

LEGISLATION TO REFORM
CONGRESSIONAL PENSIONS**HON. BOB GOODLATTE**

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 19, 1995

Mr. GOODLATTE. Mr. Speaker, calls for reduced Government spending have echoed throughout this great Nation of ours. Unfortunately, the voices of the people have often been ignored by this Chamber in previous years. When these cries have been heard, the response has been to shift the burden of budget cuts. I believe the time has come for the Members of Congress to lead by example.

Today I am introducing legislation that demonstrates to the American people the steadfast commitment of this Congress to fight against excessive spending by tackling the largest perk in government—Congressional pension plans. I also introduced this legislation in the 103d Congress. I hope and anticipate that the reform-minded 104th Congress will look upon this bill much more favorably and make the bold move to reconcile profitable congressional pensions with those of hard working Americans.

Congressional retirement benefits are ridiculously more lucrative than those of many private sector and all Federal employees. Some Members of Congress make more in retirement than most Americans could hope to make in a lifetime.

The National Taxpayers Union estimates that over 180 Members will collect over \$1 million each in lifetime benefits. My legislation will slam shut the doors of this congressional pension millionaires club.

Under current law, retired Members of Congress receive a pension that is 10 to 20 percent higher than comparable pensions for retired Federal employees. There is a drastic difference in the formulas used to calculate Members' pensions and those of Federal employees. Due to the huge disparity in the pension equations, Members of Congress receive thousands of dollars more in annual retirement benefits compared to Federal employees with comparable years of service.

Furthermore, when you consider that Members of Congress are near the top of the Federal pay scale, the difference between most pension plans and the lucrative congressional plans is compounded.

Clearly, Representatives' and Senators' retirement benefits should be consistent with Federal employees which is why I am introducing a bill which will do just that.

My bill recalibrates the formula used to calculate Members' pensions. It changes the equation so that our pension plan is the same as that of any other Federal employee. It also increases the age at which a form Member may begin to collect their benefits from age 50 to age 55. The bill would finally put Members' retirement benefits on par with Federal employees.

The time has come for us to address the gross disparities between congressional retirement benefits and those of the average American. The era of governmental abuse has come to a close and the buck stops with us. I urge my fellow Members to hear the calls of the American people, and demonstrate your leadership by setting the example and cosponsoring this legislation.

INTRODUCTION OF THE BIOTECH
PROCESS PATENT PROTECTION
ACT OF 1995**HON. CARLOS J. MOORHEAD**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 19, 1995

Mr. MOORHEAD. Mr. Speaker, today, the gentleman from Virginia, [Mr. BOUCHER] and I are introducing the Biotech Process Patent Protection Act of 1995. This is the 4th consecutive Congress that we have introduced this legislation together.

From an economic point of view, the U.S. Biotech industry has gone from zero revenues and zero jobs 15 years ago to \$6 billion and 70,000 jobs today. The White House Council on Competitiveness projects a \$30 to \$50 billion market for biotech products by the year 2000, and many in the industry believe this estimate to be conservative.

Companies that depend heavily on research and development are especially vulnerable to foreign competitors who copy and sell their products without permission. The reason that high technology companies are so vulnerable is that for them the cost of innovation, rather than the cost of production, is the key cost incurred in bringing a product to market.

In addition to the ability to obtain and enforce a patent, small companies in particular must be concerned about obtaining a patent in a timely fashion. In 1992 the pendency of a biotech patent application as 27 months with the backlog in applications increasing from 17,000 in 1990 to almost 20,000 in 1992. The Patent Office has taken steps to improve the situation by reorganizing its bio-technology examination group and increasing the number of new examiners. The PTO has also implemented special pay rates for their biotechnology examiners. As a result, biotech patent application pendency has been reduced from 27 months to 21 months and the backlog in applications have been reduced from 20,000 in 1992 to 17,000 in 1994.

Although this is slow progress it is a substantial improvement. However, we must continue to reduce these delays because this industry is so dependent on patents in order to raise capital for reinvestment in manufacturing plants and in new product development, and even more so for an industry targeted by Japan for major and concerted competition.

The House Judiciary Committee took the first step in 1988 when the Congress enacted two bills which I introduced relating to process patents and reform of the International Trade Commission. However, our work will not be complete until we enact this legislation. This bill modifies the test for obtaining a process patent. It overrules *In Re Durden* (1985), a case frequently criticized that has been cited by the Patent Office as grounds for denial of biotech patents, as well as chemical and other process patent cases.

Because so many of the biotech inventions are protected by patents, the future of that industry depends greatly on what Congress does to protect U.S. patents from unfair foreign competition. America's foreign competitors, most of whom have invested comparatively little in biotechnology research, have targeted the biotech industry for major and concerted action. According to the Biotechnology Association, in Japan the Ministry of Inter-

national Trade and Industry [MITI] and the Japanese biotechnology industry have joined forces and established a central plan to turn Japanese biotechnology into a 127 billion yen per year industry by the year 2000. If we fail to enact this legislation, the Congress may contribute to fulfillment of that projection.

In conclusion, Mr. Speaker, this is important legislation. The biotech industry is an immensely important industry started in the United States with many labs housed in California. In the decade ahead, biotechnology research will improve the lives and health of virtually every American family. It will put people to work and it will save people's lives. I intend to schedule action early this session.

BARROW COUNTY REPUBLICAN
PARTY ENDORSES SUPER MA-
JORITY VOTE FOR TAX LIMITA-
TION**HON. CHARLES W. NORWOOD, JR.**

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 19, 1995

Mr. NORWOOD. Mr. Speaker, it is imperative that this body's ability to tax and spend be limited. I have heard from my constituents back home and they heartily approve of the new rule of the House which requires a 60-percent super majority to enact any Federal tax increase on U.S. citizens.

The Barrow County Republican Party has adopted a resolution which expresses support for this new rule in the House. It is stated below:

Whereas on this date of January 16, 1995 the Barrow County Republican Party at its stated meeting on the above date, and in full accord conclude that the United States Government through taxation and regulations, has far exceeded any power granted to it by the United States Constitution, and the people of this great Nation.

And, whereas it appears to these Members of this body, that an amendment to regulate the tax and spend policies of the United States Government in such a way as to restrict the Government in the adoption of its policies of taxation on income, the ownership of personal property such as real estate, or any other personal possessions which may rightfully owned by an American citizen.

And, be it therefore resolved by the Barrow County Republican Party at this meeting that tenth district Congressman Charlie Norwood, and that United States Senator Paul Coverdell and, United States Senator Sam Nunn of Georgia be petitioned by this body to consider, and adopt the three fifth's amendment, now being considered by the U.S. House of Representatives, which would require a sixty percent super majority vote to enact any Federal tax increase on the people of the United States.

This resolution being whole heartedly approved by this body, be it further enacted that this entire document be presented in support of this resolution, to be signed, and presented as directed by the officers present at this meeting.

Signed,

MIKE GRACE,

Chairman.

EDWIN GRAVITT,

Vice Chairman.

RANDY DUBOSE,

Secretary.