

On page 55, line 4, strike "\$4,800,000,000" and insert "\$4,794,500,000".

**KENNEDY AMENDMENT NO. 448**

(Ordered to lie on the table.)

Mr. KENNEDY submitted an amendment intended to be proposed by him to amendment No. 420 proposed by Mr. HATFIELD to the bill, H.R. 1158, supra, as follows:

At the appropriate place in the amdt, insert the following:

**SEC. . SENSE OF THE SENATE REGARDING TAX AVOIDANCE.**

(a) IN GENERAL.—It is the sense of the Senate that Congress should act as quickly as possible to amend the Internal Revenue Code of 1986, to eliminate the ability of persons to avoid taxes by relinquishing their United States citizenship.

(b) EFFECTIVE DATE.—It is the sense of the Senate that the amendment referred to in subsection (a) should take effect as if enacted on February 6, 1995.

**BARNUM & BAILEY CIRCUS  
COMMEMORATION**

**SMITH AMENDMENT NO. 449**

Mr. SMITH proposed an amendment to the concurrent resolution (H. Con. Res. 34) concurrent resolution authorizing the use of the Capitol Grounds for the Ringling Bros., and Barnum & Bailey Circus anniversary commemoration; as follows:

On page 2, strike lines 9 through 13, and insert the following: "performers, on the Capitol Grounds, on April 3, 1995, or on such other date as the Speaker of the House of Representatives and President pro tempore of the Senate may jointly designate.

**SEC. 2. CONDITIONS.**

No elephants shall be allowed on the Capitol Grounds for the purpose of this event."

**NOTICE OF HEARING**

**COMMITTEE ON INDIAN AFFAIRS**

Mr. MCCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will be holding an oversight hearing on Wednesday, April 5, 1995, beginning at 9:30 a.m., in room 485 of the Russell Senate Office Building on providing direct funding through block grants to tribes to administer welfare and other social service programs.

Those wishing additional information should contact the Committee on Indian Affairs at 224-2251.

**AUTHORITY FOR COMMITTEES TO MEET**

**SUBCOMMITTEE ON CONSUMER AFFAIRS,  
FOREIGN COMMERCE AND TOURISM**

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Affairs, Foreign Commerce and Tourism of the Committee on Commerce, Science, and Transportation be authorized to meet Monday, April 3, 1995, at 9:30 a.m. on S. 565, the Product Liability Fairness Act of 1995.

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

**SUBCOMMITTEE ON TAXATION AND IRS  
OVERSIGHT**

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on Taxation and IRS Oversight of the Finance Committee be permitted to meet Monday, April 3, 1995, beginning at 9:30 a.m. in room SD-215, to conduct a hearing on the research and experimentation [R&E] tax credit.

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

**ADDITIONAL STATEMENTS**

**ANNOUNCEMENT OF POSITION ON  
CERTAIN VOTES**

• Mr. FAIRCLOTH. Mr. President, on March 30, 1995, I was necessarily absent from rollcall votes. If I were present on that day, I would have voted as follows: "Yea" on rollcall vote No. 121 to lay on the table the amendment of the Senator from Washington [Mrs. MURRAY]; "nay" on rollcall vote No. 122 to lay on the table amendment No. 435 of the Senator from Nebraska [Mr. KERREY]; "yea" on rollcall vote No. 123 to lay on the table amendment No. 436 of the Senator from California [Mrs. BOXER]; "yea" on rollcall vote No. 124 on amendment No. 437 of the Senator from Alabama [Mr. SHELBY]; and "yea" on rollcall vote No. 125 to lay on the table amendment No. 438 of the Senator from Nevada [Mr. REID].•

**HONG KONG**

• Mr. THOMAS. Mr. President, the week before last I had the pleasure of cohosting a breakfast with Congressman GILMAN for Lu Ping. Mr. Lu is the head of the People's Republic of China's Office of Hong Kong and Macau Affairs, as well as a body known as the Preliminary Working Committee. In other words, he is the Chinese official in charge of overseeing the transition of Hong Kong from a dependent territory of the United Kingdom to a special administrative region under the jurisdiction of the People's Republic of China in the summer of 1997.

Mr. Lu and his group were, in effect, on a public relations tour of the United States to convince policymakers here—as well as an audience back home—that Hong Kong will continue to thrive as a bastion of capitalism after 1997. Mr. Lu did his job well. He spoke eloquently and reassuringly, painting a rosy picture for the colony's future without sounding phony or unrealistic. While I greatly appreciated the opportunity to meet with Mr. Lu and hear his views, I have a concern with his pronouncements which I would like to share with my colleagues.

Despite his polished presentation it seemed to me that his views diverged little, if at all, from the official party line. Certainly, this was not entirely unexpected. Members of the PRC bu-

reaucracy are not often given to flights of independence of thought or opinion. While he certainly seemed genuine and straight-forward, I could not shake the feeling that his statements were simply a glossy version of what we have been hearing from Beijing on this topic for some time. He spoke at length about how Hong Kong's present status would be protected, but said nothing substantive about the mechanics of that protection. As a writer for the Nanhua Zaobao, South China Morning Post, so accurately put it:

[D]espite having an excellent ambassador in the eloquent English-speaking Mr. Lu, and in spite of the articulate back-up of sharp minds like those of Rita Fan and Simon Lee, the fact remained that they had—to American ears at least—very little to say. The style was good, but the U.S. needs a lot more meat in its sandwiches.

Moreover, while painting a picture of a bright fairy-tale scene full of sunshine and singing birds, Mr. Lu neglected to peer at the troll under the bridge: The increasing threats made to the rule of law in Hong Kong. In 1984, the People's Republic of China and Great Britain finalized a document known as the Joint Declaration. The declaration set forth PRC guarantees for Hong Kong's continued autonomy after 1997, an elected local legislature, and the continuation of its common-law legal system. Unfortunately, since that time Beijing has acted in such a way so as to call its commitment to these basic principles into question. In 1990, the National People's Congress enacted what is known as the Basic Law, the statutes that will govern Hong Kong after 1997. In contravention of the Joint Declaration, it—inter alia—subordinates the colony's legislative council to an executive appointed by Beijing, and assigns a power of judicial interpretation not to the local courts but to the Standing Committee of the People's Congress. In 1993, a senior official of the PRC's judicial branch intimated that the People's Republic of China will replace Hong Kong's common-law system with one more closely resembling China's where the civil law is merely an extension of the party.

Finally, and most ominously in my opinion, the People's Republic of China has called into doubt its commitment to establish a Court of Final Appeal in Hong Kong. Presently, final judicial decisions are appealable to the Privy Council in London. Of course, that cannot continue to be the case after reversion, and one of the principle concerns of the residents of the colony is that, after 1997, local legal decisions continue to be appealable to a court with interests not inimicable to the common law and judicial independence from extralegal influences. Without a local final appeals court, they worry—rightly in my opinion—that the final arbiter of the law in Hong Kong will be a party cadre in Beijing. So, the Joint Declaration provided for the establishment of a Court of Final Appeal [CFR]. Since that time, however, there has

been increased wrangling between Beijing and London, and Hong Kong, over the form of the court; and, for a variety of reasons I will not expound upon here, the future of the CFR is much in question. While it is probably not fair to lay 100 percent of the blame for the imbroglio over the CFA on China, that country, I believe, bears a lion's share.

Mr. President, the continuation of the rule of law in Hong Kong after 1997 is synonymous with its ability to remain a thriving center of finance and democracy at the doorstep of the Communist behemoth to the north. The rule of law ensures that business can be conducted in a fair and secure way, that contracts are binding, and that there is a predictable and impartial means of settling disputes and appeals. Just what kind of problems the absence of the rule of law creates in China is easily illustrated. McDonald's had a contract with the Peoples Republic of China for a restaurant on Tiananmen Square. It operated there for several years, until the Chinese Government decided that it wanted to give the choice location to someone else. Consequently, despite contractual provisions to the contrary, the Chinese kicked McDonald's out of their location. Another company, Revpower, Ltd., entered into a contract with the Government-owned Shanghai Far-East Aero-Technology Import and Export Corp. After a dispute between the two was settled by arbitration, an arbitral award in the amount of \$6.6 million was made against the Shanghai firm. Despite its contractual promise, however, the Chinese firm refused to abide by the results of the arbitration. Revpower subsequently sought the assistance of the Shanghai Intermediate People's Court in enforcing the award, but the court has failed to act or even acknowledge the existence of the suit. One can see why the absence of the rule of law would make businesses skittish.

Mr. President, I come to the floor today as the chairman of the Senate Subcommittee on East Asian and Pacific Affairs to let the people of Hong Kong—as well as the government in Beijing—know that the United States take great interest in the future of Hong Kong. We will be keenly watching to be sure that the parties live up to the letter and spirit of the Joint Declaration, especially any developments regarding the CFR and the rule of law. The People Republic of China should know that we will use how it treats Hong Kong as a strong indicator on how it will be expected to act in other areas such as the WTO or similar body, for example. If the PRC fails in the former, then I will be hard-pressed to support its accession to the latter. The world is watching, Mr. President; let us hope that we will like what we see.●

#### TRIBUTE TO CAROL FITZGERALD

● Mr. REID. Mr. President, I rise today to pay tribute to an outstanding member of the Nevada judicial system who

is retiring today after 30 years of service. I rise to honor Carol C. Fitzgerald. Ms. Fitzgerald's career culminated in 1994, her final year of service, with the receipt of the prestigious Angie Award from the Federal Court Clerks' Association. The Angie Award honors those individuals who consistently display unrelenting commitment to improving the administration of justice, fearless pursuit of causes and goals regardless of their popularity, and unblemished integrity. Ms. Fitzgerald demonstrated all of those characteristics throughout her 30 years of service.

She joined the clerk's office in the District of Nevada on March 15, 1965, and was appointed clerk of the court on April 1, 1976 by the Honorable Roger D. Foley. Under Ms. Fitzgerald's capable leadership, the clerk's office grew from less than 10 employees to well over 50. The number of case filings for the district of Nevada has reached the third highest in the Nation.

Carol has consistently been active in Nevada's judicial community. She served 4 years as a member of the district clerk's liaison committee to the ninth circuit judicial conference, was a member of the gender bias subcommittee, and was chair of the liaison committee. She was a member of the ninth circuit automation and technology committee, the ninth circuit task force on court reporting, and the chair of the subcommittee on court reporter/recorder management. Ms. Fitzgerald was also president of the Federal Court Clerks' Association.

As a practicing trial attorney, I first hand witnessed the tireless efforts of Carol Fitzgerald to serve the interests of the public, the bar, and the judiciary. Her efforts culminated in a relationship of efficiency and trust by all three. As a member of the House of Representatives and the United States Senate, I also witnessed Carol's advocacy of the Federal court in the federal bureaucracy. Her endeavors on the court's behalf bore fruit in the outstanding link now found between the Nevada Federal judiciary and the Nevada congressional delegation.

So, as this fine woman moves from the court to another sphere of community involvement, I congratulate and applaud her good works and friendship.●

#### ABOLISH THE SOURCE TAX

● Mr. GORTON. Mr. President, today I speak in support of an important piece of legislation designated to eliminate an unfair practice affecting thousands of senior citizens in my home State of Washington. It is S. 44, introduced by my distinguished colleagues from Nevada, Senators REID and BRYAN, to abolish the so-called source tax.

As it stands today, retirees living anywhere in the country may find that their retirement pensions are taxed by a State in which they no longer reside. A State may tax a nonresident's pension simply because the person spent

all, or part of, his or her working years in that State. This unjust tax is, in many cases, automatically deducted from the retiree's pension benefit every month.

Retirees are outraged because their taxes are going to pay for services of which they cannot take advantage. They are not able to partake in the senior services, medical services, transportation facilities, or public parks in States where they no longer reside. They do not vote in those States and cannot influence how their tax dollars are being spent. They are, however, forced to pay taxes to support these services so that others may benefit from them. The seniors in my State characterize this practice as taxation without representation. I agree.

The source tax is not only taxation without representation, but also a further drain on the already limited and fixed incomes of our senior citizens. Seniors, dependent upon fixed incomes to pay their bills and buy their groceries, are shocked when they learn that they may not have enough to get by because of the taxation policies of other States.

Many senior citizens have written to me about this burdensome practice. Seniors throughout the State of Washington have expressed their outrage and frustration at being taxed by other States. And, as I travel around the State listening to the concerns of the citizens, this issue is continually brought to my attention.

We need to correct this practice now. That is why I cosponsored S. 44, the Source Tax Elimination Act. I encourage my colleagues to help me pass this bill and restore tax fairness to our retirees.●

#### ANNOUNCEMENT OF POSITION ON CERTAIN VOTES

● Mr. BAUCUS. Mr. President, I regret being absent for several votes on Thursday, March 30, 1995. However, I felt an obligation to be home in order to take part in the Base Realignment and Closure Commission hearing and site tour of Malmstrom Air Force Base. These events will help determine Malmstrom's future; and I firmly believe that Malmstrom plays a crucial role in our national defense and the community of Great Falls, MT.

Yet I want to briefly express my support for two amendments, one offered by Senator KERREY of Nebraska and the other offered by Senator SHELBY, that would have curbed wasteful spending on Federal courthouses. This is a problem I helped bring to light last year during an investigation I conducted as chairman of the Environment and Public Works Committee. I am pleased that the Senate is now on record as saying we must get wasteful courthouse spending under control.●