

checks written against the Travel Office's Riggs Bank account totaling \$23,000 made out to cash and signed by Mr. Dale, only \$2,000 was reflected in the petty cash fund. Of the \$2,000 entry to the petty cash fund, the corresponding check from the Riggs account was for \$5,000. The Peat Marwick team's suspicions are further described in later interviews they gave to the GAO and the FBI.

For example, Mr. Herman's interview with the GAO provides more detail about the missing cash:

On Saturday, during the Peat Marwick review, Billy Dale was asked at least twice more about the missing \$3,000. Mr. Herman stated that Billy Dale suddenly seemed to recall something, then turned and opened his desk drawer or credenza and found the envelope with \$2,800. This raised another red flag to Mr. Herman. We, the GAO, questioned whether Mr. Dale had the opportunity to place the funds in the drawer between Friday and Saturday. Mr. Herman stated that he did.

The FBI later learned that late on the previous Friday, after being confronted with the discrepancies in the petty cash log, Mr. Dale had withdrawn \$2,500 in cash from his White House Credit Union account, and another \$400 from an automated teller machine.

Mr. Herman provided a progress report of the Peat Marwick review to two FBI officials that Saturday evening. According to the GAO interview with Herman, The FBI agents were specifically concerned with first, the eight incomplete transactions; second, the weak controls; and third, the \$2,800 in Billy Dale's credenza.

#### MR. DALE NEVER DISCLOSED HIS SECRET DEPOSITS

The FBI found this evidence to be sufficient to initiate a criminal investigation against Mr. Dale. However, it should be noted that during the Peat Marwick review, despite being interviewed for more than 2 hours about his financial management of the Travel Office, Mr. Dale never informed the Peat Marwick reviewers that he had been depositing Travel Office funds into his personal checking account. The discovery that Mr. Dale deposited \$50,000 of Travel Office funds into his personal bank account became the basis for the criminal charges against him.

When asked at the Government Reform Committee hearing why he never told his colleagues or even his wife about this unusual and ultimately disastrous, if not criminal, practice, he stated that no one ever asked him. Of course, it would never cross most people's mind to ask the director of a Federal office if he was depositing office funds into his personal bank account. Yet, the Peat Marwick auditors, during their review, spent a considerable amount of time with Mr. Dale to understand his accounting practices. According to Mr. Herman's interview with GAO, Mr. Herman interviewed Mr. Dale to learn how the office worked and the flow of financial activities occurring in the office, such as, files, ledgers, details of advancing, and reimbursement by the press.

This was the perfect opportunity for Mr. Dale to explain to an obviously suspicious team of reviewers a management practice that was the very least unusual. In any case, it was key to understanding the financial management of the Travel Office, and Mr. Dale purposely withheld that information from the Peat Marwick reviewers. Regardless of his ultimate intent, it is not in dispute that Mr. Dale

never told anyone about this practice until the FBI discovered it on its own after subpoenaing his personal bank account records.

Thus, based on the information provided by Peat Marwick and obtained during the course of its own investigation, the FBI had many reasons to suspect that Mr. Dale may have been embezzling funds. During the course of its investigation, the FBI found that he had secretly been depositing Travel Office funds into his personal bank account. That evidence was reviewed by career attorneys in the Public Integrity Section of the Department of Justice, and presented to a Federal Grand Jury who voted to indict Mr. Dale. As I stated earlier, there is no evidence of either prosecutorial misconduct or political interference with the criminal case.

For these reasons, I do not believe that Mr. Dale under this legislation is entitled to be reimbursed for legal expenses stemming from the criminal charges filed against him.

#### GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2937, the bill just considered.

The SPEAKER pro tempore (Mr. HUTCHINSON). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. 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 Texas [Mr. SMITH] that the House suspend the rules and pass the bill, H.R. 2937, as amended.

The question was taken.

Mr. SCHIFF. 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.

### VERMONT-NEW HAMPSHIRE INTERSTATE PUBLIC WATER SUPPLY COMPACT

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 129) granting the consent of Congress to the Vermont-New Hampshire Interstate Public Water Supply Compact.

The Clerk read as follows:

#### H.J. RES. 129

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. CONGRESSIONAL CONSENT.

The Congress consents to the Vermont-New Hampshire Interstate Public Water Supply Compact entered into between the States of Vermont and New Hampshire. The compact reads substantially as follows:

### "VERMONT-NEW HAMPSHIRE INTERSTATE PUBLIC WATER SUPPLY COMPACT

#### "ARTICLE I

##### "GENERAL PROVISIONS

"(a) STATEMENT OF POLICY.—It is recognized that in certain cases municipalities in Vermont and New Hampshire may, in order to avoid duplication of cost and effort, and in

order to take advantage of economies of scale, find it necessary or advisable to enter into agreements whereby joint public water supply facilities are erected and maintained. The States of Vermont and New Hampshire recognize the value of and need for such agreements, and adopt this compact in order to authorize their establishment.

"(b) REQUIREMENT OF CONGRESSIONAL APPROVAL.—This compact shall not become effective until approved by the United States Congress.

#### "(c) DEFINITIONS.—

"(1) The term 'public water supply facilities' shall mean publicly owned water supply sources, storage, treatment, transmission and distribution facilities, and ancillary facilities regardless of whether or not the same qualify for Federal or State construction grants-in-aid.

"(2) The term 'municipalities' shall mean cities, towns, village districts, or other incorporated units of local government possessing authority to construct, maintain, and operate public water supply facilities and to raise revenue therefore by bonding and taxation, which may legally impose and collect user charges and impose and enforce regulatory control upon users of public water supply facilities.

"(3) The term 'water supply agency' shall mean the agencies within Vermont and New Hampshire possessing regulating authority over the construction, maintenance, and operation of public water supply facilities and the administration of grants-in-aid from their respective State for the construction of such facilities.

"(4) The term 'governing body' shall mean the legislative body of the municipality, including, in the case of a town, the selectmen or town meeting, and, in the case of a city, the city council, or the board of mayor and aldermen or any similar body in any community not inconsistent with the intent of this definition.

#### "ARTICLE II

##### "PROCEDURES AND CONDITIONS GOVERNING INTERGOVERNMENTAL AGREEMENTS

"(a) COOPERATIVE AGREEMENTS AUTHORIZED.—Any two or more municipalities, one or more located in New Hampshire and one or more located in Vermont, may enter into cooperative agreements for the construction, maintenance, and operation of public water supply facilities serving all the municipalities who are parties thereto.

"(b) APPROVAL OF AGREEMENTS.—Any agreement entered into under this compact shall, prior to becoming effective, be approved by the water supply agency of each State, and shall be in a form established jointly by said agencies of both States.

"(c) METHOD OF ADOPTING AGREEMENTS.—Agreements shall be adopted by the governing body of each municipality in accordance with statutory procedures for the adoption of interlocal agreements between municipalities within each State; provided, that before a Vermont municipality may enter into such agreement, the proposed agreement shall be approved by the voters.

"(d) REVIEW AND APPROVAL OF PLANS.—The water supply agency of the State in which any part of a public water supply facility which is proposed under an agreement pursuant to this compact is proposed to be or is located, is hereby authorized and required, to the extent such authority exists under its State law, to review and approve or disapprove all reports, designs, plans, and other engineering documents required to apply for Federal grants-in-aid or grants-in-aid from said agency's State, and to supervise and regulate the planning, design, construction, maintenance, and operation of said part of the facility.

"(e) FEDERAL GRANTS AND FINANCING.—(1) Application for Federal grants-in-aid for the



planning, design, and construction of public water supply facilities other than distribution facilities shall be made jointly by the agreeing municipalities, with the amount of the grant attributable to each State's allotment to be based upon the relative total capacity reserves allocated to the municipalities in the respective States determined jointly by the respective State water supply agencies. Each municipality shall be responsible for applying for Federal and State grants for distribution facilities to be located within the municipal boundaries.

"(2) Municipalities are hereby authorized to raise and appropriate revenue for the purpose of contributing pro rata to the planning, design, and construction cost of public water supply facilities constructed and operated as joint facilities pursuant to this compact.

"(f) CONTENTS OF AGREEMENTS.—Agreements entered into pursuant to this compact shall contain at least the following:

"(1) A system of charges for users of the joint public water supply facilities.

"(2) A uniform set of standards for users of the joint public water supply facilities.

"(3) A provision for the pro rata sharing of operating and maintenance costs based upon the ratio of actual usage as measured by devices installed to gauge such usage with reasonable accuracy.

"(4) A provision establishing a procedure for the arbitration and resolution of disputes.

"(5) A provision establishing a procedure for the carriage of liability insurance, if such insurance is necessary under the laws of either State.

"(6) A provision establishing a procedure for the modification of the agreement.

"(7) A provision establishing a procedure for the adoption of regulations for the use, operation, and maintenance of the public water supply facilities.

"(8) A provision setting forth the means by which the municipality that does not own the joint public water supply facility will pay the other municipality its share of the maintenance and operating costs of said facility.

"(g) APPLICABILITY OF STATE LAWS.—Cooperative agreements entered into by municipalities under this compact shall be consistent with, and shall not supersede, the laws of the State in which each municipality is located. Notwithstanding any provision of this compact, actions taken by a municipality pursuant to this compact, or pursuant to an agreement entered into under this compact, including the incurring of obligations or the raising and appropriating of revenue, shall be valid only if taken in accordance with the laws of the State in which such municipality is located.

#### "CONSTRUCTION

"Nothing in this compact shall be construed to authorize the establishment of interstate districts, authorities, or any other new governmental or quasi-governmental entity.

#### "ARTICLE III

##### "EFFECTIVE DATE

"This compact shall become effective when ratified by the States of Vermont and New Hampshire and approved by the United States Congress."

#### SEC. 2. RIGHT TO ALTER, AMEND, OR REPEAL.

The right to alter, amend, or repeal this joint resolution is hereby expressly reserved. The consent granted by this joint resolution shall not be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of the compact.

#### SEC. 3. CONSTRUCTION AND SEVERABILITY.

It is intended that the provisions of this compact shall be reasonably and liberally

construed to effectuate the purposes thereof. If any part or application of this compact, or legislation enabling the compact is held invalid, the remainder of the compact or its application to other situations or persons shall not be affected.

#### SEC. 4. INCONSISTENCY OF LANGUAGE.

The validity of this compact shall not be affected by any insubstantial difference in its form or language as adopted by the two States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GEKAS] and the gentleman from Rhode Island [Mr. REED] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

This is a very dramatic moment in the history of Vermont and New Hampshire, and I am proud to take the floor to participate in this historic time.

Mr. Speaker, as everyone knows or should know, the Constitution itself provides for congressional approval of agreements reached between two or more of the several States of the Union in matters that if they were not approved by Congress could lead to conflict among States involved in or near the problem that is solved. In this particular case, there are certain water problems that cross boundaries between Vermont and New Hampshire. Testimony to these problems and to the way it was going to be solved has been amply provided by the gentleman from Vermont [Mr. SANDERS] and the gentleman from New Hampshire [Mr. BASS].

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Testimony was received at our subcommittee hearing, and we were all satisfied by unanimous vote that, indeed, the request for congressional approval was well merited, and the subcommittee did grant its approval as did the full committee when its time came.

Mr. Speaker, I reserve the balance of my time.

Mr. REED. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of the joint resolution.

Mr. Speaker, House Joint Resolution 129 would grant congressional consent to an interstate compact between Vermont and New Hampshire. Congressional approval is required before the towns involved can apply for Federal funds to upgrade a joint water-treatment plant. The compact will also permit future joint water-supply facilities of the New Hampshire-Vermont border. Compacts between Vermont and New Hampshire are not new. In fact, there is already one relating to sewer systems.

The towns are hoping to begin construction once the weather turns warm enough to break ground, so I urge speedy passage of this noncontroversial legislation.

Identical legislation has already been passed the Senate by voice vote on December 18, 1995.

This measure was urged before the committee very eloquently by the gen-

tleman from Vermont [Mr. SANDERS] and the gentleman from New Hampshire [Mr. BASS], and I would hope that we would all join them in supporting this very worthy measure.

Mr. REED. Mr. Speaker, I yield such time as he may consume to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding me this time.

I would like to begin by thanking the gentleman from Pennsylvania [Mr. GEKAS] and the chairman of the full Committee on the Judiciary, the gentleman from Illinois [Mr. HYDE], for their assistance in ensuring this joint resolution was passed by the Committee on the Judiciary and placed on the Suspension Calendar in a timely manner. We very much appreciate their willingness to move this matter along so rapidly.

Mr. Speaker, passage of this legislation is very important to the residents of Guildhall, VT. The Vermont-New Hampshire public water supply compact is noncontroversial but it is essential. Passage will allow Guildhall to pay its debt to New Hampshire and will allow the village of Guildhall to update its water transmission lines and provide adequate water services—including fire protection—to its residents. Right now, only one fire hydrant serves the village of Guildhall, and more are needed.

Mr. Speaker, Vermonters take pride in meeting their environmental obligations and this will allow the town of Guildhall to meet requirements under the Clean Water Act. And, if this bill passes under suspension today, Guildhall can start upgrading its water transmission lines and provide improved fire protection on schedule. I urge immediate approval of this resolution.

Mr. REED. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend the gentleman from Vermont for his very effective advocacy for his constituents, and also the gentleman from New Hampshire [Mr. BASS] for his very effective advocacy.

Mr. Speaker, I yield back the balance of my time.

Mr. GEKAS. Mr. Speaker, I yield such time as he may consume to the gentleman from New Hampshire [Mr. BASS].

Mr. BASS. Mr. Speaker, I thank the gentleman for yielding me this time.

I appreciate the opportunity to address the House on this very important issue. It may not seem like a big issue to most involved, but it certainly is critical to Northumberland, also known as Groveton, NH. I am sure my distinguished colleague from Vermont has discussed why this bill is so critical.

I would add at this present time the citizens of Guildhall, VT, the town of Guildhall owes Groveton, NH, about \$75,000 legitimately, and if this legislation does not pass as soon as possible,



the property taxpayers of Northumberland or Groveton, NH, would be hit with an unnecessary increase in their taxes for 1996.

So I appreciate and thank the distinguished subcommittee chairman for moving this bill expeditiously. I am glad to have been able to work with my colleague from Vermont. I hope we can move this bill as fast as possible.

Mr. Speaker, first, I would like to thank Chairman HYDE for bringing this legislation to the floor so quickly. While identical language passed the Senate by voice vote on December 18, 1995, the passage of House Joint Resolution 129 is a time-sensitive matter for the towns of Northumberland, NH and Guildhall, VT.

The resolution that Mr. SANDERS and I have introduced will ratify a longstanding arrangement between these two towns. Northumberland, which is commonly referred to as Groveton, has been supplying drinking water to Guildhall in at least a limited sense for generations. This relationship began with a handfull of Guildhall's residents receiving drinking water and has progressed to the current situation in which a 6-inch water main supplies clean water to the entire town.

Guildhall currently owes Groveton \$75,200 for the up-front costs of constructing this water system. Unfortunately, the lack of a resolution to ratify the current arrangement has prevented this payment. If this payment is not made soon, the residents of Groveton will be forced to include this cost in their tax assessments, which will be decided at the town meeting this spring.

The resolution before the House today addresses a noncontroversial, technical matter. House Joint Resolution 129 will simply allow the payment to be made and the current water supply situation to be legitimized. Therefore, I urge my colleagues to pass this resolution today.

#### GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 129, the joint resolution now being considered.

The SPEAKER pro tempore (Mr. HUTCHINSON). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GEKAS. Mr. Speaker, I have no further requests time 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 Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the joint resolution, House Joint Resolution 129.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the Senate joint resolution (S.J. Res. 38) granting the consent of Congress to use the Ver-

mont-New Hampshire Interstate Public Water Supply Compact, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. REED. Mr. Speaker, reserving the right to object, and I will not object, but I yield to the gentleman from Pennsylvania [Mr. GEKAS] for an explanation of his request.

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding to me.

Of course, this is simply to further expedite the expeditious way we expedited the expedition of Vermont and New Hampshire, and that is to allow the Senate resolution to take precedence at this juncture, thus moving it directly to the President's desk for final enactment and signing into law.

So it is identical. The House just passed it now. We are doing the formality of having the Senate bill actually take precedence, and our work has been satisfactorily accomplished.

Mr. REED. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

#### S.J. RES. 38

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. CONGRESSIONAL CONSENT.

The Congress consents to the Vermont-New Hampshire Interstate Public Water Supply Compact entered into between the States of Vermont and New Hampshire. The compact reads substantially as follows:

#### **"Vermont-New Hampshire Interstate Public Water Supply Compact**

##### **"ARTICLE I**

##### **"GENERAL PROVISIONS**

"(a) STATEMENT OF POLICY.—It is recognized that in certain cases municipalities in Vermont and New Hampshire may, in order to avoid duplication of cost and effort, and in order to take advantage of economies of scale, find it necessary or advisable to enter into agreements whereby joint public water supply facilities are erected and maintained. The States of Vermont and New Hampshire recognize the value of and need for such agreements, and adopt this compact in order to authorize their establishment.

"(b) REQUIREMENT OF CONGRESSIONAL APPROVAL.—This compact shall not become effective until approved by the United States Congress.

##### **"(c) DEFINITIONS.—**

"(1) The term 'public water supply facilities' shall mean publicly owned water supply sources, storage, treatment, transmission and distribution facilities, and ancillary facilities regardless of whether or not the same qualify for Federal or State construction grants-in-aid.

"(2) The term 'municipalities' shall mean cities, towns, village districts, or other incorporated units of local government possessing authority to construct, maintain, and operate public water supply facilities and to raise revenue therefore by bonding and taxation, which may legally impose and

collect user charges and impose and enforce regulatory control upon users of public water supply facilities.

"(3) The term 'water supply agency' shall mean the agencies within Vermont and New Hampshire possessing regulating authority over the construction, maintenance, and operation of public water supply facilities and the administration of grants-in-aid from their respective State for the construction of such facilities.

"(4) The term 'governing body' shall mean the legislative body of the municipality, including, in the case of a town, the selectmen or town meeting, and, in the case of a city, the city council, or the board of mayor and aldermen or any similar body in any community not inconsistent with the intent of this definition.

#### **"ARTICLE II**

##### **"PROCEDURES AND CONDITIONS GOVERNING INTERGOVERNMENTAL AGREEMENTS**

"(a) COOPERATIVE AGREEMENTS AUTHORIZED.—Any two or more municipalities, one or more located in New Hampshire and one or more located in Vermont, may enter into cooperative agreements for the construction, maintenance, and operation of public water supply facilities serving all the municipalities who are parties thereto.

"(b) APPROVAL OF AGREEMENTS.—Any agreement entered into under this compact shall, prior to becoming effective, be approved by the water supply agency of each State, and shall be in a form established jointly by said agencies of both States.

"(c) METHOD OF ADOPTING AGREEMENTS.—Agreements shall be adopted by the governing body of each municipality in accordance with statutory procedures for the adoption of interlocal agreements between municipalities within each State; provided, that before a Vermont municipality may enter into such agreement, the proposed agreement shall be approved by the voters.

"(d) REVIEW AND APPROVAL OF PLANS.—The water supply agency of the State in which any part of a public water supply facility which is proposed under an agreement pursuant to this compact is proposed to be or is located, is hereby authorized and required, to the extent such authority exists under its State law, to review and approve or disapprove all reports, designs, plans, and other engineering documents required to apply for Federal grants-in-aid or grants-in-aid from said agency's State, and to supervise and regulate the planning, design, construction, maintenance, and operation of said part of the facility.

"(e) FEDERAL GRANTS AND FINANCING.—(1) Application for Federal grants-in-aid for the planning, design, and construction of public water supply facilities other than distribution facilities shall be made jointly by the agreeing municipalities, with the amount of the grant attributable to each State's allotment to be based upon the relative total capacity reserves allocated to the municipalities in the respective States determined jointly by the respective State water supply agencies. Each municipality shall be responsible for applying for Federal and State grants for distribution facilities to be located within the municipal boundaries.

"(2) Municipalities are hereby authorized to raise and appropriate revenue for the purpose of contributing pro rata to the planning, design, and construction cost of public water supply facilities constructed and operated as joint facilities pursuant to this compact.

"(f) CONTENTS OF AGREEMENTS.—Agreements entered into pursuant to this compact shall contain at least the following:

"(1) A system of charges for users of the joint public water supply facilities.



"(2) A uniform set of standards for users of the joint public water supply facilities.

"(3) A provision for the pro rata sharing of operating and maintenance costs based upon the ratio of actual usage as measured by devices installed to gauge such usage with reasonable accuracy.

"(4) A provision establishing a procedure for the arbitration and resolution of disputes.

"(5) A provision establishing a procedure for the carriage of liability insurance, if such insurance is necessary under the laws of either State.

"(6) A provision establishing a procedure for the modification of the agreement.

"(7) A provision establishing a procedure for the adoption of regulations for the use, operation, and maintenance of the public water supply facilities.

"(8) A provision setting forth the means by which the municipality that does not own the joint public water supply facility will pay the other municipality its share of the maintenance and operating costs of said facility.

"(g) APPLICABILITY OF STATE LAWS.—Cooperative agreements entered into by municipalities under this compact shall be consistent with, and shall not supersede, the laws of the State in which each municipality is located. Notwithstanding any provision of this compact, actions taken by a municipality pursuant to this compact, or pursuant to an agreement entered into under this compact, including the incurring of obligations or the raising and appropriating of revenue, shall be valid only if taken in accordance with the laws of the State in which such municipality is located.

#### "CONSTRUCTION

"Nothing in this compact shall be construed to authorize the establishment of interstate districts, authorities, or any other new governmental or quasi-governmental entity.

#### "ARTICLE III

##### "EFFECTIVE DATE

"This compact shall become effective when ratified by the States of Vermont and New Hampshire and approved by the United States Congress."

#### SEC. 2. RIGHT TO ALTER, AMEND, OR REPEAL.

The right to alter, amend, or repeal this joint resolution is hereby expressly reserved. The consent granted by this joint resolution shall not be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of the compact.

#### SEC. 3. CONSTRUCTION AND SEVERABILITY.

It is intended that the provisions of this compact shall be reasonably and liberally construed to effectuate the purposes thereof. If any part on application of this compact, or legislation enabling the compact, is held invalid, the remainder of the compact or its application to other situations or persons shall not be affected.

#### SEC. 4. INCONSISTENCY OF LANGUAGE.

The validity of this compact shall not be affected by any insubstantial difference in its form or language as adopted by the two States.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H.J. Res. 129) was laid on the table.

## SENSE OF CONGRESS REGARDING UNITED STATES SUPPORT OF TAIWAN

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 148) expressing the sense to the Congress that the United States is committed to the military stability of the Taiwan Straits and United States military forces should defend Taiwan in the event of invasion, missile attack, or blockade by the People's Republic of China, as amended.

The Clerk read as follows:

#### H. CON. RES. 148

Whereas the United States began its long, peaceful, and friendly relationship with the Republic of China on Taiwan in 1949;

Whereas since the enactment in 1979 of the Taiwan Relations Act, the policy of the United States has been based on the expectation that the future relationship between the People's Republic of China and Taiwan will be determined by peaceful means and by mutual agreement between the parties;

Whereas the People's Republic of China's intense efforts to intimidate Taiwan have reached a level that threatens to undermine stability throughout the region;

Whereas, since the beginning of 1996, the leaders of the People's Republic of China have frequently threatened to use military force against Taiwan;

Whereas for the past year the People's Republic of China has conducted military maneuvers designed to intimidate Taiwan both during its democratic legislative elections in 1995 and during the period preceding democratic presidential elections in March 1996;

Whereas these military maneuvers and tests have included the firing of 6 nuclear-capable missiles approximately 100 miles north of Taiwan in July 1995;

Whereas the firing of missiles near Taiwan and the interruption of international shipping and aviation lanes threaten both Taiwan and the political, military, and commercial interests of the United States and its allies;

Whereas in the face of such action, Taiwan is entitled to defend itself from military aggression, including through the development of an anti-ballistic missile defense system;

Whereas the United States and Taiwan have enjoyed a longstanding and uninterrupted friendship, which has only increased in light of the remarkable economic development and political liberalization in Taiwan in recent years;

Whereas Taiwan has achieved tremendous economic success in becoming the 19th largest economy in the world;

Whereas Taiwan has reached a historic turning point in the development of Chinese democracy, as on March 23, 1996, it will conduct the first competitive, free, fair, direct, and popular election of a head of state in over 4,000 years of recorded Chinese history;

Whereas for the past century the United States has promoted democracy and economic freedom around the world, and the evolution of Taiwan is an outstanding example of the success of that policy;

Whereas the Taiwan Relations Act directs the President to inform the Congress promptly of any threat to Taiwan's security and provides that the President and the Congress shall determine, in accordance with constitutional processes, appropriate United States action in response; and

Whereas the Taiwan Relations Act of 1979 rests on the premise that the United States will assist Taiwan should it face any effort to determine its future by other than peace-

ful means, including by boycotts or embargoes: Now, therefore, be it;

*Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—*

(1) the People's Republic of China should immediately live up to its commitment to the United States to work for a peaceful resolution of any disagreements with Taiwan, and accordingly desist from military actions designed to intimidate Taiwan;

(2) the People's Republic of China should engage in negotiations to discuss any outstanding points of disagreement with Taiwan without any threat of military or economic coercion against Taiwan;

(3) Taiwan has stated and should adhere to its commitment to negotiate its future relations with the People's Republic of China by mutual decision, not unilateral action;

(4) the United States should maintain its capacity to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan, consistent with its undertakings in the Taiwan Relations Act;

(5) the United States should maintain a naval presence sufficient to keep open the sea lanes in and near the Taiwan Strait;

(6) in the face of the several overt military threats by the People's Republic of China against Taiwan, and consistent with the commitment of the United States under the Taiwan Relations Act, the United States should supply Taiwan with defensive weapons systems, including naval vessels, aircraft, and air defense, all of which are crucial to the security of Taiwan; and

(7) the United States, in accordance with the Taiwan Relations Act and the constitutional process of the United States, and consistent with its friendship with and commitment to the democratic government and people of Taiwan, should assist in defending them against invasion, missile attack, or blockade by the People's Republic of China.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. GILMAN] and the gentleman from Indiana [Mr. HAMILTON] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I want to commend the chairman of the Asia and Pacific Subcommittee, Mr. BEREUTER, and the ranking minority member, Mr. BERMAN for bringing this important resolution before us.

Mr. Speaker, the administration is fond of promoting the concept that its policy toward China is one of constructive engagement and that it would be folly to attempt to isolate or contain China. It is true that we must engage the dictators in Beijing. The trouble is that the administration mistakes appeasement for constructive engagement.

Time and time again, the administration has ignored Beijing's violations of MOU's and international agreements on trade, human rights, and weapons proliferation. This is not constructive engagement. This is appeasement and it is directly responsible for the current crises that we face.