

ONE STRIKE YOU'RE OUT FOR ASSISTED HOUSING

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1996

Mr. MORAN. Mr. Speaker, I am pleased to introduce legislation extending the "One Strike You're Out" provisions to screen and evict drug and alcohol abusers in public and tenant-based section 8 housing to all types of low-income, rent-subsidized housing.

For too long, drug dealers and other criminals have plagued low-income housing projects. Despite Federal policies that date back to 1988, a number of legal loopholes have enabled criminals to evade eviction. The new law closes these loopholes and grants housing authorities new powers to screen and evict problem tenants. I was pleased to see that the Housing Opportunity and Extension Act [S. 1494] included my language closing several legal loophole that enabled drug dealers and problem tenants to evade the expedited eviction procedures in public housing.

I have a personal interest in the expedited eviction procedure dating back to my service as mayor of the city of Alexandria. Unfortunately, it took the tragic death of Alexandria police officer Charlie Hill in 1989 before HUD responded with an expedited eviction procedure for public housing residents. I tried to deal with his death in the most constructive way possible and sought a waiver from then Secretary Jack Kemp to expedite the eviction of known drug dealers from public housing.

The police and the community knew who the drug dealers were, but every time they attempted to do something, they were stymied by the legal aid advocates. Fortunately, Alexandria was successful and the city's public housing units are a far different place to live today. The expedited eviction procedure works but it needed to be strengthened further.

The work begun following officer Hill's death, however, is not yet complete. The new law fails to cover residents living in federally-assisted housing. Residents in project-based section 8 and FHA insured multifamily housing have no similar protection today when drug dealers threaten their health and safety. There are approximately 1.4 million public housing units, while there are more than 2.1 million section 8 publicly assisted housing units. Residents of these 2.1 million units deserve equal protection under the law.

With enactment of this legislation, tenants, victimized by drug dealers and others who threaten their safety and well being, will receive equal protection. With enactment of this legislation, drug dealers in project-based section 8 housing will no longer be able to ply their trade outside the project's boundary where they were erroneously exempt from the expedited eviction procedure. And, ignorance of a fellow tenant's illegal drug activity will no longer be exclusive grounds to exempt a lease-holder from the expedited eviction procedure. Ignorance of illegal drug activity should not, by itself, be grounds for exempting a tenant from the expedited eviction procedure.

Too often the actual knowledge standard is an easy way out for the tenant. It also encourages lease holders to avoid knowing what members of their family or other persons under their roof are doing.

Mr. Speaker, this legislation is good public policy. It's good for the tenants, it's good for the neighbors and it's good for the managers and owners.

It is also important that as we shift from Government-run public housing to community-based vouchers and assistance, we need to provide communities with the tools to enforce the laws and foster good responsible neighbors.

This legislation helps bring us closer to this goal.

HOUSE CONCURRENT RESOLUTION 165 HONORS THE POLISH CONSTITUTION OF 1791 AND PROMOTES DEMOCRACY IN EAST-CENTRAL EUROPE

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1996

Mr. GUTIERREZ. Mr. Speaker, I rise today to honor the 205th anniversary of Poland's first Constitution on May 3. The Polish Constitution of 1791 was the first liberal Constitution in Europe, narrowly preceded by our own Constitution in 1787.

I would also like to announce my cosponsorship of the House Concurrent Resolution 165, to honor the Polish Constitution of 1791 and to promote democracy in East-Central Europe.

Throughout our Nation's history, the sons and daughters of Poland have immigrated to our shores. In fact, a native son of Poland, Thaddeus Kosciuszko, fought alongside General Washington during the Revolutionary War. Upon returning to Poland, after his heroic efforts for American liberty, Mr. Kosciuszko helped draft the Polish Constitution. The American concept of constitutional democracy was thus born in Europe in 1791.

However, just as American independence had threatened the colonial establishment and balance of power, Poland's early democratic experiment threatened the autocratic regimes of its neighbors, imperial Russia and the Hapsburg Austro-Hungarian Empire. Two years after Poland embarked on its bold path the Russian and Austrian armies conquered Poland and ended constitutional rule.

Today, 205 years after it began, the democratic experiment in Poland has been restored. A free Poland has experienced its first real open elections in several generations and the positive economic successes it has achieved are unparalleled in its history.

Poland is looking to cement its economic and political achievements by joining the North Atlantic Treaty Organization [NATO] and the European Community. Poland's efforts to exercise civilian control over its military and its cooperation with the NATO alliance through the Partnership for Peace and in Bosnia are important steps toward greater military and economic integration with the rest of Europe and the United States.

Today, I salute and congratulate Polish people around the world, including the thousands of Polish-Americans in the Fourth Congressional District of Illinois and in the Chicago area, as we commemorate the adoption of the first Polish Constitution. I also urge my colleagues and the people of the United States to

recognize Poland's rebirth as a free and independent nation in the spirit and legacy of the Polish Constitution of 1791.

SMUGGLING BANNED CHLOROFLUOROCARBONS IN THE UNITED STATES

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1996

Mr. DIAZ-BALART. Mr. Speaker, I rise today to address smuggling activities occurring in the United States by Indian chemical manufacturing companies. A report, published in the Washington Times earlier last month cites India as the source of a multimillion-dollar ring, which is smuggling banned chlorofluorocarbons, or CFC's into the United States.

According to this report, tons of banned CFC's are being smuggled into the United States by Indian manufacturers with government patronage, generating huge profits in illegal sales.

CFC importation has become a serious problem. The Customs Service says that it is now the No. 2 problem behind illegal drugs. Until it was banned under the Montreal Protocol, CFC-12, or freon gas, was widely used to run refrigerators and car air conditioners. According to the article, Customs recently broke up an operation that was smuggling \$52 million worth of CFC-12. The newspaper said that a substantial portion of CFC-12 in U.S. commerce has been smuggled. Much of it appears to have been produced by Mafatlal, an Indian chemical company. The report goes on to say that one Indian CFC smuggling operation involved 2,750 tons of gas. In this article, the newspaper reports that by labeling the CFC-12 for transshipment to a third country or identifying it as another gas, "the smugglers can avoid the ban by delivering CFC-12 to unscrupulous distributors, auto chains, and others and make a fat profit."

In this light, it becomes more important than ever for the United States to stop providing assistance to the Indian Government. I urge my colleagues to pass H.R. 1425, which will end American development aid to India until human rights are respected, and House Concurrent Resolution 32, which calls for self-determination for Khalistan, the independent Sikh country declared on October 7, 1987. Both bills should be passed as soon as possible. We must make it clear to the Indian regime that smuggling, genocide, and repression are not acceptable.

I am entering into the RECORD a press release issued by the Council of Khalistan, the government in exile of Khalistan, which deals with this scandal.

[News release from the Council of Khalistan]

INDIA SMUGGLES BANNED CFCs TO U.S.

WASHINGTON, DC, April 23.—The Associated Press reported recently that chlorofluorocarbons, or CFC gas, which is banned in the United States, is being heavily smuggled from India. CFC gas was widely used in car air conditioners, but environmentalists contend that the gas is harming Earth's ozone layer. Under terms of the 1987 Montreal Protocol, industrial nations agreed to phase out CFCs. CFCs have been banned in the United States since January 1. According

to the Customs Service, CFCs are now the number two problems after illegal drugs.

According to the AP report, CFC gas from India is "routinely marked as another gas or labelled as being transshipped to a third country." CFC production remains legal in India. In one single case, AP reports, more than 2,750 tons of CFC-12 were smuggled into the United States. Authorities say that at least some of that gas came from India. Another operation in Florida was worth \$52 million. Experts estimate that one-third or more of CFC-12 in U.S. commerce, worth nearly \$3 billion, may have been smuggled. According to a U.S. prosecutor, quite a bit of the CFC-12 confiscated from smugglers "was labelled as having been produced by the Indian chemical company Mafatlal," the report said.

"This is additional evidence of India's irresponsibility. First it refused to sign the NPT and the Comprehensive Test Ban treaty, and now we find out that it is complicit in the smuggling of banned substances," said Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, the government in exile of Khalistan, the independent Sikh country declared on October 7, 1987. "In 1994, according to a Heritage Foundation study, India was the third largest recipient of U.S. aid at that time. Should the U.S. be supporting such an irresponsible country?"

"India is one of the worst human rights violators in the world," said Dr. Aulakh. "It is a nuclear threat to its neighbors in South Asia and was a strong ally of the former Soviet Union," he said. "Now we find out that it is an environmental threat as well. Americans aid to this corrupt, repressive country should be cut off immediately," Dr. Aulakh said. He urged the U.S. Congress to pass two bills: HR 1425, the Human Rights in India Act, which would cut off U.S. development aid to India until human rights are respected, and House Concurrent Resolution 32, which calls for an internationally-supervised plebiscite on independence in Indian-occupied Khalistan. "Clearly, India is unwilling to allow these questions to be decided according to democratic principles," said Dr. Aulakh. "In view of India's repressive record, Congress should pass these two bills immediately to help restore freedom, peace, and democracy to the South Asian subcontinent. As Representative Gerald Solomon said, 'Isn't it time the United States stops dumping American taxpayer money into this black hole?'"

DISTRICT OF COLUMBIA PENSION LIABILITY FUNDING REFORM ACT OF 1996

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1996

Ms. NORTON. Mr. Speaker, today I have introduced the District of Columbia Pension Liability Funding Reform Act of 1996. This bill is indispensable to the District's return from insolvency. As long as 10 percent of the District's operating budget must pay for pensions, the District cannot revive.

This bill is the fraternal twin, or complement, to the D.C. Economic Recovery Act (H.R. 3244) which I introduced last month. Together, these bills provide the most pragmatic approach available at this time for obtaining revenue. Both are critically important to restoring solvency by 1999 and enabling the District to achieve a balanced budget as contemplated by the Financial Authority legislation.

The D.C. Pension Liability Funding Reform Act provides the missing congressional piece of the city's financial puzzle. The huge pension liability passed on at home rule by Congress has been a huge and definitive part of the city's financial problems for 16 years. It is time that Congress also becomes a part of the solution.

There has long been bipartisan agreement that the District's pension liability is congressional liability and that the Congress must contribute more. This bill challenges Congress to play a significant role for the first time since home rule in helping the District to eliminate the pension liability that Congress alone created. Because Congress has required the District to balance its budget in 4 years, this is the appropriate time for Congress to begin to pay its fair share of contributions to help eliminate this crushing liability.

A precedent for raising the Federal contribution was established this year in the President's fiscal year 1997 budget when the administration proposed increasing the Federal contribution to \$104 million from its current level of only \$52 million. Like the administration's recommendation, the Federal contribution in my bill recognizes that reducing the liability that Congress created is very different from providing direct revenue to the District—the action Congress has repeatedly refused to take until the District does more to downsize and reform its operations. None of the funds my bill will authorize go toward operating the District government. Rather, the bill requires the D.C. government, residents, employees and retirees alike to make significant sacrifices to reduce the pension liability that has become a stone around the city's neck.

Congress instituted pension plans for the District's police officers and firefighters in 1916, for teachers in 1920, and for judges in 1970 but never funded the plans. Instead, Congress paid the pensions of individuals as they retired. In 1979, Congress passed the District of Columbia Retirement Reform Act and transferred all the unfunded pension liability associated with these plans—all \$2 billion that had accumulated—from the Federal Government to the District of Columbia. The annual pension payments required of the District by the Federal Government were to be made on the same pay-as-you-go basis as Congress employed, with payments each year covering only that year's benefit payments. Thus, the District has fully funded all the pensions under its control from the day the city was handed this liability. Stated another way, there has been no new unfunded liability of these pensions on the District's watch. Since fiscal year 1980, however, the \$2 billion unfunded liability has never been funded but instead has increased to \$5 billion. Most of the increase is interest on the original unfunded liability that accumulated under Federal management. The transfer of this liability is an amazing case study in Federal fiscal irresponsibility. It is one of those rare instances in U.S. history when the Federal Government has off-loaded its indebtedness to an American city.

The unfunded pension liability has grown from an unfair burden to a crippling threat to the economic viability of the District of Columbia. The District, struggling to survive with a sharply declining taxpayer and revenue base and the continuing responsibility for State, municipal, and county functions, cannot recover without systematic relief from the unfunded

pension liability created and passed on to the city by Congress. The legislation I am introducing today will provide that relief by significantly reducing the District's annual retirement plan contribution by 43 percent. The consequence of this one change will be to reduce the District's annual pension contribution from about \$321 million today to a flat rate of \$185 million, which will remain constant for 40 years. This change is accomplished by allocating to the Federal Government 80 percent of the accrued actuarial liability as of October 1, 1979 for services rendered by employees hired prior to home rule but who continued to work for the District government. As of now, the Federal Government has assumed no responsibility whatsoever for pension rights accrued by these employees while the District was under Federal management. The contribution will prefund the cost of the benefits of active employees as they are earned, and will liquidate the District's reduced and much more equitable share of the unfunded pension liability that accrued before home rule. This change will bring critical relief to the District's deficit and allow the District desperately needed breathing room in its budget.

By no means does the bill simply require only the Federal Government to increase its share of the responsibility for the liability. Current and future retirees will receive only one cost of living adjustment per year rather than two, and the rate of contribution from employees will increase from 7 to 8 percent of their annual wages. The unions and retirees deserve credit for having negotiated these sacrifices. In return, the Federal Government will increase its annual pension contribution from a virtually token payment of \$52 million to a flat rate of \$295 million per year. This payment will also be extended over 40 years to liquidate the recalculated amount of the Federal Government's share of the unfunded pension liability. These are painful prescriptions, especially for the employees and retirees, but as they have already recognized, these sacrifices are absolutely necessary. If the District is to reach the goal of a balanced budget by the end of fiscal year 1999, and sustain that performance, it is necessary that the burden be shared.

These reforms will implement a plan that is the result of years of intensive work from the time I came to Congress in 1991 by Members of Congress and their staffs in bipartisanship, representatives from the affected employee groups, retirees, the Council, the Mayor's office, the District of Columbia Retirement Board, the Congressional Research Service, and the General Accounting Office. I deeply appreciate all of the cooperation and support they have given to this endeavor. The evaluation of this bill reflects their thoughtful contributions. This plan is the most practical from among numerous alternatives we have developed and discarded.

It is impossible to overemphasize the importance of this legislation to the fiscal health and stability of the District. Under the current District of Columbia Retirement Act, upon reaching the year 2004, the Federal Government's annual payments cease, and the 1979 law requires the amount the District contributes to nearly double in order to cover both accruing pension obligations and interest payments on unfunded obligations. The unfunded pension liability will have reached \$7.7 billion with the District solely responsible for this debt. This