

Election Commission, the agency that is responsible for enforcing our campaign finance laws, and what that will mean to improving the current inadequate enforcement of our campaign finance laws. The FEC is already operating under severe budgetary constraints and this bill will severely hamper its ability to carry out its responsibilities to assure the integrity of elections in this country. It should be obvious that the FEC is understaffed and needs far more resources than it currently has. That is especially true in this presidential election year.

It seems especially ironic that in the same week we will take up so-called campaign finance reform legislation, we shall also apparently deny the FEC the type of increase in funding that it needs.

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In fact, the Committee on Appropriations has directed a reduction of three employees from the FEC press office which now only has five full-time employees. This move will obviously cut the FEC's press office which is in charge of the Commission's disclosure role by more than half. It seems to us that the last thing we should be doing during this highly ballyhooed reform week is making it more difficult to get information out to the public about campaign spending.

We should, in short, be very concerned about how the bill treats the FEC, Mr. Speaker. We talk constantly about the need to protect our process and keep it as free as possible of outside special interests, but the provisions of the bill that affect the FEC are clearly attempts to reduce the effectiveness of the one agency that has the responsibility for overseeing in some objective fashion the election process.

Mr. Speaker, the bill has a number of other questionable provisions, including the restrictions on the operations of what we hope to be a newly invigorated Office of National Drug Control Policy, the provisions that will permit certain convicted felons to sue to regain their firearm privileges, and overall the inadequate level of funding for some of the most basic functions of our Government.

Because of the urgency many feel to balance the budget, some of the agencies funded in this bill simply will not have enough money, we fear, to carry out their responsibilities in a proper manner.

In any event, Mr. Speaker, and as I said at the outset, we do not oppose the rule. We welcome the opportunity it gives us to address some of the more unacceptable provisions of the bill.

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

Mr. DIAZ-BALART. Mr. Speaker, we on the majority side believe that the functions funded by this bill are sufficiently supported. At the same time we are very proud of the fact that we have achieved a savings of over \$500 million from last year's bill alone.

Mr. Speaker, I yield such time as he may consume to my friend and fellow Floridian on the Rules Committee, Mr. GOSS.

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

Mr. GOSS. Mr. Speaker, I thank my friend and Florida colleague, Mr. DIAZ-BALART for yielding me this time. I rise in support of this rule, which allows the House to consider the fiscal year 1997 Treasury/Postal spending bill. This rule provides an opportunity for Members to offer any germane amendment under the standing rules of the House, and allows for reasonable debate on three important amendments that otherwise could not have been considered. It is a good rule and we should adopt it.

Mr. Speaker, I would like to address a particular issue of real concern to me and to many Americans, relating to the White House Office of Personnel Security. This office is funded under this legislation as is the entire White House operation. In recent weeks, the Nation has learned about a serious breach of policy and potential violations of the law with regard to the Personnel Security Office and the improper request and review of sensitive FBI background information on hundreds of former administration employees. I know that the Appropriations Committee had some discussion about this, and I am pleased that this legislation includes language tightening up the process by which information is requested from and provided by the FBI.

But I do not think we can let this matter go at that. In addition to making sure such a breach never recurs, we must continue to seek answers from this administration about how it happened in the first place. I applaud the two congressional committees that have been holding hearings to examine this episode. Unfortunately, it seems that each attempt by the White House to lay the issue to rest raises more questions than are answered. Well, Mr. Speaker, I have some questions of my own, sparked by a retrospective review of a little-noticed GAO investigation. Members may remember that in 1994 I and two of our colleagues asked the GAO to investigate the security pass procedures of the very same personnel office now under scrutiny. We were concerned at the time because many Clinton administration officials had not received permanent access passes and had not yet undergone the necessary security clearance procedures. We now know that, at the very time it was having such trouble completing its proper work in providing access passes to current employees, the Security Office was wrongly in possession of and improperly reviewing files it had no business having in the first place. Recent news reports suggest that there may be some direct connection between the Security Office's interest in former officials' files and problems current officials were having in meeting

the rigorous requirements of background security checks.

Recently we read that there was "an aggressive effort by the two men [in the Security Office] to help prospective appointees overcome serious legal obstacles and other problems that had impeded their security clearances during the first year of the administration."

Still, key administration officials have sought to assure the American people that there was no agenda for having those files, that they were unaware that the files were in that office—that it was nothing more than an innocent mistake. But given the fact that a GAO investigation was underway into the practices of the Security Office at the very same time, it is simply not believable that those responsible for internal control over that office would not have discovered the files as they prepared to cooperate with the GAO. It is equally hard to believe that, even if they missed the files during the review, the administration would not have discovered them had they followed up on the GAO's recommendations to consider additional controls on the security process. Mr. Speaker, given what we now know was occurring in the Office of Personnel Security, before spending one more dime of taxpayers' money there, I would like to know more about what the administration was doing behind the scenes to prepare for, supposedly cooperate with and follow up on this GAO investigation. I think the Members who requested this investigation, the Congress that received it, and the taxpayers who paid for it have a right to know. It is time for the Clinton White House to provide some solid answers to justify taxpayer support for certain of their activities. This is a good rule to get that debate to the floor. I urge support for this rule.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LIGHTFOOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 3756) making appropriations for the Department of Treasury, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1997, and for other purposes, and that I may be permitted to include tabular and extraneous material.

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

There was no objection.

**TREASURY, POSTAL SERVICE, AND
GENERAL GOVERNMENT APPROPRIATIONS ACT, 1997**

The SPEAKER pro tempore. Pursuant to House Resolution 475 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3756.

□ 1709

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3756) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1997, and for other purposes, with Mr. DREIER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Iowa [Mr. LIGHTFOOT] and the gentleman from Maryland [Mr. HOYER] each will control 30 minutes.

The Chair recognizes the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to present H.R. 3756, the fiscal year 1997 Treasury Appropriations bill. As reported, this bill achieves deficit savings of \$513 million from the 1996 enacted levels. Combined with savings from last year's bill, the Treasury-Postal Subcommittee has saved the American taxpayers \$1.2 billion since January of 1995. I believe this is a record that we all can be very proud of.

I am also pleased to report to my colleagues that although there were significant objections to this bill from the Committee on Ways and Means and from members of the Task Force on National Drug Policy, we have been able to work through these issues. While we cannot, at this stage, address all the objections raised by the Committee on Ways and Means, I am committed to working out the differences as we move toward conference with the Senate.

With regard to the IRS for fiscal year 1997, the subcommittee proposes several bold initiatives. Let there be no mistake about it. This is a tough bill for the IRS. But for 8 years, the IRS has been struggling to get on track a \$20 billion computer modernization program. They have spent approximately \$4 billion to date, and while there are some modest successes, we do not have 4 billion dollars' worth of goods that work. In my mind, the American taxpayer has been getting ripped off.

For the past 60 years, the IRS has had its budget cut only once, and that

was last year when I took over as chairman of this subcommittee. We nicked them by a big 2 percent and told them to get the TSM project on track. Unfortunately, IRS did not heed this advice. They proceeded as if it were business as usual. Not surprisingly, last month the subcommittee got yet another report on TSM that said, as currently structured, TSM is doomed to fail.

So this year we've taken the bull by the horns. This bill takes IRS out of the business of building its own computer modernization system and puts that system in the hands of people who build these systems for a living, the private sector.

I recognize this is a dramatic departure from where we are today, and I know that the bill cuts IRS funding by 11 percent and that, at a minimum, 2,000 IRS employees may lose their jobs. But in my mind there is simply no other way to get this program on track. IRS has proven to us time and time again that they simply cannot get this program up and running.

Mr. Chairman, I have heard a lot of concerns about this bill that it is so dramatic, that it is going to affect the tax filing season next year, that we're shutting off funding for electronic filing, that we seriously impair the IRS' ability to perform its core responsibilities. Well, that is simply not true.

In a few moments, I suspect my distinguished friend and colleague, the ranking member of the subcommittee, will stand up and read to you a letter written by the Committee on Ways and Means as well as letters from the administration that, in a nutshell, suggest IRS will come to a screeching halt under this bill. Some have also suggested this bill is outright irresponsible. Well, if I may use an old Iowa saying, horsefeathers.

I too would like to share some facts with my colleagues.

Last week the GAO issued a report on its audit of IRS' financial statements. I think my colleagues, as well as the American public, should pay particular attention to this. GAO could not provide an opinion on IRS' financial statements because the IRS could not back up major portions of these statements, and when they did, the information was wrong. That is amazing.

The GAO could not verify that IRS' own internal record keeping is accurate. GAO also found that the total revenue collected and tax refunds paid could not be verified, that the amounts reported, various types of taxes collected, could not be verified, and that IRS' \$3 billion in nonpayroll operating expenses could not be verified.

The bottom line, IRS' weakness in internal controls, means we cannot verify compliance with laws governing the use of budget authority. That is right. We cannot verify that IRS is using the dollars that we give them in accordance with the law.

This is not something new. It has been going on for some time. But to me

this is significant. GAO has been identifying these weaknesses for years. They made 59 recommendations aimed at solving these financial management problems. To date, the IRS has completed 17 of these recommendations. We gave IRS \$7.3 billion last year and IRS cannot verify how they are spending the taxpayers' dollars.

So, as I hear complaints about how the funding levels proposed for the IRS are too low and the taxpayers will not be able to file their taxes this year, I can only say this: I do not buy it for a minute and my colleagues and the American public should not either.

□ 1715

These are the facts. The IRS cannot justify their appropriations because they cannot reconcile their expenditures. That means that they cannot balance their own checkbook. Their records do not allow them to do it. IRS requires every single taxpayer to justify every dime on their tax return when they are audited, and yet the IRS cannot do it for themselves. I think taxpayers should be outraged at this incredible double standard and they should demand accountability from the IRS.

The funding levels proposed for IRS are not irresponsible. What is irresponsible is giving them everything they ask for without the appropriate justifications and backup. We view that as our job. If we are going to give you the money, you tell us why you need it and how you are going to use it.

So the message to the IRS is simply this. Come sit at the table with me as we prepare to go to conference with the Senate. Sit down and show me how and why and where you need this \$7.3 billion next year. Show me what you plan to buy, what you plan to spend, and what you plan to change in this failing \$8 billion computer modernization program. I am willing to negotiate and compromise, but not until the numbers are scrubbed and they are backed up with supportable facts.

Just as the IRS demands that the American taxpayer justify every penny on their tax returns, I am demanding the IRS justify every penny of their appropriation. It is only fair. To do anything else would be totally irresponsible.

I am optimistic IRS will heed the message. The days of automatic increases are over, but until the IRS can justify their budget, we should not give them a blank check. Instead, we fund the programs that work. We increase funding for the various law enforcement programs under our jurisdiction by \$410 million from the 1996 levels. We are providing in this bill \$24 million for the ATF to investigate church fires, provide \$65 million for Customs to get tough along our borders and stop drugs from coming in and reaching our children. We provide \$4.2 million for investigations of missing and exploited children, including funds to establish aggressive investigations of child pornography.