

Whitewater partners James and Susan McDougal, independent counsel Kenneth Starr has received new evidence in his probe of the discovery of Rose Law Firm billing records in the White House last summer. Sources close to the inquiry told Newsweek's Michael Isikoff that FBI experts have identified Mrs. Clinton's fingerprints on the documents. The records, detailing her work for McDougal's Madison thrift, were subpoenaed in 1994 but not turned over until this January.

The documents include computer printouts and photocopied pages made during the '92 campaign. They were removed from the Rose firm in '92 by the late Vince Foster. Mrs. Clinton has said she had "no idea" the papers were in the White House. Her lawyer David Kendall later said "it is possible" Mrs. Clinton was shown the records in '92, but "she does not recall." Kendall now says the fingerprint discovery is "not surprising." At the least, the findings show Mrs. Clinton reviewed the records in '92, undercutting her claim she couldn't recall many of the mid-'80s meetings they cover. And, says one source, they could be "critical" in building a potential obstruction-of-justice case against her. Starr's office declined to comment on the FBI finding, but Newsweek has learned the prosecutor is intensifying his inquiry. In recent weeks, Mrs. Clinton's chief of staff, Maggie Williams, and close friend Susan Thomas have been recalled by a grand jury for further questioning about the records.

#### MEDICAL SAVINGS ACCOUNTS, THE EPITOME OF HEALTH CARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, I rise tonight to say a few words about our health care system. The current debate over changing our system seems to have fallen victim to partisan political posturing. That is unfortunate.

Three years ago, along with a dozen of my Democratic colleagues, I cosponsored legislation to create medical savings accounts, most commonly known as MSA's. Today, I am still a Democrat, and I am still a supporter of MSA's.

MSA's are an idea whose goal is to re-introduce the consumers' best interests into the health care market place. Clearly, consumers' needs are not being met. For instance, when was the last time a mammogram sale was advertised?

We see advertisements concerning sales on eye check-ups, eyeglasses, and frames—we even receive mailings on teeth cleanings and annual dental exams. So what is the difference?

Typically, an individual's health care expenses are paid for by their insurance policy, so there is never a thought about finding premium care at low costs. Why? Because people are spending the insurance company's money, not their own.

But when it comes to spending money on eyeglasses or for a dentist—money that typically comes right out of one's own pocketbook—cost, service, and quality suddenly become important. In fact, due to cost effective shop-

ping, spending for those industries was relatively flat during the years health care costs were soaring.

MSA's would encourage the same kind of consumer response for health care. By forcing doctors and hospitals to compete for patients who are concerned about quality and cost, health care spending will slow down. Ultimately, this competition will lead to sales on important services, such as mammograms.

Likewise, MSA's will provide a real incentive to shop around for the best values and alternatives when non-emergency treatment is needed. The incentive? Consumers will keep the money they save.

Critics of MSA's claim that this incentive will lead healthy people to choose MSA's, leaving sick people in a separate, and therefore, more expensive health insurance pool. But while many healthy people will choose to save money, the sick will also choose MSA's because their out-of-pocket costs will be less.

Moreover, during recent health care debates, a rallying cry on both sides of the aisle was choice. MSA's provide that choice for consumers, and that is exactly what MSA's are about.

And what is wrong with giving a break to people who take care of themselves, exercise regularly, watch what they eat and drink, and don't smoke? Don't they deserve something for their efforts?

We as a society are already subsidizing those who abuse drugs and alcohol and are severely overweight. According to one recent study, one out of every four welfare mothers uses illegal drugs or drinks excessively. In addition, it is documented that Medicaid recipients use prescription drugs 2.2 times as much, see their doctors 3.6 times more, and visit the hospital 4.5 times as often as those who have their own insurance.

So I ask again, what is wrong with giving people a break for taking care of themselves?

There are additional reasons that MSA's are good for the consumer. MSA's will reduce administrative overhead as small bills will be settled and paid directly between provider and consumer. They will also increase the record low savings rate of Americans. Lastly, since MSA's provide an incentive to stay healthy, preventive medicine will be encouraged.

These are the reasons I support the MSA concept when I first heard about it, and these are the reasons I support MSA's today.

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But there is an additional and very powerful reason why I still support MSA's. They are clearly successful where they are being offered, in spite of Congress' failure to act on the needed changes in the Tax Code.

So I say to my colleagues, as we prepare to reconcile the House and Senate health reform bills, include MSA's in any health insurance reform measure

that will come out of Congress this year, because MSA's will cut costs, provide choice, promote healthy lives and save money for the consumers. Is that not what the epitome of reform is?

#### MILITARY PREPAREDNESS

The SPEAKER pro tempore (Mr. GUTKNECHT). Under a previous order of the House, the gentleman from California [Mr. HUNTER] is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, I have here in my hands a Marine ammo pouch. This is the type of a pouch that the Marine Corps infantryman uses to put his M-16 rounds of 5.56 millimeter rounds in for combat operations. This empty Marine ammo pouch represents yet another symbol, really, of the Clinton Defense budget coming apart at the seams.

Pursuant to conversations and briefings that we had with the Marine Corps and other services, when I asked as the chairman of the Procurement Subcommittee on National Security if they had enough ammunition to fight two regional conflicts, which is what we want our Marines and our Army to be able to fight, the Marines said candidly, no, Congressman, we do not. And we said, well, how short are you of ammunition? And they sent over a list of the ammunition that they were short; included in it is \$30 million in basic M-16 bullets. That is 96 million bullets that the Marine Corps infantrymen are short, should they have to fight two regional conflicts.

That means if we got into a fight in the Persian Gulf, like the one we had with Saddam Hussein, and then at the same time, we saw the North Koreans moving down the Korean Peninsula and we had to stop them with Marines, with soft bodies, those Marines would not have enough ammunition to do their job and protect themselves because this administration has come up millions of dollars short in ammunition.

Now, last week we had a hearing on safety, aviation safety, after the F-14s crashed. We had three F-14 crashes before the hearing, one right after the hearing. At the same time, we had three of the *Harrier* jump jets, those are vertical takeoff jets, that the Marines use. And the Marine aviation leaders told us that the Clinton administration does not intend to make the safety upgrades to 24 of those Marine *Harrier* jump jets. They further told us that those safety upgrades that they make the aircraft 40 percent safer for the pilot flying it.

Now, when you consider that about 30 percent of our *Harrier* jump jets have crashed, that is a pretty big safety margin and a penny-wise and pound-foolish move for the Clinton administration to make, to cut safety upgrade money out of the budget. But this is a result of these massive defense cuts that the Clinton administration is administering to the men and women who serve in the Armed Services.

Well, once again the cavalry is coming to the rescue and under the leadership of the gentleman from South Carolina, FLOYD SPENCE, the chairman of the Committee on National Security, we have put in today in the procurement markup enough money for every one of those 93 million bullets that the Marine Corps is short under the Clinton administration's budget.

We have also put into the budget today enough money to make every one of those 24 upgrades, safety upgrades, for the Harrier jump jets so our Marine pilots will be able to fly them in a condition which is 50 percent safer than the condition the Clinton administration would have them flying in.

Mr. BURTON of Indiana. Will the gentleman yield?

Mr. HUNTER. Mr. Speaker, I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, this is very, very disturbing, because we have been led to believe, I and all my colleagues, have been led to believe that our military preparedness is adequate for almost any eventuality.

We have been to Somalia, we are now in Bosnia, we have 20, 25, 30,000 troops over there, we have aircraft carriers over there, and the gentleman is saying that we are short on bullets as well as other areas of preparedness? That is very distressing.

Mr. HUNTER. I am telling my friend the story gets worse. We are \$30 million short on basic bullets, that is M-16 ammo for the riflemen. Total, we are about \$365 million short on ammunition, if we count the mortar rounds we are short, the howitzer rounds and all the other types of ammunition that go into a Marine amphibious force.

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman will continue to yield, the reason this is very distressing to me is President Carter had the same kind of policy that the gentleman is talking about during his administration, and when Ronald Reagan came in, we had seen 10 or 11 countries go Communist because, first of all, we did not have that determination to deal with them; and, second, we were not militarily prepared. And if we are not militarily prepared, we are going to have problems with some of these terrorist states: Iran, Iraq and some of these others, Libya, that are trying to get nuclear weaponry and delivery systems now.

So I think it needs to be made very clear to everybody that is paying attention, all of our colleagues, that without military preparedness we could have all kinds of problems like we had back in the early 1980's because we were not prepared.

I remember back then when I came to Congress we had people in training exercises that were using dummy shells in order to prepare. And that is something we cannot tolerate.

Mr. HUNTER. Mr. Speaker, the gentleman is absolutely correct, but the Republicans are coming to the rescue and we are going to have enough ammo

for those Marines to be fully equipped in wartime, and a lot of other equipment.

#### THE WORKING POOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, between 1979 and 1992 the number of working poor in America increased by 44 percent.

Some may not care about that—I do. I care that millions of our fellow citizens are holding down jobs, while sliding into poverty.

It's not fair. We can begin to correct some of that unfairness by increasing the minimum wage.

I also care about this Nation's small businesses—the backbone of our economy.

I would not promote a policy to help the working poor if it was shown that such a policy would substantially hurt small businesses.

Sometimes we are given false choices—employees with livable wages can be helpful to small businesses' profits.

According to the best evidence I have seen, a modest increase in the minimum wage will help the working poor, without hurting small businesses substantially or over a period of time.

Not long ago, the New York Times told the story of a town in my state of North Carolina and that town's experience the last time the minimum wage was raised.

Jacksonville is located in Eastern North Carolina, just outside of my congressional district.

The civilian population of Jacksonville is 80,000, but it is also home to 40,000 marines at Camp Lejeune.

When the marines went to the Persian gulf war in 1990 and 1991, the economy of Jacksonville suffered—small businesses were hurt.

But, according to the New York Times, when the minimum wage was last raised—for the first time in two decades—in 1991, the economy of Jacksonville did not suffer. Small businesses were not hurt.

In fact, following that increase in the minimum wage, unemployment in Onslow County, where Jacksonville is situated, declined.

In fact, unemployment declined by more than a half of a percent, following the first incremental increase, and by 1½ percent, following the second increase.

And, notably, employment in the County's restaurants grew from 3,180, the year before the first increase, to 3,778, the year after the second increase.

And, Mr. Speaker, the total number of restaurants in the County grew too during that same period of time, from 204 to 225.

The experience in Onslow County was apparently similar to the experience of

other counties throughout North Carolina, following the 1991 minimum wage increase.

A recent survey of employment practices in North Carolina after the 1991 minimum wage increase, found that there was no significant drop in employment and no measurable increase in food prices.

The survey also found that workers' wages actually increased by more than the required change.

In another study, the State of New Jersey raised its minimum wage to \$5.05 while Pennsylvania kept its minimum wage at \$4.25.

The researchers found that the number of low wage workers in New Jersey actually increased with an increase in the wage, while those in Pennsylvania remained the same.

Mr. Speaker, sometimes we must commit our young people to war and, during those times we recognize that sacrifices must be made.

Small businesses in Onslow County sacrificed for the Persian Gulf war.

But, Mr. Speaker, we do not have to commit our young people or any of our citizens to poverty, especially when they are ready, willing and able to work.

An increase in the minimum wage may not keep us out of war, but it can keep working Americans out of poverty.

The President's proposal would increase the minimum wage 90 cents over 2 years—just as we did in 1991. In 1991, the increase enjoyed bipartisan support, with President George Bush signing the Bill.

Since 1991, the minimum wage has remained constant, while the cost of living has risen 11 percent. Greater than one-third—36 percent—of all minimum wage workers are the sole wage earner in a family. Fifty-eight percent of all poor children have parents who work full-time.

In my view, the best welfare reform is a job at a livable wage. Raising the minimum wage would make it easier for people to find an entry level job that pays better than a government subsidy, and creates a strong incentive to choose work over welfare.

That same New York Times article profiled a young woman waitress, who was saving to buy a new, \$20,000 mobile home to replace the one she bought used for \$2,500. It seems her goal is not threatened by a possible increase in the minimum wage.

Notwithstanding the possible minimum wage increase, the competition just introduced a new menu, with lower prices.

Let's pass H.R. 940, the minimum wage increase. It is the right thing to do. It is the fair thing to do. I care about small businesses, and it will not hurt small businesses.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 5 minutes.