

As we move forward in the next two years, the President and Congress should be reminded that success is not measured in the number of laws passed, but in the results.

Is government serving the people better?

Are neighborhoods safer?

Are families stronger?

Are children learning more?

Are we better prepared to meet the future?

Do we have more freedom?

The election in November was a beginning, not an end—and we are committed to fulfilling the verdict of the voters and enacting our agenda of hope for the families of America. Change is hard. But we're going to work hard.

We will keep faith with America.

We will keep our word.

We will do what you elected us to do.

We will give you results.

On election day you gave us your trust. We accept your mandate.

President Clinton, you must accept it as well.

Put the principles of smaller, more effective government into action. Reduce spending and cut taxes.

Two weeks ago, in my State of the State address to the people of New Jersey, I made them a pledge which, in closing, I would now like to make to the American people on behalf of the Republican Party. By the time President Clinton makes his next State of the Union address:

We will have lower taxes.

We will have more efficient government.

We will have a stronger America.

We will have more faith in our politics, more pride in our states and communities, and more confidence in ourselves.

We will go forward together, as one family with many faces, building a future with opportunity.

A future with security.

A future based on mutual respect and responsibility.

And most of all, a future filled with hope—for our children and our children's children.

Thank you very much and God bless America.

CONGRATULATIONS TO SORENSON BROADCASTING FOR 13 YEARS OF EXCELLENCE AND 10 YEARS OF GREAT TALK RADIO

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. UNDERWOOD. Mr. Speaker, in my home district of Guam, we have many fine radio personalities and journalists. One of the island's communications corporations has been around for the last 13 years, and has been the only all talk radio station on our island for the last 10 years. The company is known as Sorenson Broadcasting, and its all talk radio station is NEWSTALK: K-57. Since there is only one all talk station on our local radio dial, K-57 is more like an electronic village meeting which convenes every day.

The mornings are very alive with one of Guam's solid citizens, Jon Anderson. This is morning talk radio at its finest. For 4 hours beginning at 6 a.m., Anderson engages, encourages, stimulates, and informs. Jon Anderson is the most well-known voice throughout all segments of Guam's varied communities. He has been concerned with island issues for many years now, and Guam is enhanced by his show and his concern.

Then, in the afternoon when things seem to be slowing down, Myk Powell hits the air waves. If you need a little humor, albeit tongue-in-cheek, to keep going, Myk, gives you exactly that, a little humor. He'd be proud of me for stealing that joke. But seriously folks. . . .

Myk carries on the same important role of channeling emotion, conveying information, and encouraging debate. He has that rare gift of being able to intelligently sprinkle humor throughout his show. From his Uncle Myk-ie alter ego to his hilarious commercials. Myk can tease an audience immediately after causing them to question their stance on important issues.

Beyond all the talk, NEWSTALK K-57 features the Island's only radio news team guided by news pro, Patty Arroyo, the island's only on-the-go Shakespearian traffic reporter, Jefferson Cronin, and knowledgeable news anchors and reporters.

Yes, we the radio listeners on Guam are fortunate indeed. The naysayers said you'd run out of things to talk about. Ten years later, we continue to enjoy the fine programs which K-57 radio offers today and, we hope, for many years to come.

FEDERAL MANDATES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, January 25, 1995 into the CONGRESSIONAL RECORD.

FEDERAL MANDATES

Local officials and small business owners in Indiana often tell me of the difficulty they have paying for unfunded federal mandates. One of their top priorities is to limit the ability of Congress to shift costs to businesses or state and local governments by requiring them to meet certain federal standards. I agree. Congress is responding to these concerns by considering a bill this week in both the Senate and the House to limit the practice of imposing unfunded federal mandates. This bill is similar to legislation I co-sponsored in 1993.

In the past, state and local governments have been told they must do things such as provide safe drinking water, reduce asbestos hazards, or impose tough criminal penalties. Businesses were required to improve workplace standards, protect their customers from fraud or abuse, and comply with numerous environmental regulations. The objectives of these federal requirements are almost always worthy: clean water, safer roads, trustworthy banks, or consumer protection. But collectively they often drain funds from local governments and discourage business growth. For example, compliance with the Clean Water Act is expected to cost state and local governments \$32 billion this year. By one estimate, compliance with twelve other federal mandates will cost \$33.7 billion over the next five years. In all, federal mandates consume an average of 12.3% of local revenue. In the private sector, an EPA study found that environmental compliance costs can at times exceed profits for some small businesses, including many dry cleaners, truckers, farmers, and wood finishers.

Unfunded mandates have imposed costs and inflexible rules on governments and

business. They often dictate priorities to those who must comply without considering their views. But since many of the laws and regulations in question prevent discrimination, promote worker safety, and protect health, safety, and the environment, the proposals to reduce unfunded mandates must be approached with great care. The challenge is to alleviate the financial burden of unfunded mandates without letting the worthy objectives slip away.

FEDERAL BUDGET CUTS

The major impetus behind growing federal mandates is the federal budget deficit. In the 1960s and 1970s, federal money to state and local governments grew steadily as a percentage of state and local outlays, peaking at 27% in 1978. More recently, the federal government's response to budget deficits has been to reduce its share of state and local aid to about 18% of their budgets. But mandates did not decrease, and local costs escalated.

CONGRESSIONAL ACTION

There is broad support in Congress to curb unfunded mandates. At a minimum, the House and Senate should be required to take a separate vote on any measure that would place costs on state or local governments.

Without such a vote, the House bill's "no money, no mandate" provision would require the federal government to provide funds for new mandates. Before Congress takes action on a bill, the Congressional Budget Office (CBO) would have to determine if the costs of the proposed legislation would exceed \$50 million for states and localities, or \$100 million for the much larger private sector. For bills that exceed these thresholds, any one Member of Congress could demand a separate vote on whether or not to impose an unfunded mandate.

In addition, federal agencies would be prohibited from imposing unauthorized costs on states and localities when issuing new regulations. There would also be reports to Congress on the costs incurred by state and local governments and the private sector in meeting existing mandates.

DRAWBACKS

There are, however, several drawbacks to any blanket prohibition on federal mandates. First, civil rights advocates fear restrictions on mandates could gut constitutional rights and anti-discrimination laws. Thus, the measure should not apply to laws protecting constitutional rights. It should also exempt laws to protect against fraud, provide emergency assistance, and protect national security. Second, eliminating mandates may make it more difficult to apply worthy existing health and safety standards. Third, protection from mandates should apply equally to the public and private sector. For example, local governments should not be exempt from labor safety laws just because the federal government does not subsidize their implementation. Fourth, the analysis of mandates should include potential benefits as well as costs. It would be shortsighted to abolish public health requirements that pay for themselves many times over in long-term health care savings. Fifth, estimating the effect of complex legislation is extremely difficult. Calculating direct and indirect costs of a mandate is so exacting that analysts will be hard-pressed to present accurate figures.

While this bill is not perfect, it is a good start in dealing with the complex problem of unfunded mandates. It can and will be improved over time. A major flaw in the bill is that it delays taking effect until October. We should curb unfunded mandates now, not later.

CONCLUSION

The unfunded mandates bill will cause Congress to think twice before shifting costs to local governments and businesses. It will shift power from the federal government to the states, and provide businesses and local officials a forum to discuss the cost-effectiveness of rules with federal regulators before rules take effect. These costs will now be considered as an integral part of the legislative process. Members who approve legislation without funding will be required to explain their actions to those faced with the costs of compliance.

Government that works better and costs less must consider all costs, including those incurred by the private sector, and encourage cooperation among all levels of government. We accomplish little if we balance the federal budget with unfunded mandates on the backs of others. Enactment of unfunded mandate legislation will be an important step in improving the performance of government.

INTRODUCTION OF SUPER IRA LEGISLATION

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. NEAL. Mr. Speaker, today Mr. Thomas and I are introducing the Savings and Investment Act of 1995, commonly referred to as the Super IRA bill. Since I have been a Member of Congress, I have been very concerned about our low national savings rate. I share the belief of chairman Alan Greenspan of the Federal Reserve that our low national savings rate is our number one economic problem.

The savings rate has declined significantly since the 1950s. In 1993, U.S. net national saving was only 2.7 percent of net national product, compared to 12.3 percent in 1950. In a recent study, Professors R. Glenn Hubbard

and Jonathan Skinner concluded raising the Individual Retirement Account (IRA) contribution limit would increase net national savings by \$4 for every dollar lost in government tax revenue. Professors Hubbard and Skinner believe the decline in the national savings rate is a cause for serious concern because of the links between saving, capital formation, productivity, and American living standards.

I believe the purpose of this legislation is to increase our national savings rate. IRAs are a proven tool to boost our savings. Most contributions to IRAs are made by middle income families. All Americans should be able to contribute to IRAs. We need to provide individuals with an incentive to save for their retirement. The U.S. personal saving rate dropped from 5.2 percent of GDP in 1960-1980 to 3.4 percent in 1991-1994.

Under this legislation, all Americans would be eligible for fully deductible IRAs. Current law only allows those taxpayers who are not covered by any other pension arrangement, and whose income does not exceed \$40,000 (\$25,000 singles) to be eligible for a fully deductible IRA. These limits would be gradually lifted over time. The \$2,000 contribution limit will be indexed for inflation in \$500 increments in the year in which the indexed amount exceeds the next \$500 increase.

The legislation creates a new kind of IRA option. Taxpayers will be offered a new choice of IRA. Under this new type of IRA, contributions will not be deductible, but if the assets remain in the account for at least 5 years, all income will be tax free when it is withdrawn. A 10 percent penalty will apply to early withdrawals, unless one of the five exceptions is met.

The legislation includes a provision which I believe is very important. The bill allows spouses who work at home to contribute up to \$2,000 to their own IRA to the extent of their own income. In addition, the legislation waives the 10 percent penalty on early withdrawals if

the funds are used to buy a first home, to pay educational expenses, to cover catastrophic health care costs, during long periods of unemployment, or to purchase of long-term care insurance. Similar penalty withdrawal rules will apply to 401(k) and 403(b) employer-sponsored plans.

We have to encourage individuals to save for their retirement. I believe this legislation is a step in the right direction. I urge you to support this legislation.

SOUTH BRONX MENTAL HEALTH COUNCIL, INC. PATIENT RECOGNITION AND EMPOWERMENT DAY

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to the South Bronx Mental Health Council, Inc., which this Friday will celebrate its fourth annual "Patient Recognition and Empowerment Day."

The South Bronx Mental Health Council is a community based organization which provides treatment and mental health services to the local population and to area schools and senior centers.

While it is important, and appropriate, to recognize the care givers who provide these services, it is even more important that those individuals who have made special efforts to overcome their challenges also receive our attention and support.

Mr. Speaker, I ask my colleagues to join me in saluting our friends at the South Bronx Mental Health Council, who on Friday, January 27 will celebrate the fourth annual Patient Recognition and Empowerment Day.