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. BENTSEN. Mr. Speaker, I rise to honor the Bay Ridge Park Association and the Morgan's Point historic district for their hard work and dedication to preserving the history and tradition of Morgan's Point in my district.

The Bay Ridge Park Association and Morgan's Point historical district have worked since the Texas sesquicentennial in 1986 to preserve Morgan's Point as a national historic district. Their commitment to this peninsula on Galveston Bay will be rewarded in a ceremony on Saturday, April 19, 1997 with the unveiling of an official Texas historical marker at Morgan's Point.

The small community of Morgan's Point has a long and rich history. Morgan's Point in many ways was born of history—named after Col. James Morgan, an early settler whose property was burned by Santa Anna's troops on the eve of the battle of San Jacinto, the decisive battle in Texas' drive for independence. the Morgan's Point area, with its spectacular views and cool gulf breezes, quickly became a favorite summer retreat for Houston residents seeking refuge from the harsh heat and humidity of the city. The homes along the beach front were modest yet memorable, and featured a broad sense of style. Among the grand houses is a replica of the White House built for Governor Ross Sterling. It is this history that has made Morgan's Point one of Texas' most significant seaside communities.

But in the late 1950's much of Morgan's Point was lost due to construction of the Barbour's cut terminal of the Houston ship channel. To preserve the remaining homes and history of Morgan's Point, the Bay Ridge Park Association fought for a national historic designation to ensure that the history of the town lived on. Thanks to their efforts, the unique and colorful tradition of Morgan's Point will live on for future generations of Texans to enjoy.

ITALIAN-AMERICAN LEADERS IN MICHIGAN

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. KNOLLENBERG. Mr. Speaker, I rise today to honor two great Italian-American community leaders in southeastern Michigan, Judge Michael Martone and Dr. Augustine Perrotta. Each has been named Metropolitan Detroit's 1997 Italian-American of the Year by the Italian Study Club.

Judge Martone, the son of a first generation Italian-American, was elected to the district court bench in 1992. He created the Court in the Schools-Critical Life Choices, a program that relocates his courtroom to local schools. Students witness defendants being fined, punished, or jailed for drunk driving, drug possession, and other crimes.

The second part of the judge's program includes an interactive dialog about what the students witnessed and the lessons they can learn.

Judge Martone, whose program has been copied by other States and featured on NBC's "Today Show," remains very active in the local community with his wife Martha and their two sons, Jonathan and James.

Dr. Augustine Perrotta, a first generation Italian-American born after Mount Vesuvius' eruption drove his family from their ancestral home in Arienzo, worked his way through college and medical school, graduating as valedictorian of his medical school class.

Named the "Top Doc" by Detroit Monthly Magazine in 1995, Dr. Perrotta is a leader in the medical community serving on the boards of numerous hospitals in southeastern Michigan.

His philosophy of practice has been to use humor as medicine and he is well known for maintaining Italian traditions in his home. His hospitality, warmth, and kindness are not only enjoyed by his wife Grace and their three children, but each and every one of his patients.

Judge Martone and Dr. Perrotta are outstanding community leaders. As we enjoy the 23d annual Festa Italiana, I want to recommend them and thank them for their longtime service and loyal commitment to our community.

DOGS HAVE MORE FREEDOM

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. SMITH of New Jersey. Mr. Speaker, "Dogs have more freedom than us; at least they are not afraid to go outside." Mr. Speaker, this is the conclusion of a young Romani father in Slovakia who recounted his experience with growing skinhead violence in his country. His story is, regrettably, just one of the many documented in a January 1997 report prepared by the European Roma Rights Center [ERRC] entitled "Time of the Skinheads: Denial and Exclusion of Roma in Slovakia." This study describes a grim pattern of violent assaults against Roma perpetrated by skinhead extremists; it also suggests that local police forces have been, at best, unwilling to fulfill their obligation to protect their citizens and, at worst, have themselves actually engaged in violence against Roma. Descriptions of a 1995 organized attack on the entire Romani community in the town of Jarovnice—something that reads like a pogrom from a bygone era—were especially chilling.

Since Slovakia became an independent state in 1993, a great deal of international attention has, rightly, focused on the status of the Hungarian minority in that country, a community that makes up approximately 10 percent of the population. Slovakia also has another large minority population which is less well known abroad. While the exact number of Roma in Slovakia is contested, it is estimated to be in the hundreds of thousands. These people—the survivors of Nazi efforts to eradicate the Roma altogether—now face increasing violent attacks against their homes, their villages, and their lives.

The problems of Roma in post-Communist European countries are many, and often defy easy answers. But at least three of the problems described in "Time of the Skinheads" do have obvious solutions. First, the Slovak Government has failed to demonstrate any serious effort to acknowledge and address the widespread problem of violent skinhead attacks on Roma. On the contrary, some public officials—members of the ruling coalition—have repeatedly made crude racist remarks about the Roma. As long as such remarks stand uncontested or unchallenged by Prime Minister Meciar, skinheads will believe that they can attack Roma with impunity. Clearly, local police officials take their cues from the top. Accordingly, any improvement in the situation of Roma in Slovakia must begin with the leadership of that country stating that racism and bigotry will not be tolerated.

Second, the ERRC report described a pattern of excessive use of force by the police against Roma. When the victims seek to bring a complaint against the police, the charges are, in effect, reversed and the Rom is charged with assaulting the police. Significantly, the Council of Europe's Committee for the Prevention of Torture released a report on April 3, which also documented a problem of police brutality in Slovakia.

That report, like the report of the ERRC, noted that the failure to ensure that those

charged with a criminal offense have adequate legal representation has significantly contributed to this miscarriage of justice. One of the purposes of providing such representation is to guarantee a fair trial, consistent with the due process of law, and to ensure that those accused of crimes do not have confessions extracted from them by force.

The failure to provide the accused with defense counsel violates one of the most important provisions of the international human rights system—the right to an attorney, a right articulated in article 14 of the International Covenant on Civil and Political Rights as well as para. 5.16 of the OSCE Copenhagen Document. I hope the Slovak Government will take immediate measures to redress this problem.

Finally, the ERRC report on Slovakia indicates that Slovak localities continue to use a system of tightly controlled residency permits to restrict the freedom of movement of Roma. Not only does this practice offend the nondiscrimination provisions of the Helsinki process, this system also harkens back to the rigid controls of the Communist days. If people are not permitted to move where the jobs are, how can a free market system flourish?

Unfortunately, Mr. Speaker, this pattern of violence against Roma is not unique to Slovakia. The ERRC, which was founded to defend the human rights of Roma, has also issued major reports on Austria and Romania. In addition, its most recent newsletter reported on problems Roma face in several other European countries. Clearly, there is much more that many governments in Central Europe can and should do to address these problems.

I realize that Slovakia is in the midst of grappling with a very broad range of fundamental questions regarding its development and future. The basic human rights of Roma should be a part of that agenda. I see no better time. Will Slovakia enter the 21st century as a country which seeks to unite its citizens in achieving common goals, or will it lag behind with those countries which have permitted nationalism and racism to divide their people and weaken the very state they worked so hard to create?

SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 2028 AND IRONWORKERS LOCAL 229: SAN DIEGO-IMPERIAL COUNTIES LABOR COUNCIL, AFL–CIO LABOR TO NEIGHBOR AWARD

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. FILNER. Mr. Speaker and colleagues, I rise today to recognize the Service Employees International Union Local 2028 [SEIU] and the Ironworkers Local 229 as they are honored by the San Diego-Imperial Counties Labor Council, AFL–CIO, for their strong support of the Labor to Neighbor program in San Diego and the Imperial Valley.

The Labor to Neighbor program educates and involves union members and their families in the campaign to protect jobs and the future of working people in San Diego and Imperial Counties.

The slogan of SEIU Local 2028 is "Politics is Union Business." This slogan embodies the essence of the Labor to Neighbor program. Local 2028 mobilized over 100 volunteers in the 1996 election and has also provided crucial support to the Labor to Neighbor Union Summer Program.

The Ironworkers Local 229 is being recognized for its leadership role in bringing Labor to Neighbor into the Imperial Valley. Local 229 also gave significant support to the Labor to Neighbor Union Summer Program and sponsored a golf tournament to help fund Labor to Neighbor's fall program.

For these activities, the San Diego-Imperial Counties Labor Council, AFL–CIO, recognizes SEIU Local 2028 and the Ironworkers Local 229 with their Labor to Neighbor Award. I am pleased to join in honoring their contributions to the working families of San Diego and Imperial Counties.

CENTENNIAL ANNIVERSARY OF THE INDIANA OPTOMETRIC ASSOCIATION

HON. DAVID M. McINTOSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. MCINTOSH. Mr. Speaker, I want to join my Indiana Senate colleagues and echo their resolution congratulating the Indiana Optometric Association [IOA] on their 100 years of service to Indiana. The IOA has provided invaluable service to Hoosiers across the State. Therefore, may I add my blessing to Senate resolution included below and add my voice to the chorus of those thanking the IOA for the wonderful work they have provided for eye care in Indiana over the last century:

SENATE CONCURRENT RESOLUTION

A Concurrent Resolution celebrating the Centennial Anniversary of the Indiana Optometric Association

Whereas, the Indiana Optometric Association (IOA) was founded in 1897 and will be celebrating its Centennial Anniversary during the year 1997, and

Whereas, the IOA is marking 100 years of successful advocacy for the profession of optometry in Indiana, and

Whereas, the IOA has provided 100 years of service in the public interest on behalf of the eye care and eye health of Indiana's citizens, and

Whereas, the IOA was instrumental in the decision of the Indiana General Assembly that established the Indiana University School of Optometry in the early 1950s, and has forged an ongoing professional relationship with the School of Optometry that is a national model, and

Whereas, the IOA commends the Indiana General Assembly for its continuing support of the profession of optometry and the patients it serves, and

Whereas, the IOA has historically distinguished itself as an exemplary professional optometric association in the United States, and

Whereas, the IOA rededicates itself and the profession of optometry to serving the eye health and vision care needs of the citizens of the state of Indiana for the next 100 years,

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

SECTION 1. That, on behalf of the people of the State of Indiana, we extend our sincere appreciation to IOA for its dedicated service to the people of the State of Indiana and the profession of optometry.

SECTION 2. That the Secretary of the Senate is directed to transmit a copy of this resolution to the Indiana Optometric Association.

ONE CITIZEN CAN MAKE A DIFFERENCE

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. HUNTER. Mr. Speaker, today I rise to ask the House this question. Can an ordinary American citizen cause meaningful national legislation to be written and passed? Mr. Speaker, the answer is yes. Mr. Tony Snesko, a resident of San Diego County, has recently proved that this is possible, provided you possess the dedication and endurance necessary. Tony demonstrated a persistent effort which resulted in the passage of an amendment to section 505 of the Telecommunications Act regarding the scrambling of sexually explicit adult video programming.

While the cable television industry has done some moderate scrambling of sexually explicit video transmissions in the past, these acts could still be seen. Additionally, the audio was clear and described the sexually explicit nature of the video. Unfortunately, this programming of slightly scrambled pornographic material was on a channel that was only one click removed from the programming that children normally watch. It was not uncommon that in their attempt to reach their favorite cartoons, children would often accidentally see the pornographic material that was broadcast 24 hours a day on the adjacent channel.

Upon learning of this, Tony, the father of two children and a deacon in his local church, protested to the city council of his home town and the city attorney. He was told that there was nothing that could be done to eliminate this blight. The San Diego district attorney, the U.S. attorney, and the Federal Communications Commission had the same response to his concerns.

Taking action himself, Tony taped the explicit material, requested that the American Family Association pay for 535 copies, which they did, and brought these tapes to Washington, DC. Already having in mind the type of legislation needed to end the airing of this pornography on television, my office aided Tony in having this language written and introduced.

Over the next month, Tony visited the offices of all 435 U.S. Representatives, providing each Member's legislative staff with a copy of the video and the proposed bill. Tony even spoke with then chairman of the House Energy and Commerce Committee JOHN DINGELL. After witnessing Tony's dedication and persistence, Chairman DINGELL agreed to include the bill language as an amendment to a piece of telecommunications legislation that the committee was currently considering.

In 1994, legislation that required complete scrambling of pornographic material on television, both audio and visual, passed the U.S. House of Representatives. Tony then visited all 100 offices of the U.S. Senate, distributing his material and lobbying in favor of the legislation that had recently passed the House. As a result of this continued effort, Senator DIANE FEINSTEIN of California introduced a similar bill in the Senate where it successfully passed and was signed into public law by President Clinton in February 1996.

Following this action, Playboy magazine immediately sought legal action against the U.S. Government in an effort to challenge this legislation. The Delaware district court dismissed this lawsuit and Playboy has until April 23, 1997, to file an appeal with the U.S. Supreme Court. Mr. Speaker, as demonstrated by Tony Snesko, one citizen can make a difference.

HONORING BOB REED

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. COBLE. Mr. Speaker, on Saturday, April 19, a gentleman renowned for his warm and pleasant greeting and service for many years to thousands of Senators and Representatives, staff members, journalists, and others involved in and around Capitol Hill will observe a milestone in his life.

Bob Reed, the stately and congenial mixologist at The Monocle Restaurant, will celebrate his 70th birthday on Saturday.

In the more than a quarter century that Mr. Reed has served his customers, he has become a friend to many, regardless of party affiliation or ideology. I am sure that my colleagues join me in extending our most sincere congratulations to Bob on this special day in his life and wish him many, many more birthday anniversaries in the years ahead.

JEF EATCHEL: SAN DIEGO-IMPERIAL COUNTIES LABOR COUNCIL, AFL–CIO LEADERSHIP AWARD

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. FILNER. Mr. Speaker, I rise today to recognize Jef Eatchel, secretary-treasurer of the Hotel Employees and Restaurant Employees Union [HERE] Local 30, as he is honored by the San Diego-Imperial Counties Labor Council, AFL–CIO, for his leadership and contributions to the labor movement and to the San Diego community as a whole.

Under his leadership, Local 30 has grown to become a powerful union and has been a catalyst in San Diego for organized labor's renewed commitment to organizing. HERE has been at the forefront of focusing both employers and elected officials on the improvement of the lives of working people in San Diego County.

Jef has been active in the labor movement for almost two decades. He has dedicated himself to improving the wages, benefits, working conditions, and quality of life for union and nonunion workers in the hotel and restaurant industry.

Jef serves as a trustee of the HERE international union pension and trust fund, is first vice president of the Culinary Alliance, and has served as a trustee for the International Foundation of Employee Benefits for the last 5 years.

I have known Jef for many years, and I can attest to his dedication and commitment to the causes for which he labors. He is highly deserving of the San Diego-Imperial Counties Labor Council, AFL–CIO Leadership Award.

HELP TRAVELERS BREATHE EASIER

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. LEWIS of Georgia. Mr. Speaker, today I am introducing the Smoke-Free Transportation Facilities Act, legislation that would ban smoking in all transportation facilities that receive Federal funds.

The Smoke-Free Transportation Facilities Act would provide a breath of clean air for travelers. It will provide some relief to the traveler who cannot simply get up and leave when others expose them to tobacco smoke and the risk of premature death.

Smoking and second-hand smoke are class A carcinogens. Cigarettes kill more than 434,000 Americans each year. Tobacco addiction costs the American public more than $65 billion each year in health care costs and lost productivity. Tobacco is a known killer, yet there are no Federal laws or regulations governing smoking in public areas. For this reason, millions of people are exposed to the dangers of second-hand smoke each day. The exposure to second-hand smoke is particularly prevalent in transportation stations, as travelers have little choice other than to remain in the airport, train station, or bus terminal as they await their departure.

The Federal Government has a responsibility to protect travelers from the dangers of second-hand smoke. I believe we all have the right to breath clean air. The Smoke-Free Transportation Facilities Act will help ensure that people who have to travel, or even choose to travel, can breathe a little easier.

CHRISTINE LOPEZ 1997 NATIONAL CRIME VICTIM SERVICE AWARD RECIPIENT

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Ms. SANCHEZ. Mr. Speaker, I would like to take the time to honor Ms. Christine Lopez as recipient of the Crime Victim Service Award by the Attorney General Janet Reno on Friday, April 18, 1997. Ms. Lopez is being recognized for her outstanding dedication to the Gang Victim Assistance program offered by the Community Service Programs, Inc. of Orange County, CA. The Gang Victim Assistance program was started in 1990 as a private nonprofit human service organization that helped extend other services provided by the Community Service Programs, Inc. Ms. Lopez contributes her expertise in gang-related victim and witness issues as the program's supervisor. Furthermore, Christine Lopez's involvement with the Latino community provides another benefit to a team specially created to handle victim and witness issues. This team comprises eight bicultural and bilingual victim specialists and is therefore able to respond to problems that Latino crime victims face when confronted by gang violence.

These specialists are on call 24 hours a day, 7 days a week, and respond to an array of crimes that require victim support and counseling. Ms. Lopez's team services include accompanying investigating officers to the crime scene, delivering death notifications, assessing crime victim's safety and emergency needs, providing counseling services, and referrals to support groups. The team not only provides these services at the time of the crime, but continues to serve victims with support and counseling throughout the course of each case. This remarkable program has been so successful and filled with praise that the Office for Victims of Crime in the Justice Department is in the process of creating a protocol for other communities that are in need of similar programs.

Ms. Lopez's dedication has earned her State and national recognition for her efforts. This recognition includes Ms. Lopez being selected to serve on the advisory board for training and technical assistance for service providers helping Hispanic victims of crime. She was the first recipient of the annual Doris Tate Award that recognizes outstanding commitment and service to victims of crime presented by Governor Pete Wilson in 1993. I would like my colleagues in Congress to join me in recognizing Christine Lopez's contributions to the victims of crime and to commend her selection as a recipient of the Crime Victims Service Award by the Department of Justice and Attorney General Janet Reno.

CONGRATULATIONS POLSON HIGH SCHOOL

HON. RICK HILL

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. HILL. Mr. Speaker, on April 26–28, 1997, more than 1,200 students from 50 States and the District of Columbia will be in Washington, DC, to compete in the national finals of the We the People * * * The Citizen and the Constitution program. I am proud to announce that the class from Polson High School will represent my State of Montana. These young scholars have worked diligently to reach the national finals by winning local competitions in their home State.

The distinguished members of the team representing Montana are: Erin Alcorn, Tracee Basler, Shawna Briney, Claire Brownell, John

Brueggeman, Sierra Carlson, Toberta Dickson, Rick Donaldson, Ruth Fouty, Megan Gran, Kristi Greenwood, Chandra Hermanson, Eric Hogenson, Haydee Huntley, Katie Leonard, Liz Liebschutz, Lori Longin, B.J. Mazurek, Jamie McOmber, Shannon Meeks, Celeste Olsen, Curtis Owen, Dave Robinson, Trena Shima, Heidi Trytten.

I also would like to recognize their teacher, Bob Hilsop who deserves much of the credit for the success of the team. The State coordinator, Sue Suiter, also contributed a significant amount of time and effort to help the team reach the national finals.

The We the People * * * The Citizen and the Constitution program is the most extensive educational program in the country developed specifically to educate young people about the Constitution and the Bill of Rights. The 3-day national competition simulates a congressional hearing in which students' oral presentations are judged on the basis of their knowledge of constitutional principles and their ability to apply them to historical and contemporary issues.

The We the People * * * program provides an excellent opportunity for students to gain an informed perspective on the significance of the U.S. Constitution and its place in our history and our lives. I wish these students the best of luck in the national finals and look forward to their continued success in the years ahead. Keep up the good work Polson High School.

TRIBUTE TO DANIEL GARVEY, AN OUTSTANDING TEACHER AND COACH

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. LIPINSKI. Mr. Speaker, today I come to the floor of the House of Representatives to honor Daniel Joseph Garvey for his long and distinguished career as a high school teacher and basketball coach to many young men from Chicago's Southwest Side.

On April 18, 1997, Dan Garvey will be honored by his family, friends, former students, and colleagues at Gaelic Park, Midlothian, IL, for over 40 years of his service and dedication to Marist High School and De La Salle Institute.

Dan Garvey was born and raised on Chicago's Southwest Side by John and Mary Garvey, who were both from County Kerry, Ireland. Dan's family also included his brother Jack and two sisters, Marie and Therese. Dan graduated from St. Kilian Grammar School and De La Salle, and he earned a bachelor's degree from St. Ambrose College and a master's degree from Northeast Missouri State University.

Dan Garvey was an honor roll student and lettered in basketball in all 4 years at De La Salle. Dan earned a scholarship to St. Ambrose College where he was known as Dan "Ceps" Garvey and described as a born hustler on the basketball court. His college basketball career was highlighted with the Intercollegiate and Midlands Conference Championship. Dan's college studies were interrupted for 2 years while he served his country during the Korean War. Before returning to St. Ambrose, Dan married his high school sweetheart and love of his life, Donna Mae Corriston.

Dan Garvey has been associated with Marist High School for over 30 years. Dan was the school's first varsity basketball coach, the head of the physical education department, as well as the first alumni director. Prior to his tenure at Marist, Dan taught and coached at De La Salle with another alum, the highly respected Jerry Tokars.

Though a man of few words, Dan Garvey earned the respect of many young men who went through the doors of Marist and De La Salle for his kindness and compassion, his guidance and positive influence, his work ethic and enthusiasm, and, not the least of, his legendary Irish personality.

In 1987, Dan received the Marist Alumni's Man of the Year Award for his longtime devotion and service to the Marist community. In 1990, Dan's basketball career was recognized by his induction into the De La Salle Sports Hall of Fame.

An inspiration to all of us, Dan Garvey always displayed his total dedication and love to his late wife, Donna, whose memory is also honored. Together they raised four wonderful children, Maureen, Lynn, Dan, Jr., and Kevin.

Mr. Speaker, I ask my colleagues to join with me today in saluting Daniel J. Garvey on his successful career at Marist High School, and wish him the best in his future endeavors.

REMARKS FROM THE MEMORIAL SERVICE FOR RUTH P. RITTER MADE BY HER SON, DON RITTER ON SATURDAY, FEBRUARY 1, 1997

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. BILIRAKIS. Mr. Speaker, I rise today on behalf of a former colleague and friend, Congressman Don Ritter. He recently lost his mother and asked that I share the eulogy he delivered in her honor.

Please bear with my reading these remarks. I'm not accustomed to reading speeches but * * * it's easier for me to get to the finish. I guess Mom was emotional, too. Listen to this if you can hear us Mom, Holden came all the way from Germany, Christopher from Los Angeles, Kristina from San Francisco, Edie and Jordan from Pennsylvania, Melody came from right here in Seffner but she would have come from around the world. It is a truly wonderful thing that we gather here today to say goodbye to our beloved mother, grandmother, guardian, role model and friend. But it is not a final adieu that we bid, for she will be with us in spirit; she will be in our hearts for as long as we live, perhaps forever.

I believe I speak for everyone here and for all who knew her who could not be here today. When we think about what defined Ruth P. Ritter during her marvelous, exciting, rich and full lifetime, here's what rings out like a bell.

She was Nurturing: Ruth P. Ritter was the most nurturing person I have ever known. She nurtured us, constantly, over the decades—our education/families/our security after she was gone.

She had Dignity: She had great dignity. She was a grand lady—her principles did not shift and change with time. She was consistent, judging people by their deeds, not their words.

She was an Optimist: She always looked to the brighter side. Never did she give up hope. She had suffered greatly but never lost her cheery spirit. When her health deteriorated, she still focused on her children and her grandchildren. And she worked at making her hopes come true.

She was Modest: She was so modest about her own achievements, the way she lived was so modest. She clipped coupons until the very end—while the stocks and bonds of the trusts she established for family grew large.

And she was Talented: First, she was a great mathematician and a great teacher. She was an award winning teacher of children. She taught us. And she did all this in spite of a handicap. She had difficulty hearing and that went way back. I remember her fear, after working so hard to become an Assistant Principal, at taking the Principal's exam based on her hearing. And that was long ago. It was a constant difficulty as she was so keen on engaging in discussions with people. Yet, she would always be a natural teacher, almost up to the end. She used to work late at night preparing her lessons. I remember helping her with the art work, posters, presentations, teaching materials. We worked together. We enjoyed each other.

Second, she was a great investor of her capital. She took Dad's limited investments and a never ending influx of a part of her pension and invested wisely, continuously, relentlessly. She put it together for us. She barely touched it. She told me this would be her gift to her children and grandchildren. It meant more to her than spending it on herself. And that's the way she lived.

She Sacrificed: She was born sacrificer for her family. That was her greatest gift throughout our lives. Gifts of love, friendship, concern and wealth live on. She got enormous pleasure from giving to us and thereby helping us to build our own lives. Generosity was Ruth Ritter's middle name. She helped me at every important stage of my life.

She Persevered: Perseverance was her stock in trade. When she made up her mind, something had to be, she would make it happen. She, paraphrasing Sir Winston Churchill, would "never give up." Sometimes it could be called stubbornness . . . but whatever you call it, her perseverance made her strong in life and kept her going through grievous times . . . I can remember the times, the sound and the fury over things we both believed were true . . . oppositely!

Edie and I and Jason and Kristina will never forget the Thanksgiving and Christmas holiday visits—the magnificent presents, the turkey dinners, the love—first with Dan and Mom and then with Mom alone. And although we've lost both and Steve in less than a year, Mom, we will not despair. We will take a page from your book and go on in the very best way we can.

When her firstborn son and my brother, Stephen, with whom there was a truly wonderful reconciliation in the latter years, died prematurely last year, it was an enormous blow to Mom. Stephen and Melody were her great friends and near neighbors in the Tampa area and were the reason Mom came back east for what she knew were her final years. Steve's death brought unimaginable

sadness to Mom, but she never lost her optimism about life and her family.

And last, dear mother of mine and of all of us, how you would have gotten pleasure to see us gathered together—your loved ones, your family hopefully getting to know one another after so many years.

The really good part of today, the sunrise part, is that we are, at last, our blood line, our family and those who joined it, ready to go forward, smartly and confidently, into the future. We will build on the love, the nurturing spirit, the dignity, the hope, the modesty, the optimism, the perseverance, and the skills of life that we received and we learned from you.

Until we meet again, Mom, we shall love, cherish and remember you.

ASSISTED SUICIDE FUNDING RESTRICTION ACT OF 1997

SPEECH OF

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 10, 1997

Mr. STOKES. Mr. Speaker, I rise to express my support for H.R. 1003, the Assisted Suicide Funding Restriction Act of 1997. This important piece of legislation prohibits the use of Federal funds to support, advocate, and/or facilitate assisted suicide, even if assisted suicide becomes legal in one or more States.

Programs covered by the bill include Public Health Service block grants, Medicaid, Medicare, Indian health care, the Military Health Care Program, the Veterans Medical Care Program, and the Federal Employee Health Benefits Program. While Federal funds have not been used to pay for assisted suicide, euthanasia, or mercy killing, H.R. 1003 legislatively prohibits such from taking place.

Adoption of this measure is an important move in the assisted-suicide debate. As we consider this legislation, courts in Florida and Oregon are deliberating on the legality of assisted suicide. And, the Supreme Court is reviewing decisions, by the Second and Ninth Circuit Courts of Appeals, which have declared assisted suicide a new constitutional right. The Supreme Court's pending decision on these cases has major implications for most States across this Nation and many are looking to Congress for clear and effective policy directions.

Until now, Mr. Speaker, Federal programs have generally lacked a written policy on this issue. By passing H.R. 1003, we preclude potential problems that may arise from the decisions pending, in the Supreme Court and other courts across this country, on assisted suicide. However, H.R. 1003 does not prevent States from legalizing assisted suicide or from supporting it with State funds.

This measure states clearly that it will have no effect on issues of abortion, withdrawal of medical treatment, or the use of drugs needed to alleviate pain, even when an unintentional side effect could be a shortened life.

Mr. Speaker, I urge my colleagues to vote in favor of prohibiting the use of Federal funds for assisted suicide. Vote "yes" for H.R. 1003.

HOMEOWNERS ASSOCIATION CLARIFICATION ACT

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1997

Mr. SHAW. Mr. Speaker, today, I am introducing legislation that addresses a problem developing in the resort and vacation industry, an industry of great importance to my home State of Florida and many other States in this country. Without corrective legislation, I fear the 1.7 million timeshare owners in the United States will ultimately bear an unfair Federal tax burden on their timeshare homeowners associations, simply because these associations complied with State law and sound business practices.

The issue involves the Federal income tax treatment of timeshare homeowners associations. Since the 1970's, timeshare homeowners associations have applied the same tax principles used by condominium associations that do not elect or do not qualify for tax-exempt status under section 528 of the Internal Revenue Code. An IRS Technical Advice Memorandum (TAM 9539001), however, has concluded that a timeshare homeowners association cannot use the same tax treatment relied on by condominium associations in determining taxable income.

As a result, it appears the IRS is poised to adopt burdensome standards for timeshare associations that could result in the inclusion of all regular member assessments in income, even assessments intended for capital reserve expenditures that are held in trust for future use. Many States, including my State of Florida, require timeshare homeowners associations to maintain capital reserves. I believe it is entirely appropriate for States to require timeshare associations to maintain capital reserves in preparation for future expenditures, such as repairing or replacing a roof or repaving a parking lot. In addition to complying with State law, the timeshare homeowners association practice of maintaining capital reserves represents a sound business practice, one we should encourage, not discourage through punitive Federal tax treatment.

The legislation I am introducing today will permit timeshare homeowners associations to elect section 528 of the Internal Revenue Code. Currently, timeshare associations are effectively prohibited from electing section 528 as a result of a residency requirement of that section of the Code. Specifically, Treasury regulations under section 528 require that at least one-half of the units of a housing development must be occupied by the same owner for at least 30 days of the year. Timeshare associations by their very nature, where occupants tend to hold unit ownership for 1 or 2 weeks per year, are unable to meet this residency standard. As a result, timeshare homeowners associations, which are comprised of timeshare owners, are not permitted to elect section 528.

Under my proposal, most timeshare homeowners association that elect section 528 would pay higher taxes on their nonexempt income (i.e., investment income) but appropriately would not be taxed on their exempt income (i.e., membership assessments that are expended to maintain and operate property commonly owned and used by members). I believe this is an exceedingly reasonable solution to the current problem and would hope that many of my colleagues would join in cosponsoring this legislation.

Mr. Speaker, the timeshare industry has done an outstanding job polishing the professionalism of the industry over the past 10 years and providing a high quality vacation product for Americans across the country. In fact, the industry has developed to a level of popularity and sophistication where 1.7 million Americans now own timeshares in the United States, and nearly 120,000 new buyers purchase a timeshare each year. Further, an impressive $6 billion is spent annually by timeshare owners while vacationing at timeshare resorts in the United States. This level of spending and the continued growth of the industry is creating a broad variety of jobs in affected communities and adding significantly to local tax bases.

Mr. Speaker, let my colleagues understand that the strong and sustained growth of the timeshare industry is not a phenomenon indigenous to my State of Florida. The growth of the timeshare industry, measured at 16 percent annually over the past 8 years, is also being enjoyed in many regions across the country, particularly in the States of California, Colorado, North Carolina, Texas, and Arizona.

In addition, with 1.7 million timeshare owners, we can rest assured that we all have constituents who will be adversely and unfairly affected by this IRS policy development. To provide Members a sense of the growth of the industry throughout our country, I have included a chart from the publication "Timeshare Purchasers: Who They Are, Why They Buy, 1995". This chart links the number of households who own timeshares by State, as well as the penetration rate within each State.

It is clear, however, that without corrective legislation, many timeshare homeowners associations will incur Federal tax liabilities simply for complying with State law and following sound business practice. Common sense tells us that timeshare homeowners associations will have little choice but to pass this unfair tax increase on to their timeshare owners in the form of higher assessments.

With these thoughts and concerns in mind, I am introducing the Homeowners Association Clarification Act, that will correct this problem and permit timeshare associations to continue to comply with State law on capital reserves and follow sound business practice without incurring Federal tax liabilities on these funds. I urge my colleagues to join me in cosponsoring this legislation.

HOMEOWNERS ASSOCIATION CLARIFICATION ACT OF 1997

In March 1997, U.S. Representative E. Clay Shaw introduced the "Homeowners Association Clarification Act of 1997". The legislation is intended to resolve an ongoing controversy between the I.R.S. and timeshare homeowners associations, comprising the nation's 1.7 million timeshare owners.

Since the early 1970's, timeshare homeowners associations (HOAs) have applied the same tax principles used by condominium associations. Under these long established principles, timeshare HOAs applied annual

assessments paid by timeshare owners in excess of annual expenses to offset assessments for future years (so-called "excess assessments"). Second, assessments allocated to various repair and replacement reserve accounts were considered tax exempt. Reserve funds are dedicated to future capital improvements such as roof repair or replacement and parking lot repavement. The interest earned from reserve accounts have always been considered taxable income.

In 1995, the I.R.S. issued a Technical Advise memorandum (TAM) with respect to one timeshare HOA. The TAM took the position that the Revenue ruling relied upon with respect to excess assessments is not applicable to timeshare HOAs. The TAM concluded that timeshare HOAs provide different level of services to their owners (than condominium HOAs) and that owners were not given the option to have the excess assessment returned. In addition, current I.R.S. positions place in great doubt the tax status of additions to capital reserve accounts.

While the TAM is directed only to the HOA under audit, the I.R.S. has both maintained and intensified the positions taken in the TAM toward the industry as a whole. Subsequent formal guidance provided by the I.R.S. constructs a costly and burdensome administrative scheme for timeshare HOAs to comply.

The Shaw Bill would permit qualifying timeshare HOAs to elect to be treated as tax exempt entities under Section 528 of the Internal Revenue Code.

In order to elect Section 528, a timeshare HOA would be required to derive 60% of its income from members and 90% of the revenue of the HOA would be required to be spent to maintain association property. Under Section 528, prepaid and excess assessments and capital reserve accounts would be tax exempt. However, Investment income would not only continue to be taxed, but at higher rates for the overwhelming majority of timeshare HOAs.

HOUSEHOLDS OWNING RESORT TIMESHARE, BY STATE AND INCOME CATEGORY

State	Total households owning resort timeshare	Income of households owning timeshare		Penetration rate for:		
				All households (percent)	Households with incomes:	
		Over $35,000	Over $50,000		Over $45,000 (percent)	Over $50,000 (percent)
Alabama	12,000	10,700	8,400	0.76	1.68	2.32
Alaska	3,900	3,500	2,700	1.88	2.58	2.70
Arizona	37,900	33,700	26,400	2.52	5.36	7.68
Arkansas	3,100	2,800	2,200	0.34	0.80	1.18
California	243,900	216,800	169,700	2.24	3.57	4.25
Colorado	29,700	26,400	20,600	2.09	3.74	4.83
Connecticut	30,500	27,100	21,200	2.49	3.40	3.70
Delaware	5,600	5,000	3,900	2.10	3.40	4.33
Florida	116,900	103,900	81,400	2.13	4.30	5.87
Georgia	49,400	43,900	34,400	1.93	3.71	4.95
Hawaii	3,700	3,300	2,600	0.97	1.33	1.47
Idaho	5,800	5,200	4,100	1.45	2.98	4.40
Illinois	60,100	53,400	41,800	1.40	2.21	2.60
Indiana	26,100	23,200	18,100	1.22	2.25	3.08
Iowa	9,400	8,300	6,500	0.86	1.67	2.40
Kansas	9,200	8,200	6,400	0.94	1.80	2.40
Kentucky	14,900	13,200	10,300	1.04	2.28	3.10
Louisiana	11,900	10,600	8,300	0.77	1.66	2.18
Maine	10,600	9,400	7,400	2.24	4.30	6.32
Maryland	49,800	44,300	34,700	2.72	4.02	4.78
Massachusetts	72,900	64,800	50,700	3.23	4.85	5.55
Michigan	42,700	38,000	29,700	1.22	2.10	2.63
Minnesota	25,900	23,100	18,000	1.51	2.62	3.49
Mississippi	4,700	4,200	3,300	0.50	1.27	1.90
Missouri	25,700	22,900	17,900	1.27	2.49	3.38
Montana	5,000	4,500	3,500	1.50	3.23	4.55
Nebraska	3,300	2,900	2,300	0.53	1.01	1.41
Nevada	9,400	8,300	6,500	1.71	3.02	4.05
New Hampshire	13,200	11,800	9,200	3.16	4.62	5.49
New Jersey	75,800	67,400	52,800	2.66	3.52	3.68
New Mexico	7,200	6,400	5,000	1.23	2.71	3.80
New York	126,000	112,000	87,700	1.88	3.05	3.54
North Carolina	51,400	45,700	35,800	1.92	3.91	5.59
North Dakota	1,800	1,600	1,200	0.72	1.51	2.10
Ohio	49,400	43,900	34,400	1.17	2.18	2.95
Oklahoma	7,900	7,100	5,500	0.64	1.58	2.42
Oregon	18,400	16,400	12,800	1.55	3.09	4.44
Pennsylvania	68,200	60,700	47,500	1.49	2.65	3.44
Rhode Island	12,200	10,800	8,500	3.20	5.82	7.99
South Carolina	27,800	24,700	19,300	2.09	4.49	6.40
South Dakota	1,600	1,400	1,100	0.59	1.11	1.48
Tennessee	25,700	22,800	17,900	1.31	2.72	3.71
Texas	67,600	60,100	47,000	1.04	1.95	2.44
Utah	9,500	8,500	6,600	1.64	2.88	4.03
Vermont	3,700	3,300	2,500	1.68	3.16	4.40
Virginia	69,900	62,100	48,600	2.89	4.76	5.87
Washington	45,000	40,000	31,300	2.21	3.71	4.71
West Virginia	5,800	5,200	4,000	0.83	2.11	3.21
Wisconsin	30,500	27,100	21,200	1.61	2.78	3.72
Wyoming	1,800	1,600	1,200	1.00	1.77	2.31
District of Columbia	3,800	3,300	2,600	1.59	2.74	3.19
Total/Average	1,648,200	1,465,500	1,146,700	1.72	3.05	3.80

Source: Unpublished information obtained from Interval International and Resort Condominiums International; The Resort Timeshare Industry in the United States: 1995; and Sales and Marketing Management: "1994 Survey of Buying Power."

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. This 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, April 17, 1997, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 18

9:30 a.m.

Labor and Human Resources

To hold hearings to examine proposals to improve the health status of children.

SD–430

10:00 a.m.

Foreign Relations

To hold hearings on the nomination of Thomas R. Pickering, of New Jersey, to be Under Secretary of State for Political Affairs.

SD–419

APRIL 22

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the National Science Foundation and the Office of Science and Technology Policy.
SD–192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Environmental Management Program of the Department of Energy.
SD–124

Indian Affairs
To hold hearings on S. 459, to authorize funds for and extend the Native American Programs Act of 1974.
SR–485

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Agricultural Research Service, the Cooperative State Research, Education, and Extension Service, the Economic Research Service, and the National Agricultural Statistics Service, all of the Department of Agriculture.
SD–138

2:00 p.m.
Judiciary
Antitrust, Business Rights, and Competition Subcommittee
To hold hearings to examine the antitrust implications of the British Airways and American Airlines Alliance.
SD–226

APRIL 23

9:30 a.m.
Labor and Human Resources
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD–430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of Defense, focusing on medical programs.
SD–192

Appropriations
District of Columbia Subcommittee
To hold hearings on an additional funding request for fiscal year 1997 by the District of Columbia Financial Responsibility and Management Assistance Authority for capital improvements to D.C. public schools and for public safety agencies.
SD–138

Armed Services
To hold hearings on the Administration's proposal on NATO enlargement.
SH–216

Commerce, Science, and Transportation
Manufacturing and Competitiveness Subcommittee
To hold hearings to examine the current state of manufacturing in the United States.
SR–253

APRIL 24

9:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on U.S. agricultural export issues.
SR–332

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the National Endowment for the Arts/National Endowment for the Humanities.
SD–192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Corp of Engineers and the Bureau of Reclamation, Department of the Interior.
SD–124

Rules and Administration
To hold hearings to discuss revisions to Title 44, relating to the operations of the Government Printing Office.
SR–301

Small Business
To hold hearings to review the Small Business Administration's non-credit programs.
SR–428A

10:00 a.m.
Labor and Human Resources
To hold hearings to examine issues relating to vocational education.
SD–430

APRIL 29

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of Veterans Affairs.
SD–138

Energy and Natural Resources
To hold oversight hearings to review a GAO evaluation of the development of the Draft Tongass Land Management Plan.
SD–366

Indian Affairs
Business meeting, to mark up S. 459, to authorize funds for and extend the Native American Programs Act of 1974; to be followed by an oversight hearing on the implementation of the San Carlos Water Rights Settlement Act of 1991 (P.L. 102-575).
SR–485

Special on Aging
To hold hearings to examine the chronic health care delivery system.
SH–216

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Commodity Futures Trading Commission, and the Food and Drug Administration, Department of Health and Human Resources.
SD–124

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for programs of the National Endowment for the Arts and the Humanities.
SD–430

APRIL 30

9:30 a.m.
Rules and Administration
To resume hearings to discuss revisions to Title 44, relating to the operations of the Government Printing Office.
SR–301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of Defense, focusing on the structure and modernization of the National Guard.
SD–192

MAY 1

9:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of the Interior.
SD–192

9:30 a.m.
Energy and Natural Resources
National Parks, Historic Preservation, and Recreation Subcommittee
To hold hearings on S. 357, to authorize the Bureau of Land Management to manage the Grand Staircase-Escalante National Monument.
SD–366

Labor and Human Resources
Public Health and Safety Subcommittee
To hold hearings to examine biomedical research priorities.
SD–430

Small Business
To hold hearings on the Small Business Administration's finance programs.
SR–428A

MAY 5

2:30 p.m.
Energy and Natural Resources
To hold hearings on S. 430, to amend the Act of June 20, 1910, to protect the permanent trust funds of the State of New Mexico from erosion due to inflation and modify the basis on which distributions are made from those funds.
SD–366

MAY 6

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the National Aeronautics and Space Administration.
SD–138

MAY 7

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of Defense.
SD–192

Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of Transportation, focusing on transportation infrastructure financing issues.
SD–124

MAY 8

9:30 a.m.
Energy and Natural Resources
To hold a workshop to examine competitive change in the electric power industry, focusing on the effects of competition on fuel use and types of generation.
SH-216

MAY 14

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of Defense, focusing on environmental programs.
SD-192

MAY 21

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of Defense, focusing on Air Force programs.
SD-192

MAY 22

9:30 a.m.
Energy and Natural Resources
To resume a workshop to examine competitive change in the electric power industry, focusing on the financial implications of restructuring.
SH-216

JUNE 4

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of Defense.
SD-192

JUNE 11

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1998 for the Department of Defense.
SD-192

JUNE 12

9:30 a.m.
Energy and Natural Resources
To resume a workshop to examine competitive change in the electric power industry, focusing on the benefits and risks of restructuring to consumers and communities.
SH-216

CANCELLATIONS

APRIL 17

10:00 a.m.
Commerce, Science, and Transportation
Oceans and Fisheries Subcommittee
To hold hearings on S. 39, to revise the Marine Mammal Protection Act of 1972 to support the International Dolphin Conservation Program in the eastern tropical Pacific Ocean.
SR-253