

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.

Mr. Chairman, this is a good bill for Americans. We achieve deficit savings of \$513 million, we demand accountability from a failing \$8 billion computer program, and we start an aggressive campaign against drugs coming in along our borders. I urge my colleagues to support this bill.

Mr. Chairman, before turning to the gentleman from Maryland [Mr. HOYER] for his comments, let me say a brief word in appreciation of the fine work that the staff has done. Jennifer Mummert, Dan Cantu, Betsy Phillips, Bill Deere and our subcommittee clerk, Michelle Mrdeza on the majority side, and Seith Statler and Pat Schlueter on the minority side have put in a lot of time and a lot of hard work to get us here today. It has been a tough bill to put together. I asked the subcommittee to take us in a new direction this year. They have done so and, in my opinion, in a thoroughly professional manner. I would also like to thank the gentleman from Maryland [Mr. HOYER] for working with us on the bill.

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

Mr. HOYER. Mr. Chairman, I yield myself 18 minutes.

Mr. Chairman, before launching into a statement on the Treasury-Postal appropriations, I want to pay tribute to my friend and colleague, the gentleman from Iowa [Mr. LIGHTFOOT], the chairman of the subcommittee. As all of us know, he is running for the Senate and will not be with us next year in the House. I would like to thank him and the staff for the diligent work that they have done on this bill.

I also want to reiterate what I said in committee. I want to thank the chairman and the committee for the openness with which they have dealt with us on the legislation before us, particularly as it relates to preceding the initial subcommittee markup. I appreciate it and it was helpful.

Mr. Chairman, the Treasury-Postal bill has been a hard bill to put together for fiscal year 1997, based in part on the deck we have been dealt by the budget resolution and the committee's 602(b) allocation, or more plainly, the money that we were given by the full Committee on Appropriations to carry out our responsibilities.

For fiscal year 1997, the 602(b) allocation requires an overall reduction of \$130 million in budget authority and a half a billion dollars in outlays from the 1996 appropriation level, a half a billion dollars below what was a very tight budget in 1996. We simply do not have enough money to fund all the requirements of this bill. Once again, there is another illustration of why we should have adopted the coalition budget.

Overall, this bill provides \$11.1 billion in discretionary funding, which is about \$130 billion below the amount we appropriated last year and \$1.7 billion below the amount requested by the administration.

On the good side, Mr. Chairman, within the limit of resources available,

this committee's commitment to law enforcement is evident. Funding for law enforcement agencies totals \$3.5 billion, an increase of \$408 million, or 14 percent, over the 1996 levels and \$155 million above the administration's request.

We have funded law enforcement initiatives, including \$800,000 for the Treasury Recipient Integrity Program, the TRIP Program, the Secret Service Program to stop fraud in benefit payments so that the beneficiaries are protected and the taxpayer is protected; \$12 million supplemental this year and \$12 million in 1997 to help ATF stop arson at American churches and do research on arson; continued full funding for Hill Intensity Drug Trafficking Areas, HIDTA's, and the addition of three new HIDTA's; \$28 million for Customs' Operation Gateway to cut drug traffic through the Caribbean; \$300,000 for FINCEN, the Financial Crimes Enforcement Network, a critically important agency to enhance interaction and effectiveness between law enforcement agencies to stop money laundering and the use of billions of dollars for criminal enterprise and the profits of criminal enterprise.

Programs like these provide a secure environment for the vast majority of Americans who are law-abiding citizens. Ongoing initiatives like HIDTA and the Gang Resistance Education and Training Program, the GREAT Program, make our streets safer for those who would work at school and at home. Just as ATF and the Secret Service provide vital protection in communities across the country, the Customs Service secures our borders from those who would seek to bring harm to our citizens, especially from the ongoing threat of illegal drugs.

In addition to law enforcement, this bill fully funds the Archives and OPM and includes very limited buyout authorities for Customs, ATF, and the IRS. I should note that this buyout authority must be significantly adjusted if it is to save the taxpayers money in avoiding RIF's, as GAO has indicated.

On the negative side, these increases in law enforcement have been made at the expense of the Internal Revenue Service, a critically important agency when it comes to deficit reduction and funding every priority of this Government. This bill cuts over \$800 million from the amounts IRS needs just to maintain current levels of taxpayer service and revenue collection. Overall funding cuts to IRS would result in a decrease of some 7,500 FTE's and, to the extent these reductions cannot be accomplished by October 1, even more FTE's would have to be cut.

The reductions in this bill to the IRS are so unwise that the Committee on Ways and Means concluded in its June 26, 1996 letter to Chairman LIVINGSTON that this bill will not work for the IRS.

Specifically, Mr. Chairman, the bill will impair the IRS' ability to perform its core responsibilities. Its cuts to information systems will endanger IRS'

ability to collect taxes and process returns in 1997 as well as provide efficient customer services to the Nation's taxpayers.

These budget cuts could create a very significant risk that substantial Federal revenues could be lost, thereby exacerbating our Federal budget deficit problems. That comes from the letter signed by the gentleman from Texas, Mr. ARCHER, and the gentlewoman from Connecticut, Mrs. JOHNSON, not by a Democrat, not by STENY HOYER, a ranking Member, but by the Republican oversight leaders of this House.

Specifically, Mr. Chairman, the bill will impair the IRS's ability to perform its core responsibilities; cuts in information systems will hurt their ability to collect taxes and process returns in 1997, as well as provide efficient customer services to the Nation's taxpayers. We all lament when our taxpayers complain that they do not get speedy response. They cannot get such response if the ability to do so is not funded.

These budget cuts could, and I think will, pose a risk of creating a very significant risk that substantial Federal revenues could be lost, thereby exacerbating our Federal budget deficit problems.

Mr. Chairman, this third conclusion of the Committee on Ways and Means should not, cannot be ignored by those Members of this House who take deficit reduction seriously. In other words, supporting this bill with its cuts to the IRS means you are putting at risk a balanced budget.

The problem is really very simple. This bill cuts IRS funding and staffing so much that it will not be able to collect the revenue that the rest of the Government depends upon and that deficit reduction depends upon.

If this bill were to become law, the 1997 filing season would be impacted adversely with taxpayer services jeopardized, revenue losses of over \$1 billion would occur, adding to the Federal deficit, and IRS' computer modernization efforts would be crippled, leading to significant problems in the near future.

Not only does this bill halt the compliance initiative found to enhance revenues so successfully in prior years, but it cuts into the base funding of IRS' tax enforcement program, reducing tax law enforcement to \$44.7 million below the current level, and would result in an estimated annual revenue loss of well over \$640 million. Cuts like this will cost, not save, money in the long run.

With respect to TSM, let me call attention to the provisions of the June 26 letter, which says, and I would quote, "We strongly oppose a number of TSM management actions recommended by the subcommittee, in particular the fencing of all TSM funds, until the IRS establishes a restructured contractual arrangement with the private sector to develop and deliver effective TSM programs."

They do so because on page 5 of that letter, Mr. Chairman, they say "The IRS on TSM is clearly moving in the right direction." In other words, what the gentleman from Texas [Mr. ARCHER], the gentlewoman from Connecticut [Mrs. JOHNSON], the gentleman from Florida [Mr. GIBBONS], and the gentleman from California [Mr. MATSUI] are saying is that from 1988, under President Reagan, from 1989 to 1992 under President Bush, from 1993 to 1996 under President Clinton, there were very substantial problems in the tax systems modernization program. I agree with that. Our committee agrees with that.

Our committee has taken action to try to correct that, and in fact we have been heard because the Treasury Department, under Secretary Rubin, has taken action to ensure that TSM is done and done right.

Now, Mr. Chairman, we do not have an alternative but to do tax systems modernization as we look into the next century. The committee clearly believes, again I say not the Democrats looking at a Democratic administration, but the gentleman from Texas [Mr. ARCHER] and the gentlewoman from Connecticut [Mrs. JOHNSON] in their letter clearly says, "The IRS is clearly moving in the right direction." Therefore, this action is a dollar short and a day late because we have gotten a handle on the program.

□ 1730

But it does make, I suppose, for good debate.

This bill would, in addition, Mr. Chairman, set aside \$26 million of IRS's limited funds to double the scope of the current pilot project on using private collection agencies to collect overdue taxes. I personally believe that, until the results of the first project are complete, this \$26 million would be better spent in IRS telephone collection systems which could generate an additional \$665 million in revenue.

This bill, in addition, cuts in half funding for tax systems modernization and ties the hands of the Treasury Department such that even the operational projects that GAO believes should be funded are halted. I am pleased that we are going to speak to that issue, and I want to say that the chairman, as he said in his opening statement, has been very willing to discuss problems that might exist and to indicate a willingness to look at these and try to correct them.

I think that is a very positive step and it does not surprise me, because that has been the Chairman's continuing pattern throughout my relationship with him. He is a person who wants to make sense and to do the right thing.

The bill zero funds, in addition, the automated underreporter document matching systems, which will result in the loss of jobs for 88 people, a savings of \$9.4 million in budget costs, but the potential loss of a billion dollars. Sav-

ing \$9.4 million and putting at risk a billion dollars does not seem to me to make common sense.

Zero funding of the electronic filing operating systems that were used by over 14,000,000 taxpayers in 1996 will cost 251 people their jobs and set back all filing to pen and paper operations. Zero funding for corporate files on line will make resolving taxpayer inquiries much more difficult. I do not think that is what we want to do for our taxpayers.

Zero funding for the print systems that generate millions of taxpayer notices each year would create chaos, frankly, in the revenue system. Even the Detroit computing center, which processes all currency transaction reports and administration information, would be zero funded as well.

The committee has simply gone too far, in my opinion, Mr. Chairman, in its zeal to punish the IRS for its lack of success with tax systems modernization. We all recognize that this broad effort to update all aspects of IRS' computer and processing systems, known as TSM, is a high priority that is critical as the agency prepares for the 21st century. We are also concerned about the lack of results from IRS' efforts on TSM.

TSM has had problems for many years, through three administrations, as I previously said. I am glad that Secretary Rubin agrees that we are on the right track and that the gentleman from Texas [Mr. ARCHER] agrees with the Secretary.

The Committee on Ways and means, as I quoted before, on page 5 of its letter said, and I quote, "We believe it makes little sense, at a time when the IRS is finally making progress in its efforts to implement necessary changes in its TSM management processes, to hamstring the IRS's ability to complete its task."

My colleagues, particularly on the other side of the aisle, the majority side of the aisle, the Committee on Ways and Means leadership, the gentleman from Texas [Mr. ARCHER] and the gentlewoman from Connecticut [Mrs. JOHNSON] say we strongly encourage the Committee on Appropriations to delete the funding restrictions on TSM and allow responsibility for execution of problems by micromanaging the Department and using DOD as a procurement agent for all TSM contractors.

The fact of the matter is neither the Department of Defense nor the Committee on Ways and Means nor the Treasury Department nor IRS agree with that proposal.

Mr. Chairman, I disagree with the bill's restrictive TSM language, as does the Committee on Ways and Means. The IRS is not, Mr. Chairman, and never has been and probably never will be a popular agency. We all know that. But it has a job that must be done, and this bill does not provide the IRS with adequate tools to accomplish its mission. It is a pyrrhic position, I believe,

to stand and say we want to cut the deficit, cut spending, but to cut IRS spending to the extent that the deficit will be made higher.

Now, Mr. Chairman, in conclusion, moving on to the Postal Service, I am disappointed we are not fulfilling our agreement with the U.S. Postal Service which we agreed to some years ago and fully funding what we owe them. Now, it is a very small portion of the postal budget, but we ought to meet our own responsibilities. We are not doing it in this bill.

Finally, Mr. Chairman, this bill unduly restricts the operations of our newly invigorated office of National Drug Control Policy. I know my friend, the gentleman from Illinois [Mr. HASTERT], has discussed this with the chairman and will be speaking to this issue.

The President has appointed, in my opinion, a true leader in Gen. Barry McCaffrey. Here is a man who began his distinguished career as a 17-year-old cadet at West Point and retired from active duty as the most highly decorated officer and the youngest four-star general in the U.S. Army. Most recently he was the commander in chief of the U.S. military's Southern Command, from which a lot of our drugs come, where he saw firsthand the efforts of all U.S. agencies involved in counternarcotics.

As President Clinton said when he announced General McCaffrey's nomination, "I am asking that he lead our Nation's battle against drugs at home and abroad." To succeed, Mr. Chairman, he needs a force far larger than he has ever commanded before. He needs all of us. Every one of us has to play a role.

I believe we ought to give General McCaffrey the staff he needs and the opportunity to lead this Nation in our battle against drugs.

The good news is I understand that we are going to be doing that and I will certainly support that.

The bill before us demonstrates the continuing balance between personal and governmental responsibility. Yes, we each must pay taxes to the IRS, but, in turn, we expect good service and timely refund checks. The committee's bill cuts so much from IRS that I question whether or not the IRS can meet its basic responsibility as does the gentleman from Texas, Chairman ARCHER.

On a much more macro level, every American must be involved in stopping gang violence, ending illegal drug use, and halting the burning of churches, black and white. Yet this bill reminds us that Government can and does play a role in many of these important fights. Those that choose to level criticism on the Government and on those they call bureaucrats ought to review the important work and incredible accomplishments of the men and women that work at the Department of the Treasury and other agencies included in this bill.

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

Mr. LIGHTFOOT. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. HASTERT] so that we may enter into a colloquy.

Mr. HASTERT. Mr. Chairman, I rise for the purpose of entering into a colloquy with the gentleman from Iowa. I want to clarify the purpose of the gentleman's amendment.

Does the gentleman intend to provide sufficient resources for the Office of National Drug Council Policy to hire a staff of 154, including 30 military detailees?

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. HASTERT. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I would say to the gentleman, the answer is yes.

This amendment will provide for full funding of the President's request for a staff of 154. I think it is important that the director of ONDCP have enough people, and of the right kind, to fight the war on drugs.

Mr. HASTERT. Mr. Chairman, reclaiming my time, as the gentleman knows, I object to the second part of the amendment, which would prevent ONDCP from spending \$2.5 million until the House and Senate Committee on Appropriations and ONDCP reach agreement on a revised staffing plan.

At what point would the gentleman from Iowa propose to lift that restriction?

Mr. LIGHTFOOT. If the gentleman will continue yielding, as the gentleman knows, I support the mission of ONDCP. I believe that General McCaffrey has made great strides in turning around an agency that has been long neglected by the Clinton administration.

I want to be clear my concern is not with the leadership of ONDCP or with its mission but with the draft staffing plan that funds too many support staff at the expense of people who can actually coordinate the war on drugs and evaluate programs. I think we owe it to the taxpayer to ensure that ONDCP gives us the biggest bang for the buck, so to speak.

Let me also say to the gentleman that ONDCP has already made some important strides in addressing our concerns over its staffing plan since the subcommittee initially marked up this bill. I fully expect we will have an acceptable staffing plan before we begin the House-Senate conference on this legislation. Once we have that agreement, it is my intention to withdraw a provision restricting the use of the funds from the bill at conference.

Mr. HASTERT. Mr. Chairman, we all support the \$1 million allocated for the State Model Drug Law Conferences. We understand the gentleman is open to considering in conference where this funding may be most appropriately obtained to ensure the implementation of an aggressive antidrug strategy.

Mr. LIGHTFOOT. The gentleman is correct.

Mr. HASTERT. Mr. Chairman, I want to express my concerns with the strong language contained in the committee report regarding the ONDCP staffing levels and the ONDCP in general. I would hope the gentleman's intent is to reverse this language in the conference report once he has agreement on a staffing plan, and I understand that everyone is committed to reaching swift agreement on that plan.

Many of us have strong expectations that this will happen very soon and the monies will be released by the time this bill goes to conference.

Mr. LIGHTFOOT. Again, the gentleman from Illinois is correct. Once we have agreement, the strong language will no longer apply. At that time I will recommend to the conference committee that it be reversed. I fully expect and wish to drop the harsh report language in conference, and also to drop all restrictions on spending so ONDCP, under its new and more effective leadership, has our strong support for its mission and has the resources necessary to reduce drug abuse in this country.

I would also like to compliment the gentleman from Illinois for his hard work on this issue.

Mr. HASTERT. Mr. Chairman, I appreciate the gentleman from Iowa yielding on this and, as always, for his hard work and diligence and excellent craftsmanship.

Mr. HOYER. Mr. Chairman, may we have the time remaining on each side?

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] has 12 minutes remaining and the gentleman from Iowa [Mr. LIGHTFOOT] has 18¼ minutes remaining.

Mr. LIGHTFOOT. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia [Mr. DEAL] to discuss his concerns about the post office in Dalton, GA.

Mr. DEAL of Georgia. Mr. Chairman, as the gentleman just mentioned, I rise to engage the distinguished chairman of the subcommittee in a colloquy with regard to the postal facility in Dalton, GA.

Mr. Chairman, I want to bring to the gentleman's attention again the consideration of the situation in the postal facility in Dalton, GA. Dalton has become recognized internationally as the home of the carpet industry. As a result, tremendous growth in recent years has placed an enormous burden on the local post office. Traffic along South Thornton Avenue is often congested due to the overwhelming number of consumers that are lacking adequate parking spaces there.

Automobile accidents have become a weekly occurrence. Not only is parking limited but also are the post office boxes. Currently, there is an unacceptable number of citizens and businesses on waiting lists that are in need of postal boxes.

Much has changed in Dalton, GA, since 1966 when this postal facility was

established. I would appreciate the committee's support in urging the U.S. Postal Service to consider building a new postal facility that provides safe, accessible, postal services which meet the needs of the Dalton community.

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. DEAL of Georgia. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I understand the gentleman's concern and also that the citizens of Dalton are in need of a new post office. Although this appropriations bill does not fund the construction of new post offices, the committee supports the proposed project and encourages the Postal Service to continue working with the residents of Dalton to ensure that a new postal facility is constructed.

□ 1745

Mr. LIGHTFOOT. Mr. Chairman, I yield 4 minutes to the gentleman from Oklahoma [Mr. ISTOOK], a distinguished member of our committee.

Mr. ISTOOK. Mr. Chairman, I thank the gentleman for the time.

I rise in support of this appropriations measure, Mr. Chairman. The gentleman from Iowa [Mr. LIGHTFOOT] has taken on some exceedingly difficult tasks. I know there has been a lot of work by all the members of the subcommittee. I appreciate the ranking member, the gentleman from Maryland [Mr. HOYER], formerly chairman of the subcommittee.

This has been a most difficult measure, especially because of the situation regarding the Internal Revenue Service, Mr. Chairman. The IRS, as a body, is one about which we all make jokes. We talk about the problems it inflicts upon us. We do not like it. We mail in checks to it. We do not like how much we have to send. Yet we realize that people that work within the service are frequently our friends and neighbors, people with whom our kids go to church. I am sorry, people with whom our kids go to school, people with whom we go to church, or should be.

But it is an agency with a great many problems. Especially the chairman and the members of the subcommittee have made a quite difficult decision with not providing some \$700 million or so that the IRS said it wanted to help in upgrading its computer systems.

This has been a multiyear project, Mr. Chairman. It has already involved spending billions of dollars of taxpayers' money, but the system is not working properly. It is not designed. There is not an overall plan. The IRS does not have sufficient expertise. It has not delegated responsibility to contractors and vendors who had that expertise.

As a result, we have had hundreds of millions of taxpayers' dollars wasted. Until the IRS is in control of that situation and has it moving on target, where it can provide better services to the taxpayers, where it can give the efficiency, the up-to-date information

that taxpayers expect and deserve regarding the payment of their taxes, until that time we should not be giving the IRS the leeway which it desires. So the money that is in this bill is fenced. There are hundreds of employees in the Internal Revenue Service that will no longer be employed upon that project. Some may find work elsewhere within the agency. Others will not.

It is a difficult decision. The subcommittee, however, has come down with a decision that it must be done because we cannot countenance the continued waste of taxpayers' money through the inefficiency of the IRS. Especially the higher the tax rates have become in recent years, the more natural opposition there is for taxpayers to comply voluntarily with the tax laws.

Therefore, if we expect the taxpayers to submit their money to the Federal Government, we had better be making sure that that money is properly spent, especially within the agency that collects it.

I applaud the chairman for his efforts on this. I know there will be further revisions to how we are handling that as the process moves through the House and the Senate.

Especially, Mr. Chairman, within the context of this overall bill, we realize the importance of holding the line in reducing Federal spending. I wish that I could say that this bill overall represents an actual reduction in overall spending. Within the context of a \$23 billion spending measure, the increase from last year's authorized spending is \$51 million. Frankly, it would not even be that were it not for mandatory payments to Federal retirement accounts. If we left out the Federal retirements, we would actually have an \$80 million reduction in this bill from last year's spending.

So it is certainly holding the line and we wanted to be able to go even further so that when taxpayers have to send in their hard-earned money, at least they will recognize that somebody here is trying to make sure that it does more good for them.

I ask Members' support of the bill.

Mr. LIGHTFOOT. Mr. Chairman, I yield 4 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

(Mrs. MORELLA asked and was given permission to revise and extend her remarks.)

Mrs. MORELLA. Mr. Chairman, the provisions in the Treasury-Postal fiscal year 1997 appropriations bill directly impact my constituents. I represent tens of thousands of Federal employees, many of whom work at the Treasury Department, IRS, U.S. Customs Service, Bureau of Alcohol, Tobacco and Firearms, Secret Service, Postal Service, General Services Administration, and Executive Office of the President—all funded by the Treasury-Postal appropriations bill. This bill affects all of our constituents—America's taxpayers—in many ways. While this bill contains many provisions that will improve the way in which the Govern-

ment operates, it also contains some very troubling cuts to the IRS and restrictions on a woman's right to choose.

Mr. Chairman, I strongly oppose the IRS cuts contained in this bill. This legislation appropriates \$776 million less for the Internal Revenue Service than the fiscal year 1996 appropriation. Most of these reductions are in the IRS information systems account; it is cut by 29 percent from last year's appropriation. This legislation will restrict the expenditure of virtually all IRS tax systems modernization [TSM] funding and will require the IRS to immediately eliminate all but 150 of its 2,016 tax systems modernization employees—all from the D.C. area. These TSM employees' knowledge and expertise are critical to the success of the TSM system. The bill provides that the Defense Department will contract out the tax systems modernization functions, despite the fact that DOD does not want this function and would need to hire and train new employees. Furthermore, the buyout authority in this bill will provide little or no benefit for TSM employees because they will lose their jobs immediately upon enactment of this bill. This bill is devastating to my constituents who are employed by the IRS, but the real losers are the taxpayers who will become increasingly frustrated in dealing with the IRS if it does not have the resources to operate efficiently and correct its flaws.

This bill also calls for an additional \$26 million to be appropriated to private contractors for a second debt collection pilot program. Last year's Treasury-Postal appropriations bill called for a \$13 million pilot project to assess private debt collectors' ability to protect taxpayers privacy and fairness. This project has only been operating for just over a month, and it is far too early to assess its success. The Ways and Means Committee opposes appropriating this \$26 million for a second pilot project before we can evaluate this year's project. Before we invest additional tax dollars in contracting out programs, existing programs should be carefully analyzed.

Despite these serious concerns, I want to commend Mr. LIGHTFOOT for addressing the year 2000 computer issue.

The year 2000 is rapidly approaching and the next millennium is expected to be a time of great change. Unfortunately, a vast majority of our Nation's computer systems are not equipped to handle the simple change of date initiated by the turn of the century. Most of the computer software in use today employ two-digit date fields. Consequently, at the turn of the century, computer software will be unable to differentiate between the years 1900 and 2000. If this software problem is not addressed promptly, it will render the vast majority of date sensitive computer information unusable.

I am pleased that Chairman LIGHTFOOT has agreed to my recommendation and included language on the year 2000 problem in the re-

port to accompany H.R. 3756, the Treasury, Postal Service Appropriations Act for fiscal year 1997. The report language directs the Office of Management and Budget to assess the risk Government computer systems are facing from the turn of the century. OMB is required to survey all Federal Government agencies and submit a report to Congress which first, includes a cost estimate to ensure software code date fields are converted by the year 2000; second, delineates a planned strategy to ensure that all information technology, as defined by the Information Technology Management Reform Act of 1996, purchased by an agency will operate in 2000 without technical modifications; and third, outlines a timetable for implementation of the planned strategy. The report will be submitted to the House Committee on Appropriations, House Committee on Government Reform and Oversight, and the House Science Committee no later than November 1, 1996.

As chairwoman of the Technology Subcommittee of the House Science Committee, I convened a hearing on the year 2000 computer problem on May 14, 1996. At that hearing, computer expert, Peter DeJager, testified that it will cost the Federal Government \$30 billion to correct the year 2000 problem in all of its computer systems. He also indicated in his testimony that each agency will have to review every line of its software code, a process that could take years to complete.

The deadline, January 1, 2000, cannot be postponed. If Federal Government computer systems are not corrected by that time, our national security and Federal services affecting the well-being of millions of individuals will be jeopardized. The Department of Defense has testified that a majority of its weapons systems depend on date-sensitive computer software that must be upgraded. In addition, the Social Security Administration, Veterans' Administration, Department of Health and Human Services, and Agriculture Department all use date-sensitive computer software to provide benefits. These computer programs must be corrected before the end of the century or vital services will be disrupted.

The Treasury, Postal Service Appropriations Act requires Federal agencies to develop a comprehensive plan to address the problem and ensure that a solution will be in place by January 1, 2000. I commend Chairman LIGHTFOOT and the members of the Appropriations Committee for their cooperation in addressing the year 2000 problem.

The Federal Government is only one piece of the puzzle. This fall, I intend to convene a second hearing on the impact of the year 2000 on State government and private sector computer systems. Estimates to correct the year 2000 problem in the private sector alone are as high as \$600 billion. While the challenge ahead is daunting, Chairman LIGHTFOOT has taken a significant first step in addressing the year 2000 computer dilemma.

This legislation makes important improvements in the way the Government operates. It enhances taxpayer rights through an IRS training program. It closes a loophole to prevent felons from applying to the BATF in order to have their right to own a firearm restored. This bill provides up to \$500,000 to reimburse former White House Travel Office employees for any attorney fees they incurred in defending themselves against false allegations made at

the time they were fired. It also bans the use of funds by the Executive Office of the President to request any FBI investigation report unless that individual gives his or her consent or when such a request is required for national security reasons.

This legislation includes buyouts for IRS, BATF, and the U.S. Customs Service to facilitate downsizing. Federal employee buyouts have been the subject of many hearings in the Civil Service subcommittee on which I serve. If properly administered, buyouts can help ease the pain of downsizing for both employees and their agencies, and I strongly support the inclusion of this buyout authority. It is important, however, that employees have enough time to make informed choices based on both their personal situation and the agency's situation and that employees who are retirement eligible may also take buyouts. I will be supporting an amendment that will allow employees to use the buyout authority through March 31, 1997.

Despite the important additions to this year's Treasury-Postal bill that I have mentioned, I regret the inclusion of the draconian cuts to the IRS. I fear they have damaged an important piece of legislation with many critical provisions.

Mr. LIGHTFOOT. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. MCCOLLUM], chairman of the Subcommittee on Crime.

Mr. MCCOLLUM. Mr. Chairman, I want to thank the gentleman for yielding me the time.

I want to use this opportunity, first of all, to congratulate the gentleman from Iowa [Mr. LIGHTFOOT] on a good product that he has produced here today that we are considering. From the standpoint of the law enforcement end of this and that which I deal with a great deal over on the authorizing side, I believe that this is a very, very commendable bill.

The bill increases law enforcement programs, as I understand it, by some \$410 million over fiscal year 1996, specifically for drug interdiction, tracing explosives, combating illegal interstate gun trafficking, fighting child pornography, and gang-related activities.

The bill also provides an additional \$24 million to supplement the Bureau of Alcohol, Tobacco, and Firearms' investigation of the recent church arsons. Overall, the bill provides \$23.2 billion in budget authority for the Treasury Department, Postal Service, and other government operations. It is \$1.6 billion less than the President requested, but \$51.5 million more than last year.

The bottom line is that in this big humongous piece of legislation that deals with this sector of appropriations that is under the subcommittee presenting this bill, we have got a really good shake for the Bureau of Alcohol, Tobacco, and Firearms and those that

are under Treasury that have a connection with law enforcement. Those agencies are vital agencies to the protection of the American citizenry. We have seen in recent weeks how vital those are.

The Bureau of Alcohol, Tobacco, and Firearms has the responsibility for all of the arson work in this country, for all of the explosive concerns that we have, for all of the gun issues that are so volatile out there in the countryside. While they can be a very controversial agency and we have had times when we have criticized them for their actions in certain instances, such as Waco and Ruby Ridge, the truth of the matter is that day in and day out they are a law enforcement agency protecting public safety, and they need the support of this Congress. They need the resources that are involved in the very items that I named a moment ago that this bill would provide for them.

In addition to that, I know that Mr. LIGHTFOOT has worked hard with the court systems as well and, to the degree it is under his jurisdiction, he has supported it. I am very glad to be here to urge adoption of this bill.

Mr. HOYER. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana [Mr. VISCLOSKEY], a member of the subcommittee.

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

Mr. VISCLOSKEY. Mr. Chairman, I thank the gentleman for yielding time to me.

I want to draw particular attention to one provision of the bill that I strongly support, and that is the inclusion of \$24 million for the Bureau of Alcohol, Tobacco and Firearms to expand their ongoing investigation of the recent wave of church burnings occurring across the United States. Since January of last year, 36 African-American churches have been burned to the ground by arsons. These burnings have destroyed important sources of American history and left small rural communities gripped by an epidemic of terror and fear unknown since the days when marauding Klansmen destroyed lives and property at will.

I am saddened to witness a climate in which many of America's most sacred institutions can be subjected to such abuse. Currently an estimated 1,000 Federal and State investigators are involved in the ongoing investigations, and ATF alone is spending more than \$1 million a month for these investigations.

I applaud Chairman LIGHTFOOT for the leadership he has shown in his decision to include \$24 million for ATF to expend in their investigations of these arsons. I also applaud his decision to create a joint Treasury-Justice Department task force whose investigation will be national in scope.

This action by the chairman compliments legislation recently signed into law by the President, the Church Arson Prevention Act.

These new laws make it easier for Federal authorities to investigate crimes against places of worship and broadens jurisdictional authority in church arson cases. I applaud the new law, but I feel the action taken by the committee is of immediate importance. Clearly funds for additional personnel and resources will ultimately prove to be the difference between success and failure in the investigations.

This Congress must send a strong message that hate and intolerance will no longer be tolerated in any sector of our society.

Mr. Chairman, I would also be remiss if I did not commend the chairman of the committee, the gentleman from Iowa [Mr. LIGHTFOOT], for his outstanding service to his country and to this institution. The chairman and I are classmates, and he is a gentleman in every sense of the word. And I think Charles Dickens, in "A Christmas Carol," said it best, he is as a good a friend, as good a master and as good a man as this institution has ever known.

His dedication to his family has never been in doubt, and his dedication to his country has never been questioned.

Every night I tell my two sons to have happy dreams and a good life. As you continue your life and career, I hope that you may live your dream. As you continue your very good life, good luck, my friend.

□ 1800

Mr. HOYER. Mr. Chairman, I yield 3½ minutes to the distinguished gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, I thank the gentleman from Maryland [Mr. HOYER] for yielding this time to me. I appreciate the gentleman's work and the work of the chairman of the committee and wish to say as well that on this side of the aisle we will miss the chairman as he retires from the Congress.

We are at the end of the toughest year in memory for Federal employees and for Federal agencies. It can only get better, and I know this has been a tough bill to work on, in part for that reason. I would like to call the attention of the House to a few issues that give me particular concern.

The Office of National Drug Control Policy now has a new director, and then we tie his hands. At the very least it seems to me as he deserves the right to start without staff reductions. On that side of the aisle a major issue has been made of the increase in some sectors of drug use, especially among young people. The way to send a message we are serious about curtailing that use would be to allow the Office of National Drug Control Policy to proceed without undue cuts.

There is no time to waste on this issue. It is enveloping us again; it rises, it falls, it rises again.

I also regret that there has been competition for funding between the IRS

and the Treasury, the IRS making money, the Treasury making peace. I commend the committee that there is \$24 million in this bill for the ATF to combat torching of churches. I appreciate, and I am sure America appreciates, the sensitivity of the subcommittee on this matter.

But there is a false tradeoff here. If we are going to lay off thousands upon thousands of IRS employees—and that could happen—who can make money and therefore reduce the deficit, we are making false choices. We have cut into not only the compliance initiative, but the existing operations of the IRS, an unwise decision if ever there was one. This is no time to slow up on collecting revenue.

I just want to say a word about the Postal Service because the story there has been the story of broken promises since we have spun the Service off. I do regret that the Workman's Compensation matter remains unresolved. We promised the former Post Office employees that that matter would be dealt with by this body, not by the new Service.

It reminds me of the unfunded pension liability issue in the District of Columbia. We now are fully funding pensions, but the House has transferred to the city unfunded pension liability from when the city was on its watch. We are doing the same thing to the Postal Service. In this jurisdiction the ranking member knows that we have had difficult problems with Service. We do not need to have the Postal Service take that money out of services.

Finally, we are once again here with no Federal funding for abortions for Federal employees who happen to be women. We are talking about a million women of reproductive age. We have done the same thing to military women and to women in the Federal service, alone among American women. We choose them out for special insult. They are bunched only with the women of the District of Columbia, poor women, who cannot have abortions paid for by our own funds.

Mr. LIGHTFOOT. Mr. Chairman, I would like to thank the gentleman from Indiana [Mr. VISCLOSKEY] for his fine words and glad I had a few minutes to gather my composure to say that, and also the gentlewoman from the District of Columbia [Ms. NORTON] as well.

Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. DAVIS].

Mr. DAVIS. Mr. Chairman, I just want to associate myself with the words previously of the gentlewoman from Maryland [Mr. MORELLA], my friend, the gentleman from Maryland [Mr. HOYER], and my colleague from the District of Columbia in talking about some of the cuts that are going to be felt by the IRS central office this year, the cuts in the TSM information systems.

The gentleman from Texas [Mr. ARCHER] from the Committee on Ways and Means has written the chairman of

the Committee on Appropriations writing about the inadvisability of these cuts. As someone who has served for many years in local government, we found out many ways the best way to get revenue is the taxpayers who owe the money is to insure that they pay it. This Congress, the previous Congress, embarked on a very ambitious way to go about collecting this, and it was reversed last year, and now we are cutting back even further the IRS central headquarters in the way we are going to go about collecting these taxes that are due.

The best thing we should do before we start raising taxes from other people and looking around for other cuts is to make sure the people who owe the revenue pay it, and that is all this system does.

Now, it has had some problems from time to time, but I think the chairman's words in this case are very, very well chosen. The gentleman from Texas [Mr. ARCHER] encourages the Committee on Appropriations to restore funding of the important TSM information systems and the nonsystems collection, so on that part of this bill I hope we can amend it.

Mr. HOYER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I am going to have to vote against this bill. I do not think it is a responsible bill in a number of areas. The one that disturbs me the most is one that is clearly not even penny wise and pound foolish; it is even penny foolish and pound unwise, if there is such an expression. I cannot imagine why we would cut so deeply in the IRS operations.

As my colleagues know, from the time of Jesus Christ, tax collectors have been beaten up on. Nobody likes tax collectors. They have one of the worst jobs in the world. But when we compare our tax collection system with any other country, we do a better job. We collect a higher proportion of revenue. We do it in a far less corrupt way than any other country, and the fact is there is no corruption in the Internal Revenue Service. These are good, professional people.

We ought not be eliminating 7,500 full-time permanent people, and this idea to take the tax system's modernization program and give it to the Defense Department? The Defense Department has written us a letter. Here is the Undersecretary of Defense. He does not want it. He says we cannot operate this, we do not collect taxes, we do not know what we would be doing. In fact, it says if we were to implement the direction that was given us, it is very unlikely to be successful. And yet this bill gives this tax system modernization responsibility to the Department of Defense. No, thank you; I am sure that is not what the taxpayers want, and the taxpayers do not want cuts that are going to result in a billion dollars less revenue, because that is what the estimate would be. It will

increase the Federal budget deficit by a billion dollars.

Mr. Chairman, as the previous speaker, the gentleman from Virginia [Mr. DAVIS] said, "You know the first thing we ought to do is to collect the revenue that is due us." How can we do that by cutting back on the Internal Revenue Service?

This is not a good bill; it is not a responsible bill. I think we ought to give more consideration to the American taxpayer than this bill does.

Mr. LIGHTFOOT. Mr. Chairman, I yield such time as he may consume to the gentleman from Nevada [Mr. ENSIGN] for a colloquy.

Mr. ENSIGN. Mr. Chairman, I rise to engage the chairman of the subcommittee, Mr. LIGHTFOOT, in a colloquy.

I want to thank the gentleman for crafting a bill which addresses some of the most urgent infrastructure needs in the U.S. Court system. Under the legislation before us today, \$540 million is available for constructing and acquiring Federal buildings, one of which is the Las Vegas, NV, U.S. Courthouse.

I am sure the gentleman is aware of the urgent need for a new courthouse in Las Vegas, NV. My congressional district is by far the fastest growing urban area in the Nation. The existing court facilities are unable to meet the caseload resulting from this growth. Recognizing the needs of the Nevada courts, the Judicial Conference of the United States has listed the Las Vegas Courthouse as its fifth highest priority in fiscal 1997.

Last year, in the House version of the fiscal 1996 Treasury-Postal appropriations bill, \$38.4 million was provided to begin construction of a new U.S. Courthouse in Las Vegas. However, due to negotiations involving the acquisition of land from the city of Las Vegas, the General Services Administration reported that the project would not be eligible to proceed until early fiscal 1997, and therefore, would not require an appropriation in fiscal 1996. Accordingly, House and Senate conferees agreed to postpone an appropriation in fiscal 1996. In lieu of funding, conferees agreed to language clarifying that the Las Vegas Courthouse is "one of the highest priorities in fiscal year 1997" and directing GSA to continue to proceed with design work. In an effort to move this project along, the city of Las Vegas has since taken the step of donating a construction site to the Federal Government.

In essence, the construction of the Las Vegas Courthouse is awaiting an appropriation in fiscal 1997 and action by the Transportation and Infrastructure Committee.

At this time, I wanted to clarify if it is the gentleman's intent to work on behalf of the Las Vegas U.S. Courthouse, consistent with last year's conference report language, during conference committee negotiations with the other body.

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. ENSIGN. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, it would be my intent to continue working on behalf of the Las Vegas, NV, courthouse because it is a high priority project. GSA and the courts have identified the need for this building, and I personally believe we should move forward with its construction. I also appreciate the gentleman's efforts in getting the city of Las Vegas to donate a construction site for this building. This will help reduce the overall cost of construction, and something that we should see more of, I think, the combination of Federal and local cooperation on these kinds of projects.

Mr. ENSIGN. Mr. Chairman, I thank the gentleman for his support of courts in southern Nevada.

Mr. HOYER. Mr. Chairman, I yield myself the balance of the time.

The CHAIRMAN. The gentleman from Maryland is recognized for 4 minutes.

Mr. HOYER. Mr. Chairman, this debate as we open consideration of the Treasury-Postal bill has centered on the Internal Revenue Service. We have done well by law enforcement, and I support them. We have done well by some other portions of the bill, and I am appreciative of the fact that we did not have the conflict which was political, in my opinion, last year with reference to the operations of the President of the United States, the White House, which we fund. I think that is appropriate in the comity between the legislative and executive branches.

Mr. Chairman, we have focused on IRS because it is central to the operations of government. We have come together as a people to perform certain functions. We argue about those functions. That is the purpose of this body and the body across the way, the Congress of the United States sent here to make determinations as to how this Government ought to be operated and what it ought to do.

In the process, we have taxed ourselves, we have said we will commit a certain portion of our resources to public efforts. All societies do that, and all societies have arguments about how much those taxes ought to be and what ought to be the purposes for which they are spent.

But I say to my colleagues, if you are a proponent of education, this bill puts your objective at risk. I say to my colleagues, if you are a proponent of the defense of this Nation, this bill puts that at risk. I say to my colleagues, if you are in favor of the Federal Bureau of Investigation having the resources to carry out its responsibilities to fight crime and make America a safer, better place in which to live, this bill puts that objective at risk.

Mr. Chairman, I will not catalog the endless number of priority projects and purposes in the 12 other appropriation bills which are overwhelmingly supported not only by the Members of this House but by the American public. But

in order to accomplish those objectives, and I know my friend, the chairman, is a strong supporter of a strong defense. I supported, as he did, increasing substantially the dollars for defense over the President's budget. But if we are going to do that, if we are going to meet our responsibilities to this generation and generations yet to come, it will be because we fairly and efficiently and effectively collect revenues to accomplish those purposes.

□ 1815

This bill puts that at risk. That is not, as I said earlier, the gentleman from Maryland, STENY HOYER, alone saying that. That is not STENY HOYER who, like my colleagues from the Washington metropolitan area, represents a lot of the people who will be fired because of the lack of resources in this bill.

It is the chairman of the Committee on Ways and Means, the gentleman from Texas [Mr. ARCHER], not perceived to be a liberal left-wing Democrat who wants to throw money at problems, saying that this bill will not work, this bill puts at risk deficit reduction, this bill does not allow the IRS to function as it is required to by law. That is the chairman of the Committee on Ways and Means, the gentleman from Texas [Mr. ARCHER], and the chairwoman, the gentlewoman from Connecticut [Mrs. JOHNSON], speaking. I hope my colleagues will oppose this bill.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Iowa [Mr. LIGHTFOOT] is recognized for 3½ minutes.

Mr. LIGHTFOOT. Mr. Chairman, before we get into the debate further on the bill, there are a couple of things that were said earlier I would like to correct. Our friend, the gentleman from Virginia [Mr. MORAN], left the House with impression that the Department of Defense would be operating the tax systems modernization program. That is not correct.

What we are asking the Department of Defense to do is merely write the contract for putting together tax systems modernization. In no way, shape, or form would we have the Department of Defense involved in tax collection. That just does not make sense. We would not do it. This is a very complex system that has to be developed. We were trying to keep from reinventing the wheel. We looked at the various government agencies that have expertise with writing big contracts, and the Department of Defense rose to the top. Basically, DOD would be hired to only write the contract. The management of TSM would be retained at all times within the IRS.

Additionally, as the gentleman from Maryland [Mr. HOYER] said, and I agree, there are not any major political disagreements in this bill as it relates to ideologies between parties. We do have a difference of opinion on what

the bill will or will not do. I personally do not feel funding levels in this bill will jeopardize our tax collecting capabilities. Those particular accounts have been funded at the President's request or above for the most part, and our whole intent here is to get tax systems modernization on line and doing what it should do.

Additionally, Mr. Speaker, we have focused on IRS. As has been mentioned, there are other things in the bill on which there seems to be a good deal of agreement, particularly the beefing up we have done in the law enforcement area as it relates to drugs, missing and exploited children, the Office of National Drug Control Policy.

We have, since becoming chairman, made requirements of agencies, if they are going to buy something, we have to have a justification for that. The FEC has provided us justification on a new computer system they are interested in. We have fenced a little money from the White House for a computer system they are asking for because we do not have that justification yet, but I think that is just doing our job and protecting the taxpayers' dollars. We are sent here to do that. If somebody wants something, let them justify it to us. All of us certainly have to do that in our private lives. If you are going to borrow money for a car, the banker wants to know why; how are you going to pay for it, and when are you going to pay it back? I do not think the IRS should be exempt from that kind of thinking as well.

Mr. Chairman, I think it is a tough bill, but we are in tough times. We have saved something in the neighborhood of over \$1 billion if we pass this bill, combining the fiscal year 1996 and fiscal year 1997 Treasury-Postal bills together. I certainly would urge my colleagues to support its final passage.

Mr. SPRATT. Mr. Chairman, I rise in support of the textile enforcement initiative contained in the Treasury-Postal Service appropriations bill for fiscal year 1997.

This bill includes \$18 million earmarked to the Customs Service for enforcement of textile and apparel trade laws, along with other trade enforcement measures. Customs is to use these funds to pay for 186 full-time-equivalent employees, 100 of whom are dedicated to the enforcement of textile and apparel trade laws. Both the fiscal year 1995 and fiscal year 1996 appropriations bills contained the same textile enforcement initiative.

This funding keeps faith with a pledge the Clinton administration made to 12 Representatives 2 years ago. We asked the President to commit these resources because textile and apparel trade restrictions seem to be honored more in the breach than in the enforcement. Customs has estimated that as much as \$4 billion in textile/apparel imports may enter this country each year illegally, as a result of transshipping. This is a multibillion dollar problem which may mean a loss of up to 100,000 textile and apparel jobs.

President Clinton pledged in a letter of November 16, 1993, that Customs will hire 50 additional employees to work exclusively, to the extent practical on non-NAFTA textile enforcement and 50 employees to work on

NAFTA-related textile enforcement. The President also pledged that Customs' commercial program, associated with both the enforcement of NAFTA and other textile an apparel enforcement, "will be held harmless from our governmentwide effort to reduce employment levels."

The Government Operation's Subcommittee on Commerce, Consumer and Monetary Affairs, which I chaired in the last Congress, held hearings to assess Customs' resources to deal with the textile transshipment problem, and to enforce in particular NAFTA's rule of origin with respect to textile and apparel products. Our hearing record showed that as many as 33.5 million textile articles are transshipped to this country each year. Our record also showed that Customs needs more manpower and resources to combat effectively this sort of fraud and evasion. With inadequate resources to police existing laws, Customs can hardly be expected to take on this additional burden. That is why this initiative is so important.

I am, aware of the tight funding constraints in which the Appropriations Committee operated this year. But I believe that the committee has made a wise long-term investment. If past experience is any guide, this small increment of extra money will more than pay for itself in additional tariffs, fees, penalties, and other revenues for the Government. I wish to compliment both Chairman LIGHTFOOT and ranking Democrat HOYER for their foresight in supporting the initiative.

These extra resources will not put an end to the problems of evasion, circumvention, and transshipment in textile and apparel trade, but they will help. I urge support for this initiative.

All time for debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

The amendment printed in part 1 of House Report 104-671 is adopted.

Before consideration of any other amendment, it shall be in order to consider the amendments printed in part 2 of the report. Each amendment may be considered only in the order printed, may be offered only by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided, and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

During consideration of the bill for further amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

After the reading of the final lines of the bill, a motion that the Committee of the Whole rise and report the bill to the House with such amendments as may have been adopted shall, if offered by the majority leader or a designee, have precedence over a motion to amend.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1997, and for other purposes, namely:

The CHAIRMAN. It is now in order to consider amendment No. 1 printed in House Report 104-671.

AMENDMENT OFFERED BY MR. LIGHTFOOT

Mr. LIGHTFOOT. Mr. Chairman, I offer amendment No. 1.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. LIGHTFOOT: On page 39, line 8 through line 10, strike the phrase "and of which \$1,268,000 shall be obligated for drug prevention public service announcements, and"

On page 39, line 18, insert after the colon: "Provided further, That \$2,500,000 of the funds available for the salaries and expenses of the Office of National Drug Control Policy may not be obligated until the Director reaches agreement with the House and Senate Committees on Appropriations on a final fiscal year 1997 organizational plan:"

The CHAIRMAN. Pursuant to House Resolution 475, the gentleman from Iowa [Mr. LIGHTFOOT] and a Member opposed will each control 5 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, the amendment that we are talking about restores a total of \$2,268,000 for salaries and expenses of the Office of National Drug Control Policy, which would be sufficient to come up to the 154 FTE proposed by the President.

It deletes funding for drug prevention public service announcements, it shifts \$1 million in funding for conference on model State drug laws from salaries and expenses to the Counter-drug Technology Assessment Center. It fences \$2.5 million of the amounts available for salaries and expenses pending receipt of an acceptable 1997 organizational plan, which the gentleman from Illinois [Mr. HASTERT] and I have discussed earlier. I am also proposing this amendment to reflect some of the progress we have made with the drug czar's office in the past 5 years.

As many Members were aware, I was very disappointed with the drug czar's first organization chart. It kind of looked like empire building, to be quite blunt about it. It had a lot of boxes on

it and a lot of names, and it really did not make a lot of sense. As many Members are aware, I was very disappointed with the chart and there were too many highly paid special assistants, executive secretaries, deputy office directors, and in my opinion not enough people doing the basic work of the drug czar's office. To me that was a recipe for an institution that would spend a lot of time making itself look good but will not get any real work done.

My goal has been to replace \$80,000 correspondence specialists with \$80,000 law enforcement officers and researchers. In that area I think we have made very good progress. The drug czar has worked hard to address my concerns. He submitted several revised plans, and each one was better, and they continue to get better. There is less overlap. There are more people in positions that count, fighting drugs on the street. There is less overhead. I would like to compliment General McCaffrey for his efforts in that area, and I think we are certainly headed in the right direction.

In fact, last week staff sat down with the drug czar's very able chief of staff to go over specific concerns of our committee. The meeting was very constructive, and just as the drug czar is committed to addressing our concerns, I am committed to helping him in any way possible to come up with a staffing structure that will work the best for him. We are not there yet, and that is why I have included language that holds back some money until we have a plan that is acceptable to all of us, both the drug czar and the Congress.

We all win with this amendment. The drug czar gets the money he needs to build his office. The American taxpayer gets the assurance that they need that their money will be used effectively and efficiently to fight the war on drugs.

Again, Mr. Chairman, I would like to thank everyone who has worked very hard to make this come together. We all, I think, have the same goal in mind, and now we have ironed out a lot of the differences that were there, and some misunderstandings that were there. I think we are on the right track. I would urge the adoption of the amendment.

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

The CHAIRMAN. Is there a Member who wishes to speak in opposition to the amendment?

Mr. HOYER. Mr. chairman, I am not opposed to the amendment, but I ask unanimous consent to control half the time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

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

Mr. Chairman, I rise on behalf of this amendment, as I just said. I think it is a recognition by the committee, which I support, of the appropriateness of the organization being constructed by General McCaffrey. I would say to my

friend, the chairman, that the Office of National Drug Control Policy, created by the Congress for the purposes of overseeing and coordinating our fight against drugs, is a critically important office. The scourge of drugs that invades our community and undermines the health of our people and puts at risk our children is a very high priority for the country to combat, and, if at all possible, eliminate.

I would say to my friend, the gentleman from Iowa, that he misperceives, I think, what the Office of National Drug Control Policy is all about. In his comments with reference to the personnel here, he suggests that we have a lot of people who are not policy people. Perhaps he believes this is top-heavy, as I think one of his contentions was.

But we must remember what this office is. This adds \$2.5 million, but Mr. Chairman, we spend somewhere in the neighborhood of \$11 billion to \$13 billion on the drug fighting program in America. I do not have the figure off the top of my head, but it is billions and billions and billions of dollars, and thousands and thousands and thousands of people.

We knew that Justice, with the DEA, we knew that Treasury, with Customs, ATF, other law enforcement agencies, including even Secret Service, FINCEN on money laundering, FBI back in Justice, the Health and Human Services agency in terms of drug rehabilitation and other efforts to try to combat the demand side of this cancer that afflicts America, we knew there were an awful lot of agencies involved in this fight against drugs. The drug office, the Office of National Drug Control Policy, was created to oversee and organize this battle.

The 154 people is a drop in the bucket, an infinitesimal amount of the number of people who are engaged in this battle against drugs.

I said in my opening statement that General McCaffrey could not have been, in my opinion, a better selection by the President of the United States, President Clinton. The organizational structure that he presented to the committee and to all of us was one that said "I want to get a handle on what we are doing", for exactly the reason that he was selected, because he is used to being the head of an effort to combat an enemy that would destroy us, and to bring together the disparate elements into a unified, victorious, successful force.

I suggest to my friend, the chairman, that is what this is about. I am very pleased, as I said, Mr. Chairman, that the chairman of the subcommittee's amendment will effect the adoption of General McCaffrey's proposal. I think that was good policy when it was proposed. I think it is good policy now. I am pleased, Mr. Chairman, to join the chairman, the gentleman from Iowa [Mr. LIGHTFOOT], in the support of General McCaffrey's proposal.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Iowa. [Mr. LIGHTFOOT].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 104-671.

AMENDMENT NO. 2 OFFERED BY MR. METCALF

Mr. METCALF. Mr. Chairman, I offer amendment No. 2.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. METCALF: Page 118, after line 16, insert the following new section:

SEC. 637. For purposes of each provision of law amended by section 704(a)(2) of the Ethics Reform Act of 1989 (5 U.S.C. 5318 note), no adjustment under section 5303 of title 5, United States Code, shall be considered to have taken effect in fiscal year 1997 in the rates of basic pay for the statutory pay systems.

The CHAIRMAN. Pursuant to House Resolution 475, the gentleman from Washington [Mr. METCALF] and a Member opposed will each control 15 minutes.

Mr. HOYER. Mr. Chairman, I rise to claim the time in opposition.

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] will control 15 minutes in opposition.

The Chair recognizes the gentleman from Washington [Mr. METCALF].

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

Mr. Chairman, I am joined by the gentleman from Kansas [Mr. TIAHRT] and the gentleman from Minnesota [Mr. LUTHER] in a bipartisan proposal to freeze the pay of the Members of Congress.

□ 1830

As my colleagues are aware, the cost-of-living adjustment for Congress is a permanent law and it will take place automatically. Without our amendment, Members of Congress will receive more than a \$3,000 raise.

The Metcalf-Tiahr-Luther amendment is exactly the same as the amendment passed last year. It will freeze the pay of the Members of Congress, the Vice President, Members of the Cabinet, Federal judges, and senior administrative heads in the Executive Schedule pay levels 1 through 5.

It is my understanding that the individuals covered in this amendment make more than \$100,000 a year. In fact, Members of Congress, as we know, make \$133,600 per year.

We all know that there are unique financial demands made on Members of Congress. We have to maintain a place to stay in the Nation's Capital and a residence in our home State. But many American families have to make do with a far smaller salary.

It is our No. 1 job to save this Nation from bankruptcy by balancing the budget. I believe that Members of Congress should not get any pay raise, at least until the budget is balanced.

We are working hard to save money wherever we can. This pay freeze will

save \$7 million the first year and \$10 million every year thereafter. This is \$47 million in savings by the year 2001 just from this 1 year's pay freeze, even if it is not next year. Frankly, we must do this during this Nation's budget crisis. Congress must lead by example.

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

Mr. HOYER. Mr. Chairman, I yield 5 minutes to my colleague, the gentleman from Louisiana [Mr. LIVINGSTON], the distinguished chairman of the Committee on Appropriations.

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

Mr. LIVINGSTON. Mr. Chairman, I rise in strong opposition to the amendment and with great regret that the very distinguished gentleman from Washington chose to come forward with this amendment.

We gave up honoraria a number of years ago because, in fact, that was a practice that had escaped reason and common sense. In an effort to make an even trade, because Members were always reluctant to vote for pay raises, it was deemed that we would get a smaller increase from time to time, a smaller COLA, than would the general Federal employee. However, at least from time to time, we would expect to get an increase.

The fact is that that plan broke down. Members of Congress have not gotten a raise in fiscal year 1994 or in the calendar year 1994 or in the calendar year 1995 and now again in the calendar year 1996. In fact, adding it up, going back to the years 1970 to date, we see that the Federal employees got a total of 221.4 percent in pay raises, inclusive of pay raises in the last 3 years; Federal retirees got a pay raise of 305.6 percent since 1970, inclusive of pay raises in those last 3 years; and the Social Security recipients got a total of 393.9 almost 394 percent, inclusive of those for the last 3 years. The Members of Congress since that time are among the lowest increase. They got a 214.4-percent increase, which is well below most of the others.

Members' pay is \$133,600, compared to a Supreme Court Associate Justice, who makes \$164,100. A U.S. Cabinet Secretary makes \$148,400; the county executive of Fairfax County, Virginia makes \$145,916; the superintendent of schools of Dade County, FL, makes \$220,400; the superintendent of schools in Los Angeles makes \$141,271; the Federal Reserve Regional President in Chicago makes \$193,000; various CEO's of various companies make anywhere from \$600,000 to \$800,000 to a few million dollars.

The chief administrator, Riverside County, CA, makes \$149,406; the fire chief of Los Angeles County makes \$144,000; the city manager of Dallas, TX, makes \$150,165. Members of Congress are, whether you like it or not, the board of directors of the United States of America and again we make \$133,600.

Some people say, "That is too much. They haven't been doing their job." I would suggest in the last year and a half we have saved \$80 billion in the discretionary appropriations process. We are doing our job.

The deficit is now the lowest it has been in 10 or 20 years. We are doing our job. Inflation is low. The stock market is not doing great the last couple of weeks, but otherwise it has been on a perpetual increase.

We are doing our job. The American people do not complain when Michael Jordan gets paid \$25 million for the next year or Juwan Howard gets between \$95 and \$125 million over the next 7 years, but they do complain when Members of Congress try to seek a pay raise in excess of \$133,600.

I would suggest that in view of all these statistics, Members of Congress are not overpaid. Members of Congress give up the prime years of their lives to come here. They run for office. It is a competitive job. They could do other things. And, yes, they do it primarily because they are interested in public service. Most Members of Congress, be they Democrat or Republican or conservative or liberal, believe in serving the people that elected them. Otherwise they would not be here.

But there is an increasing problem. With the continuing attitude that Members of Congress do not deserve raises. We are finding that more and more well qualified people who cannot afford to run for office or hold office are declining to do so. Increasingly, in the Senate, I think that now 75 percent of the Members are worth in excess of \$1 million; and increasingly in this House, perhaps anywhere from 30 to 50 percent of the Members are worth in excess of \$1 million. When the day comes that we cannot have an average man on the street holding himself up for public office, get elected and serve, and we can only have millionaires serve in this body, America will be a poorer place for it.

I urge defeat of this amendment.

Mr. METCALF. Mr. Chairman, I yield 2 minutes to my good friend and colleague, the gentleman from Kansas [Mr. TIAHRT], who presented the pay raise with me at the Rules Committee meeting.

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

Mr. TIAHRT. Mr. Chairman, I thank the gentleman from Washington [Mr. METCALF] for yielding me this time.

Mr. Chairman, last year Congress acted to freeze the salaries of Members of Congress by disallowing the automatic pay raise. The Metcalf-Tiahrt amendment would continue this freeze for an additional year.

The message of our amendment sends to the American people is simple and straightforward. This Congress has decided to deal with pay raises in the open and in the light of day. Even though this amendment will save over \$7 million next year alone, it is less

about saving money for the American taxpayer than it is about doing the right thing. This issue should be conducted in an up or down vote in the open. The American people deserve no less than that.

When this country has a \$5 trillion debt and when we are struggling to balance the Federal budget, I do not believe it is prudent for this Congress or high-ranking Government officials within the administration to accept a pay raise.

We have repeatedly asked the American people to tighten their belts and help us balance the budget. We all know we must lead by example and prove that we are here to serve the people and make America better. This Congress has already demonstrated its commitment to integrity and maintaining the trust of the American people. Congressional reform is a top priority, from adopting strong internal reforms to enacting lobbying reform and taking up campaign finance later this week. This Congress has done more to return openness and honesty to this institution than any other Congress in recent history.

Mr. Chairman, I am not a man of much wealth, I am not a mean-spirited millionaire trying to pull a ploy on the Members of Congress. This job is not about a paycheck for me. I am here to serve the people in the Fourth District of Kansas. They want a balanced budget and a bright future for their kids. Until we are able to achieve that, I cannot ask them for a raise.

Mr. Chairman, I urge my colleagues to act and maintain that commitment, to balance the budget first by voting for this amendment.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. TIAHRT. I yield to the gentleman from Maryland.

Mr. HOYER. I understand the gentleman's premise with respect to Members of Congress. I do not agree with it, but I understand the premise. How does the gentleman justify freezing judges and SES's in the same process, however?

Mr. TIAHRT. I believe we all have a commitment to balance the budget, even those in the administration.

Mr. HOYER. The judges are not in the administration.

Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. I thank the gentleman for yielding me this time.

Mr. Chairman, if I had the time I would ask for a parliamentary rule as to whether or not I can by unanimous consent call for a division of the question, but it counts against my time so I am not going to do that.

PARLIAMENTARY INQUIRY

Mr. HOYER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOYER. Does a parliamentary inquiry count against the time that is allotted to a speaker?

The CHAIRMAN. It does if the gentleman has yielded on his time for that inquiry.

The gentleman from Pennsylvania [Mr. GEKAS] controls 1½ minutes.

Mr. GEKAS. Mr. Chairman, I am in the uncomfortable position of supporting part of the amendment and opposing another part.

The gentleman from Maryland in his little colloquy just a moment ago indicated that there is a difference between raises requested for Members of Congress, the Cabinet and for judicial raises, and that is the honest truth. Members of Congress and the members of the Cabinet are passing through the Nation's capital, as it were, in their life's work. They are passing through for the short time that they have been elected or appointed to their respective positions. So we can justify no cost-of-living arrangement for these individuals. But the judges are appointed for life and they serve in a continuous fashion, not subject to the whim of the electorate, and their life's work is involved on the bench on a daily basis.

In short, the question as to judicial raises is totally different from that for congressional raises and for Cabinet raises. They deserve, the judges do, a confidence and a reliance on an increase in the cost of living so that they can continue their work on the bench unimpeded by the yearly annual budget fights that will or will not, depending on the whims of the Congress, yield a cost-of-living arrangement for the judges.

PARLIAMENTARY INQUIRIES

Mr. WICKER. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WICKER. Mr. Chairman, following up on the point that the gentleman from Pennsylvania made, is it possible under the rule to separate the issue and allow the Federal judges to have a raise while denying the COLA to Members of the Congress?

The CHAIRMAN. The rule adopted by the House states that this was handled separately, but it is not possible for the gentleman from Mississippi to make that request in Committee of the Whole. The amendment of the gentleman from Washington is not divisible or amendable.

Mr. GEKAS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GEKAS. Mr. Chairman, is it possible for the gentleman from Washington [Mr. METCALF], the chief proponent of the amendment, to himself ask for unanimous consent to divide the question?

The CHAIRMAN. The author of the amendment could make the request to modify the amendment.

Mr. GEKAS. Does the author of the amendment, seeing some of the sentiment—

The CHAIRMAN. Does the gentleman from Pennsylvania seek a parliamentary inquiry?

Mr. GEKAS. Yes, Mr. Chairman. The parliamentary inquiry is, How can I pose the question to the gentleman from Washington?

The CHAIRMAN. That would be during debate time. The Chair has to recognize the gentleman from Washington.

Mr. GEKAS. Parliamentary inquiry. Through the Chair I could not ask the gentleman from Washington if he would entertain thoughts of asking unanimous consent on his own to divide the question?

The CHAIRMAN. The time for debate on this amendment is controlled by the rule and the gentleman from Washington and the gentleman from Maryland control the time.

Mr. METCALF. Mr. Chairman, I do not choose to divide the question.

Mr. Chairman, I yield 5 minutes to my Democratic colleague, the gentleman from Minnesota [Mr. LUTHER], who joined in the bipartisan effort.

Mr. LUTHER. Mr. Chairman, I rise today as a cosponsor of this bipartisan amendment to prevent an automatic increase in the salaries of Members of Congress and top executive and judicial branch personnel.

Last year the House overwhelmingly voted in favor of an identical measure and I believe we should do so again to avoid allowing our own pay to increase as we reduce spending in other areas of the Federal Government.

Under current law, each Member of Congress receives an automatic cost-of-living adjustment, or pay raise, each year. That provision was part of an agreement to end the old system of Members accepting honoraria.

□ 1845

I respect the thoughtful efforts of House Members at that time to clean up Congress and to ensure a fair level of compensation for Members. But much has changed since the Ethics Reform Act was passed in 1989. Our national debt is now \$5 trillion, and we must take strong action to reach a balanced budget in order to secure a sound future for our children and our grandchildren.

As we debate our spending priorities, I believe everything must be on the table for discussion. Congress cannot and must not exempt itself from the tough choices we need to make as a nation. If we in Congress would benefit through a series of automatic pay increases while at the same time we ask the rest of our country to suffer reductions in Government spending, we will lose credibility with America's taxpayers and voters.

I recognize that, over time, compensation must be sufficient to encourage the best possible citizens to serve in the U.S. Congress, but this Congress has only just begun the important job of making the tough decisions necessary for the future of our country. We have not accomplished enough this session to justify a pay raise.

Mr. Chairman, one of the strongest aspects of the American tradition has

been the willingness of our entire country to step up and share the sacrifice during the times of emergency or need. At this time, our national debt endangers opportunities of future generations. I believe supporting this amendment will demonstrate our intent to lead by example and ask of ourselves what we ask of others.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. WICKER], a member of the Committee on Appropriations.

Mr. WICKER. Mr. Chairman, I thank my colleague from Maryland for yielding me the time. I certainly intend to support the amendment of the gentleman from Washington.

I simply rise for the purpose of echoing what the gentleman from Pennsylvania [Mr. GEKAS] said earlier, that it is a shame that the Federal judges must be linked to the cost of living proposal with regard to Members of this Congress. Members of Congress are responsible for legislation dealing with the Federal debt. The same can be said for the President and the Vice President. We are all in this battle. The deficit has nothing to do with Federal judges. So we have a situation where their salaries are held hostage to our salaries.

I think the vast majority of Americans agree with the comments made by my colleague from Washington and my colleague from Minnesota. I think the vast majority of House Members will vote with them, as I will. I would simply just submit that it is a shame that under the rule we cannot divide the question, go ahead and give a raise to Federal judges. We have districts where the U.S. attorney makes more than the judge, the public defender makes more than the judge, the clerk makes more than the judge. It is just a shame that we cannot raise their salaries because they deserve it.

Mr. METCALF. Mr. Chairman, I yield 30 seconds to the gentleman from Georgia [Mr. DEAL], my good friend, who also testified at the Committee on Rules to protect this amendment from a point of order.

(Mr. DEAL of Georgia asked and was given permission to revise and extend his remarks.)

Mr. DEAL of Georgia. Mr. Chairman, I think the ultimate mandate of this Congress has been to try to balance the budget. I commend the chairman of the Committee on Appropriations and all of those others who have made Herculean efforts in that regard. We have done so in this body by reducing our staffs by a third. We have made other efforts.

I would support this amendment. I remind my colleagues that no one who is affected by this amendment is an indentured servant. There are choices that all of us have the right to make. I would urge the adoption of the amendment.

Mr. HOYER. Mr. Chairman, how much time is remaining?

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] has 7½

minutes remaining and the gentleman from Washington [Mr. METCALF] has 8¼ minutes remaining.

Mr. METCALF. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. BROWNBACK].

Mr. BROWNBACK. Mr. Chairman, I rise in support of the amendment. We cannot allow this automatic pay raise to take effect. I want to recognize and thank all the people that have done so much to work hard to move us towards balancing the budget. But this amendment and this issue is not about pay and it is not about the salary, it is about leadership.

We must balance the budget, and we must lead by example. If we accept the pay increase, it will be interpreted that we have given up on balancing the budget or, worse yet, that we can afford and we can cut other things but we cannot cut Congress or we cannot deal with ourselves or our own salary. People are going to follow much more our actions over our words, and they are going to see what our deeds say versus what our words act.

We have worked very long and hard in this Congress to balance the budget, and it is important to do that. We stay on the glide path to balance the budget over a period of 7 years. Let us stay on that and show the commitment to the American people that we have by this action of leadership. It is an important action for us as Members at this time when we have crushing debt on our Nation that we say to our future and we say to our children we are going to deal with this and we are going to lead by example.

Mr. HOYER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, there is no more vexing an issue for any public figure than voting on his or her own salary. There have been many comments that we ought to do this on the record, we ought to do it not in secret. In point of fact, if those who were debating this had bothered to look at the record, we did exactly that in the Pay Reform Act of 1989. We changed the law and said, for a raise, we have to vote in the public's view. And, in point of fact, I tell my friends, all of the freshmen who were not here and who have spoken on this bill, the House of Representatives did in fact vote on the record during the daytime with full public scrutiny on the issue of pay reform for Members. Now, I will not speak about the other body of what they did.

In the course of the reform, we said this makes no sense. What made no sense? We would go, as we are proposing to do today, 4, 5, 6, 7 years with no raise. So what happened? The same thing that would happen in everybody's family in America, whatever they were making. They would say: Hey, dad or mom, you know, groceries are getting more expensive, cars are more expensive. Our car is 6 years old, we have to replace it. Hey, the rent has gone up or the mortgage has gone up. We want to buy another house because our family

is expanding, all sorts of things. As the cost of living goes up, your resources are squeezed if you freeze them.

So we said it was not automatic, I tell my friend from Washington State. We said specifically, Congress gets no raise if the fellow Federal employees did not get a raise. There was no justification, we said, for Members of Congress taking a raise if Federal employees did not get a raise. But if they got a raise and only if they got a raise, then we would take a cost of living less a half a point, less than the cost of living. That was hailed by Common Cause and other groups around the country as a step forward in rationalizing a way to affect the pay of Members of Congress.

Yes, a vexing issue for those of us in public life, and every one of us who gets up and says cost of living is justified for Federal employees, for judges, for SES's and, yes, even for Members of Congress are subject obviously to 30-second ads. It is a sexy political issue, we all know that. I am sure that the gentlemen who raised it are going to make it very clear to their constituents how they did this.

There has been a lot of talk about cutting the deficit. All right, for the first time in history, we have cut the deficit 4 years running. For the first time in may be not history, for the first time in this century, 4 years running, the deficit is down and is now half what it was just 4 years ago.

So, very frankly, we are on the right track, we are doing the right thing. We are performing our duties as we were sent here to do.

If we do what the gentleman suggests and, Mr. Chairman, everybody knows we are going to do what the gentleman suggests so everybody can go home and beat their chests and say, I was against raising my pay.

Let me tell you what is going to happen. A year from now or 2 years from now or 3 years from now, Members of Congress are going to get together and say, you know, for 5 or 6 or 7 years we have been zero, and we ought to raise it by \$10,000.

We have done that before for exactly the same reason. Eleven out of 20 years it was frozen, just as we are doing now; and what happened? The American public said: What do you mean you are raising your salary by \$10,000? They understand cost-of-living adjustment. Social Security recipients understand that, veteran retirees understand that.

I do not know that the gentleman is opposed to those. They understand cost-of-living adjustments. What they do not understand, properly so, and what we tried to avoid was large raises that gave the public the impression that we thought we ought to get more than somebody else, so we keyed it to Federal employees and we keyed it to cost-of-living increases.

That is what we should have done, and I urge my colleagues to vote against this amendment with little hope that that will occur.

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

Mr. METCALF. Mr. Chairman, I yield 30 seconds to the gentleman from Ohio [Mr. CHABOT].

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

Mr. CHABOT. Mr. Chairman, I rise in strong support of the amendment to freeze COLA pay for Members of Congress. When I ran for Congress, I pledged to do my best to bring Federal spending under control, to balance the budget, and to support tax relief for working families. This new majority in Congress has made progress but because of President Clinton's vetoes we still have a long way to go.

Accepting a cost-of-living pay increase at this time, I believe, would send the wrong message to the American taxpayers. Until we complete the job that we were elected to do, we have no business talking about pay raises. I urge adoption of the amendment.

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] has the right to close on this amendment.

Mr. HOYER. Mr. Chairman, I yield 1 minute to my very distinguished colleague, the gentleman from California [Mr. LEWIS], the chairman of the Subcommittee on VA, HUD and Independent Agencies and the leader of reform efforts in Congress.

(Mr. LEWIS of California asked and was given permission to revise and extend his remarks.)

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague yielding me the time for just a moment.

I must say that the courage my colleague is demonstrating here is very important for the House to note. I am not surprised that our new Members are here opposing even a cost-of-living adjustment, for they have not been through the process of compromise and very, very difficult effort that was put together to make sense out of Members having to vote one way or another on their own pay. But I can tell my colleagues what they do not realize is that they really are cutting off the future opportunity of their families to have a decent standard of living over a significant period of time as they serve in the House.

Above and beyond that, I think it is very fundamental for us all to understand this is a leadership issue. The gentleman from Louisiana [Mr. LIVINGSTON] rose and spoke on this issue on the floor, the only Member of the leadership. The members need from time to time to be protected against themselves. Indeed, even the author of this amendment did not know the other day that we had not had a cost-of-living adjustment for 4 years in a row with this amendment. He was unaware of the impact that this is already having upon families across the place.

Indeed we are leaving the House to people who are either born with a silver spoon in their mouth and they have got their own millions or people who could not get better jobs in the first place. That is not the direction the

House needs to go in. I urge the Members to vote no on this amendment.

Mr. METCALF. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. MILLER].

Mr. MILLER of Florida. Mr. Chairman, as we talk about reforming Congress, we need to reflect back on all the reforms we have already conducted this year. When we first took office in January 1995, we passed the Congressional Accountability Act. We applied 11 laws of the land on Congress, from OSHA, to the Wage and Hour, to the Civil Rights Act.

□ 1900

After that we went about cutting the costs of Congress, really reforming the way we do business. We cut over 10 percent of the budget of Congress, real costs in our spending. We privatized functions. We got rid of 25 committees, we cut committee staff by one-third.

After we did that we changed the procedures of running Congress. We opened up Congress so we are not a closed institution. We got rid of proxy voting. Then we passed a gift ban, basically a total ban on gifts in Congress. And now we have passed lobby reform.

This is the most reform-minded Congress that we have had in generations, and I am proud to be part of all the reforms taking place in this Congress.

Mr. HOYER. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. HASTINGS].

(Mr. HASTINGS of Florida asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Florida. Mr. Chairman, I rise in very strong opposition to the amendment.

Mr. METCALF. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. Mr. Chairman, some years ago a Federal judge appeared before our House Committee on the Judiciary and he said he was earning less money than any of his classmates from law school. I said, Judge, why do you not resign your job from the bench and start practicing law? My suggestion, Mr. Chairman, did not appeal to him.

My point is very simple, Mr. Chairman. I represent people in my district who earn 25, 30, \$35,000 a year and they are barely making it. Now, if we, on the other hand, tonight extend a generous cost of living allowance to the Vice President, to the Executive Schedule levels 1 through 5, to the members of the Federal Judiciary to the Members of Congress, I think it would be an obvious slap in the faces of these people who are barely hanging on.

Now, all of us knew what the pay way when we signed on, Members of Congress and Federal judges as well. The time to address the matter of COLAs is not this night, and it is not on this floor.

Mr. METCALF. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska [Mr. CHRISTENSEN].

Mr. CHRISTENSEN. Mr. Chairman, I rise today in strong support of the amendment of the gentleman from Washington and the Tiaht amendment.

I want to point out that today's debate is a little ironic, since many of us who support freezing our pay and have never, never voted for a congressional pay raise are the very ones being wrongfully attacked in the big labor television ads' claim that we voted to raise our pay.

In fact, I can think of nothing that typifies the previous Democratic Congresses more than the fact that they wrote themselves into a law, a law which automatically annually increases their pay. As a matter of principle, this body should not be giving itself a pay raise until we have balanced the budget. Moms and dads at home, businesses do not write themselves into their budgets automatic pay raises if their books are out of balance. This Congress should not either. We should set the example.

Mr. Chairman, I strongly urge my colleagues vote to pass this amendment and lead by doing the right thing.

Mr. METCALF. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. TIAHRT].

Mr. TIAHRT. Mr. Chairman, this amendment is something that I think the American public has wanted to open up in the light of day. It does include members of the administration, the judicial branch, as well as Members of Congress.

They were all tied together because I think there was a commitment that was desired by the America public that we all work for a balanced budget; that we do not pass on to the next generation the type of debt that this country has incurred, over \$5 trillion.

It is going to take a considerable amount of time to pay this off. So until we get that accomplished, get on the glidepath, get to a balanced budget, we should make a commitment as Members of Congress that should include all of the upper branches of this Government, including the judicial branch, to focus on getting this accomplished, balancing the budget, restoring the hope for the future.

Mr. Chairman, I think that is why this has been grouped together and why it will stay together.

Mr. METCALF. Mr. Chairman, may I inquire who is entitled to close this debate?

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER], representing the committee position, is entitled to close debate.

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

Mr. Chairman, I want to conclude by attempting to put this amendment in perspective. At 3:30 this afternoon the national debt of the United States was \$5,155,309,827,707.59. The debt owed per person is \$19,400. I have to point out that this figure is already outdated because it increases every few seconds.

I know the savings achieved by freezing the congressional pay and the judges and the administrative officers is only a drop in the bucket of our staggering national debt. I know that we have tried hard to make progress in reducing the deficit and we have done some work on that. We have won some and we have lost some, but we have an awful long ways to go.

I think that the opposition just does not feel to the depth that I feel that we have a real emergency in balancing this budget and we have to take very definite action.

As we prioritize our spending and make the tough choices that affect millions and millions of American people, Members of Congress should stand shoulder to shoulder with those people and share the burden.

Mr. Chairman, it is time for Congress to lead by example. I urge my colleagues to vote for the amendment.

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

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the gentleman from New York [Mr. BOEHLERT], my good friend and one of the senior Members of this House.

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

Mr. BOEHLERT. Mr. Chairman, as I rise in opposition to this amendment, I would say to my colleagues that this is just pandering to base instincts. Quite frankly, what we should learn from the lessons of the past is that we should treat ourselves and treat judges and Cabinet-level and senior executive service members and other high-level officials of the Government the same way we treat the custodians of the building, the custodians of every other building. We should have the same cost of living adjustments on a regular basis as they do.

What we do, we defer it year after year after year, thinking we are appealing to everybody, and then we say we are going to play catch-up ball and we propose 15- or 20-percent increases and everybody gets upset about it and rightly so. This is an ill-advised amendment. We have already saved \$53 billion in spending, \$53 billion in a year and a half in this Congress. That is movement in the correct direction.

Mr. HOYER. Mr. Chairman, I yield myself 1 minute.

Let me tell my colleagues what I think the American public appreciates: Honesty and candor. I have been on this committee since 1983. I cannot tell my friends how many hundreds of Members have come to me to say I cannot vote for it but I sure need that cost of living adjustment.

Mr. Chairman, I yield 20 seconds to the gentleman from Illinois [Mr. HYDE], the distinguished chairman of the Committee on the Judiciary, one of the most respected Members in this House.

Mr. HYDE. Mr. Chairman, I thank the gentleman for that extravagant introduction.

I just want to say we do no service to the people of America, we do no service to the quality of justice or the quality of government by treating everybody with the same flagellation, the same masochism that we treat ourselves with.

If we want good people to administer justice, we have to stop penalizing them. This is the fifth year they will not even have a cost of living. We can do what we want to us, take away our bathroom privileges, but for God sakes, we should at least give a cost of living increase to the judges and the Cabinet.

Mr. HOYER. Mr. Chairman, I yield myself the balance of my time, 10 seconds.

Mr. Chairman, honesty and candor will be appreciated by the American public.

Mr. KLUG. Mr. Chairman, I rise in support of the Metcalf-Tiaht-Luther amendment which will freeze the cost-of-living adjustment [COLA] for members of this body, judicial branch, and senior executive branch officials.

When we, as Members of Congress, make more than three-fourths of this country's workforce, there is absolutely no reason to give ourselves a raise. We took the first steps towards a fiscally sound Nation last fall by passing a budget that would bring us into balance in 7 years. I believe we can and should show the American people that we mean business by voting to hold our own salaries at 1993 levels. As we ask all other Federal departments to tighten their belts, we should do our part by not accepting this COLA.

I just cannot see, nor can I justify, giving myself a raise in the midst of a \$5 trillion national debt. Voting to freeze our pay at 1993 levels will have a direct effect on the debt because it will lower our pension burden on the American taxpayer.

Members of this body, Mr. Chairman, voted in 1989 to give themselves this COLA. Had I been a Member of Congress at that time I would not have supported a pay raise then and I will not support a pay raise now.

I urge my colleagues to support the amendment.

Mr. HEINEMAN. Mr. Chairman, I rise in strong support of the Metcalf amendment to freeze the pay of Members of Congress. I ran for Congress because I was upset with the direction our Nation was heading. Year after year, Congress has continued to run up large annual budget deficits, causing our national debt to explode—now more than \$5 trillion.

We cannot continue to rob from our children and our children's children to pay for wasteful government spending. All of us must make sacrifices if we are going to balance the budget. Today, families are working harder and longer, with more of their earnings going toward paying taxes. I do not believe the cost-of-living adjustment for Members of Congress should be put on autopilot.

I support the Metcalf amendment because it is a necessary measure and I urge my colleagues to do the same. The only concern I have with the Metcalf amendment is that it freezes the cost-of-living adjustment [COLA] for the judiciary. I am an original cosponsor of legislation—H.R. 2701—which would separate out the judicial pay process from the issue of pay raises for members of Congress or pay raises for Members of the executive branch.

The salaries of our Nation's Federal judges should not be a political issue and should not be included in this amendment. Federal judges are lifetime employees and should be treated the same as career Federal employees when it comes to COLA adjustments. It is my hope that as this legislation moves forward, it can be amended by taking that part out concerning the judicial pay process. This Congress should act on H.R. 2701, which was introduced by my colleague, Representative ROGER WICKER, as soon as possible.

I urge my colleagues to support this amendment because it is the right thing to do and it is supported by the American people. Along with most Americans, my constituents agree that the pay raise Congress gave itself earlier this decade was wrong and any increase at this time would also be wrong. If Congress wants to give itself a pay raise or a COLA increase it should be voted on out in the open and in front of the American people.

Mr. SCARBOROUGH. Mr. Chairman, I am distressed to vote in such a way that would deny U.S. Federal judges the COLA's that I believe that they deserve. Unfortunately, because judges have been lumped together with politicians on Capitol Hill, I have no other choice but to vote for the measure lest I appear to be self-serving. It is my hope that Federal judges' pay will be separated from politicians' pay scales in the future.

Mrs. LOWEY. Mr. Chairman, I rise in support of the Metcalf-Luther amendment to deny Members of Congress a cost-of-living adjustment. Given our current deficit, I do not believe that this is the appropriate time for Members to receive a pay raise.

I am concerned, however, that this amendment will keep Federal judges from receiving a cost-of-living adjustment. I do not think that it is appropriate for the salaries of Federal judges to be tied to the salaries of Members of Congress.

This Nation has the premier justice system in the world. We rely on judges to make some of the most important decisions in our democracy—decisions that determine the reach of our Constitution, and decisions that are literally a matter of life or death.

Given the fact that judges sit at the pinnacle of our justice system, it is outrageous that judicial salaries are held back by congressional politics. Judicial salaries are completely overshadowed by salaries in the private sector. Many of our judges are forced to take a sizable pay cut to serve on the bench. Many other highly qualified individuals walk away from public service because the financial sacrifice is too great. Our Nation is the poorer for that loss.

I am a cosponsor of H.R. 2701, a bill that will separate judicial salaries from congressional salaries and will put in place an automatic annual increase for judges. Our Federal judges deserve no less. After all, they are the keepers of our democracy.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. METCALF].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LIVINGSTON. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 475, further proceedings on

the amendment offered by the gentleman from Washington [Mr. METCALF] will be postponed.

It is now in order to consider amendment No. 3 printed in House Report 104-671.

AMENDMENT OFFERED BY MR. GUTKNECHT

Mr. GUTKNECHT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GUTKNECHT: Page 118, after line 16, insert the following new section:

SEC. 637. (a) For purposes of this section, the term "political appointee" means any individual who—

(1) is employed in a position listed in sections 5312 through 5316 of title 5, United States Code (relating to the Executive Schedule);

(2) is a limited term appointee, limited emergency appointee, or noncareer appointee in the Senior Executive Service, as defined under section 3132(a) (5), (6), and (7) of title 5, United States Code, respectively; or

(3) is employed in a position in the executive branch of the Government under schedule C of subpart C of part 213 of title 5 of the Code of Federal Regulations.

(b) The President, acting through the Office of Management and Budget and the Office of Personnel Management, shall take such actions as necessary (including reduction-in-force actions under procedures consistent with those established under section 3595 of title 5, United States Code) to ensure that the number of political appointees shall not, during any fiscal year beginning after September 30, 1997, exceed a total of 2,300 (determined on a full-time equivalent basis).

The CHAIRMAN. Pursuant to House Resolution 475, the gentleman from Minnesota [Mr. GUTKNECHT] and a Member opposed each will control 10 minutes.

Mr. HOYER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] will control 10 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. GUTKNECHT].

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

First, Mr. Chairman, I want to thank the members of the Committee on Rules for their work as well as the members of the subcommittee for bringing to the floor, I think, a good bill, but today I want to offer an amendment which I hope will make this bill even better, perhaps what I would describe as a perfecting amendment.

Mr. Chairman, I rise today with my friend and colleague from Minnesota to offer a fairly simple amendment to this bill. Our amendment would place a cap of 2,300 on the number of executive branch political appointees that can be named. This figure would be down from approximately 2,800 now, but has been even higher in past administrations.

Mr. Chairman, this is not a new idea. In fact, the Vice President of the United States made a similar suggestion in

his National Performance Review. And the National Commission on the Public Service called for an even lower cap of 2,000 political appointees. Furthermore, Citizens Against Government Waste and the Concord Coalition have endorsed this proposal, and we have gathered broad bipartisan support within this House.

But Mr. Speaker, most importantly, a savings resulting from this cap has already been assumed in the Fiscal Year 1997 Budget Resolution Conference Report. A similar suggestion was made in last year's budget resolution as well. Our amendment would simply follow through on this language.

Some interesting facts—in 1960, there were 17 layers of management at the top of the Federal Government; by 1992, there were 32. During that period, the number of senior executives and political appointees grew from 451 to 2,393—a 430 percent increase. Now ask yourselves, Is the Federal Government more responsive—more responsible—more efficient?

Mr. Chairman, report after report shows that greater quantities of such political appointees does not bring about a more responsive government, but actually confuses the communication channels and adds unnecessary layers of bureaucracy. We can make important progress toward balancing the Federal Budget by eliminating a few hundred of these positions, which average \$86,000 per year in salary.

The public believes that our Government is too large. This amendment begins to address this situation. This is not a drastic reduction, but a good first step toward operating a leaner and more efficient government. Last year we here in Congress reduced our staffs by a third, and many private-sector businesses have eliminated bureaucratic layers in the last several years to become more responsive and effective in a very competitive economic environment. It seems only right that we should suggest the executive branch do the same, and it's my guess that any President can get along just fine with 2,300 political appointees.

Mr. Chairman, this is a bipartisan amendment. This is a good amendment. I urge a "yes" vote.

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

Mr. HOYER. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise in opposition to this amendment and let me tell my colleagues why, basically. There are 2 million Federal employees. They work essentially from administration to administration. Every President, every administration will tell any one of us that one of the problems they have is making the Government work to its policies.

□ 1915

That is understandable, understandable from the standpoint of those who

have been there, who want to consistently follow the policies they have been following. And the frustration of getting the government to conform to the policies of the President is also understandable.

Now, the political appointees are committed to the President of the United States, whoever he might be, to carry out the policies of the administration. Frankly, that is what the electorate expects. Now, to pretend that political appointees are not necessary or that we can cut them down to an ever-increasing smaller number is to simply take from our Presidents the ability to effect their policies.

Now, George Bush in 1992, had 3,290 political appointees or 1,000 more than this amendment affects. President Clinton has less appointees than President Bush, not by a whole lot, 3,147, 150 or 5 percent less than President Bush had. Those folks are for the purposes of ensuring the President of the United States with the ability to carry out policy.

When the people vote for President in 1992 or 1996, they expect their President to be able to effect the policies in concert or in cooperation with and in concert with the Congress. Political appointees are not good or bad. They are necessary. They are essential in a democratic system for a democratically elected official to carry out their policies.

On the other hand, in the 1930's, we said, look, 100-percent patronage is wrong. It is debilitating. It leads to very bad policies. So we adopted a Civil Service system. Actually, we had adopted it long before that, about, I suppose, in the latter part of the last century. And we said, we are going to give to the overwhelming majority of employees Civil Service protection, because what we ask them to do is not to make policy but to carry it out in a ministerial function. Some of them obviously are very high level and they obviously have decisions to make. But the fact of the matter is, they are professional employees, expected by their government to carry out the policies of Republicans and Democrats irrespective of administrations. I suggest to my colleagues that they do just that.

This amendment undermines the ability of a President to effect policies and is, therefore, wrong. I will speak to it again.

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

Mr. GUTKNECHT. Mr. Chairman, I yield 3 minutes to my friend and colleague, the gentleman from Minnesota [Mr. LUTHER].

Mr. LUTHER. Mr. Chairman, I am joining with my colleague, the gentleman from Minnesota [Mr. GUTKNECHT], in offering this amendment to reduce and cap the number of political appointees in the executive branch at 2,300 effective September 30, 1997. The term "political appointee" refers to those employees of the Federal Government who are appointed by the

President, some with and some without confirmation by the Senate, and to certain policy advisors hired at lower levels.

It includes Cabinet secretaries, agency heads, and other executive schedule employees at the very top ranks of Government. It includes managers and supervisors who are noncareer members of the Senior Executive Service, and it includes confidential aides and policy advisors who are referred to as schedule C employees.

In a recently published book titled "Thickening Government," the Federal Government and the diffusion of accountability, author Paul Light reports a startling 430 percent increase in the number of political appointees and senior executives in Federal Government from 1960 to 1992.

While the number of political appointees rose significantly from 200 in 1940 to 500 in 1960, it mushroomed from 500 in 1960 to 3,200 in 1992. In the most recent 12 years between 1980 and 1992, the number of political appointees rose over three times as fast as the total number of executive branch employees.

Our amendment's primary intent is to reduce the number of lower level political appointees, known as schedule C appointees, who represent nearly half of the current number of political appointees. Our amendment is estimated to save American taxpayers between \$228 million and \$363 million over 5 years. This amendment is consistent with the recommendation of the Vice President's National Performance Review, which called for reductions in the number of Federal managers and supervisors

It is also consistent with the work of the National Commission on the Public Service, chaired by former Federal Reserve Chairman Paul Volcker, which stated in its 1989 report that the growing number of Presidential appointees may actually undermine effective Presidential control of the executive branch.

For this reason, the Volcker commission recommended limiting the number of political appointees to 2,000. The other body included a similar amendment in last year's bill, although it was dropped in conference. The authors plan to offer that amendment again this year.

The gentleman from Minnesota [Mr. GUTKNECHT] and I have sponsored a bill in this body to limit the number of political appointees, and we have a number of Democrat and Republican co-sponsors.

I want to stress that both in the other body and here this amendment is a bipartisan effort to get our fiscal house in order. It recognizes that the sacrifices required to meet our collective goal of balancing the Federal budget must begin at the top and be spread among all levels of Government. My colleagues, please join us in supporting this amendment.

Mr. HOYER. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the National Performance Review, which was referred to by the previous speaker, specifically does not do what he says it does. Yes, they have effectively accomplished the desired effect of reducing the cost of Government while providing quality higher services. The proposed amendment singles out only political appointees. Many of these appointees, by the way, are only mid-level or junior staffers. The National Performance Review plan instead focuses on all employees by removing layers of management.

Political appointees, as I said earlier, play a critical role in carrying out policy. The proposed cap would limit political appointees to 2,300. President Clinton has created the National Performance Review to promote Federal Government that works better and costs less. But if you cut the folks committed to that objective, you are going to do less, not cost less.

Presidents Reagan and Bush saw an increase of 67,000 in the Federal work force while Clinton, let me indicate to my colleague, under President Bush and President Reagan, 67,000 additional employees. Under President Clinton, 225,000 fewer employees.

This small nick is political, not policy. It undermines policy. The last time the levels of Federal employment were this low was during the Kennedy administration. So this is not an issue about reducing numbers of employees. This is an issue about reducing the accountability of the administration to the American people for the carrying out of policy through people it puts in place to oversee policy.

Mr. Chairman, I would hope that we would reject this amendment. If the gentlemen are sincere, then I think that we ought to ask the White House and perhaps even the Republican candidate for President, whoever that might be after the convention, what do you think are the appropriate levels so that you can carry out your policies? It seems to me than and only then will we have an ability to make a substantive, appropriate judgment. I do not know that any such study, maybe the sponsors came up with 2,300 out of some study or some management knowledge that I do not have. Maybe they would like to tell me where 2,300 came from.

Apparently not.

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

Mr. GUTKNECHT. Mr. Chairman, I yield 2 minutes to the gentlewoman from Kansas [Mrs. MEYERS].

(Mrs. MEYERS of Kansas asked and was given permission to revise and extend her remarks.)

Mrs. MEYERS of Kansas. Mr. Chairman, I cosponsored the Political Appointee Reduction Act, now being offered as an amendment, because I support reducing the size of our Federal Government. This amendment will reduce the size of "The Plum Book" and

rightly so. I know everyone here is familiar with the Plum Book. It is published by the Government Printing Office and lists all of the positions available throughout the executive branch which are filled by Presidential and department or agency head appointment. The Plum Book which list all executive positions available, which are filled by President or agency head, used to be the size of the Johnson County KS, phone book. Now it is the size of the Manhattan phone book.

Although some progress has been made in reducing executive branch employment. Most of these reductions have been made in the Department of Defense a result of base closings, reduced funding, and so forth.

As we make the necessary reductions throughout the Federal Government, we should look beyond reducing the number of midlevel managers and support staff. Reductions should also be made at the top levels—and that is what this amendment will do.

In December 1991, there were approximately 1,975 full time political appointee positions. In the past 4 years that number has grown to 2,800, growth of 40 percent. Ironically, this growth has occurred at a time when we are all committed to reducing the cost and size of Government. This amendment caps the number of political appointee positions at 2,300, which still represents an increase over 1991. I urge my colleagues to support this commonsense amendment.

Mr. HOYER. Mr. Chairman, I reserve the balance of my time.

Mr. GUTKNECHT. Mr. Chairman, I yield 1 minute to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the Luther-Gutknecht amendment. Last year, I introduced H.R. 1671, which would have capped the number of political appointees at 2,000 and would have saved \$36 million. Vice President GORE's National Performance Review recommended putting a cap on the number of political appointees, as did one of its predecessors, the Volcker commission.

Neither of those commissions set an actual cap number, but I believe the amendment before us today of 2,300 is a very reasonable compromise. I urge my colleagues today to think about how we can save money so that we can make sure that the money that the taxpayers send us is spent properly.

I would urge that they join with Citizens Against Government Waste to cut out wasteful bureaucracy and save the taxpayer money. I support this very commonsense amendment.

Mr. GUTKNECHT. Mr. Chairman, I would just say that the genesis of this number is the fact that we reduced our staffs by one-third. We think this is a corresponding number.

Mr. Chairman, I yield the balance of my time to the gentleman from Wisconsin [Mr. NEUMANN].

Mr. NEUMANN. Mr. Chairman, I rise in strong support of this amendment. As was just mentioned by my colleague from Minnesota, around this place we reduced committee staff by one-third. The very first day of Congress, the first thing we did is we said, we are going to get by on less. Our Nation is \$5 trillion in debt. The Federal checkbook is \$150 billion overdrawn; that is, we are spending \$150 billion more than we are taking in.

Congress acted. They reduced committee staff by one-third on the first day, and now it is time to take the next step. This is not going to solve all our budget problems, but it is certainly a good step in the right direction.

□ 1930

There is no reason we need 2,800 political appointees returning around here. They can certainly get by on 2,300 political appointees, and I am glad the gentleman from Minnesota drafted this because, if I had drafted it, we would have reduced this number even further.

I would like to point out that the House Committee on the Budget, on which I am a member, recommended this reduction from 2,800 to 2,300, so the House Committee on the Budget has made this recommendation. Last year the Senate made this recommendation by unanimous consent. The Senate was actually ahead of us on this, and there is no excuse for us not going ahead and following that lead.

So I strongly support this amendment. I would add that Vice President GORE's National Performance Review also suggested capping the number of political appointees. Citizens Against Government Waste, Concord Coalition, my colleagues, virtually everybody in this city knows that we can survive with 500 fewer political appointees in the executive branch in this city.

I strongly support this amendment.

Mr. HOYER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I have already said what I have to say on this, and let me say it one more time for just a minute.

The Federal Government has about 2 million civilian employees. We are bringing that down. It is going to be about 1.9 million, 1.8 million when we finish. That is to serve the 270 million Americans, Federal level.

Contrary to the demagoguery that goes on, the growth in government has not occurred at the Federal level. It has occurred in the State and local government since the 1960's. That is where the real growth in government has occurred. The Federal Government has been relatively stable, and, as I said, we are currently at about 1960 levels.

So this is not a question of an exploding work force. This is a question, my colleagues in the House, as to whether or not this administration or any administration will have sufficient numbers of people to place in the 13 agencies of government and the departments of government and the other

agencies and independent organizations, not in this country alone, but around the world, who will be there to carry out administration policy.

Now, George Bush, as I said, had almost 3,300, 3,297 I think it was. I do not have it right in front of me. But this President has 150 less, or about 5 percent less than President Bush.

This amendment reduce that another thousand, essentially, and contrary to what some of the speakers said and the previous speaker, "Oh, well, the government can operate." Of course it can operate and will operate. The irony, I tell my friends on the majority side of the aisle, is that they are constantly concerned that Federal employees are not carrying out policies they believe are appropriate. If that is the case, then this is opposite of the objective they want to seek and that they talk about.

Now this affects both administrations. We are going to have a new administration next year. I believe my President is going to win; they believe their candidate is going to win. This is not a partisan issue. This is whether either of the candidates have the ability to function effectively as the principal policymakers in America.

That is what this is all about, and I suggest to my colleagues that I do not know that 3,297 is a correct number or that 3,290, or that 3,147 is a correct number. That is the number we budget for: 3,290 was under President Bush, 3,147 under President Clinton; both of them have about the same complement of people.

Now, the President has reduced 225,000 people, which is a good number, and therefore he has less people, 150 less than he has overseeing the implementation of his policy. I have said that a hundred times. I do not know that it is going to make any more effect.

Mr. Chairman, I would hope—this was never considered in committee, never debated, no testimony on it, no independent analysis as to whether the numbers proposed or some other number was appropriate. In light of that, I would ask that we reject this amendment.

Mr. CAMP. Mr. Chairman, I rise in support of the Gutknecht amendment which saves taxpayers \$211 million.

Mr. Chairman, each child born last year will owe approximately \$187,000 in debt because of Congress' excessive spending. The national debt already exceeds \$5 trillion.

The amendment currently before us requires the Federal Government to share in the burden of deficit reduction. For too long, the Federal Government turned to the pockets of taxpayers to fund excessive and wasteful spending.

Now, the Federal Government must look to itself. Deficit reduction begins at home and the Congress must reign in wasteful Government spending. Over my 5 years in Congress, I have not spent \$565,000 of my office funds.

We have also demonstrated our commitment to deficit reduction by reducing Federal spending by \$43 billion last year. We continue

our efforts this year by doing more with less. We continue to review each and every Federal program for its efficiency and effectiveness and explore alternatives to get the most out of each tax dollar.

I urge my colleagues to support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GUTKNECHT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 475, further proceedings on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT] will be postponed.

The Clerk will read.

The Clerk read as follows:

TITLE I—DEPARTMENT OF THE
TREASURY

DEPARTMENTAL OFFICES
SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed \$2,900,000 for official travel expenses; not to exceed \$150,000 for official reception and representation expenses; not to exceed \$258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; \$108,447,000: *Provided*, That up to \$500,000 shall be made available to implement section 528 of this Act.

AUTOMATION ENHANCEMENT
INCLUDING TRANSFER OF FUNDS

For the development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, \$27,100,000, of which \$15,000,000 shall be available to the United States Customs Service for the Automated Commercial Environment project, and of which \$5,600,000 shall be available to the United States Customs Service for the International Trade Data System. *Provided*, That these funds shall remain available until September 30, 1999: *Provided further*, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That none of the funds shall be used to support or supplement Internal Revenue Service appropriations for Information Systems and Tax Systems Modernization: *Provided further*, That none of the funds available for the Automated Commercial Environment or the International Trade Data System may be obligated without the advance approval of the House and Senate Committees on Appropriations.

OFFICE OF INSPECTOR GENERAL AND INTERNAL
AUDIT OF THE INTERNAL REVENUE SERVICE
SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General and the internal audit functions of the Internal Revenue Service,

\$135,925,000; of which, \$28,689,000 shall be made available for the necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, not to exceed \$2,000,000 for official travel expenses; including hire of passenger motor vehicles; and not to exceed \$100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; and of which \$106,606,000 shall be available for the internal audit functions of the Internal Revenue Service: *Provided*, That the chief of internal audit for the Internal Revenue Service shall report directly to the Deputy Secretary of the Treasury.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage the chairman in a colloquy with regard to items contained in the bill which affect the Internal Revenue Service.

I want to take this opportunity though to commend Chairman LIGHTFOOT for his hard work and diligent efforts to provide effective oversight of the IRS. With an annual budget of \$7.3 billion, the IRS consumes nearly 60 percent of all of the funding under his subcommittee's jurisdiction and touches the lives of Americans more directly than any other Federal agency. I appreciate the chairman's dedication to making the IRS a more effective and efficient agency, and to improve the IRS's accountability in its handling of the massive tax systems modernization program.

Having said that, there are a number of provisions in this bill which give me cause for concern, and I hope that the gentleman can clarify several points for me.

First, I note that there is a large reduction made to the account which funds IRS Information Systems. While much of this is to the TSM Program, there appears to be a significant reduction to Legacy systems which are needed to support IRS returns processing and compliance functions. Total funding for non-TSM information systems appears to be \$179.2 million below fiscal year 1996 operating levels. I am concerned that reductions of this magnitude could have a negative effect on the IRS's ability to efficiently manage the 1997 return filing season. What is the rationale behind reducing this account?

Mr. LIGHTFOOT. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, under the subcommittee's assumptions, we believe there will be sufficient funds provided for all of the IRS' current computer systems. Our bill assumes significant savings in this account, for instance, by reducing funds for travel, supply costs, and telephone costs. I also note that, since the bill reduces IRS employment by over 2,000 TSM employees, we assume this will save \$149 million next year. These savings are applied to operating IRS computer systems, so our cuts are made to salary

and overhead costs, not to computer systems.

Mrs. JOHNSON of Connecticut. Reclaiming my time, I appreciate that the bill's funding for Information Systems rests on the assumption that significant salary and overhead savings can be achieved next year, but I am concerned that it will be very difficult to actually realize those savings within the fiscal year. If this concern is verified as the bill moves forward, can the gentleman assure me that he will work in conference to restore full funding for IRS's operational computer systems?

Mr. LIGHTFOOT. If the gentlelady will yield, let me assure her that in the event that there are some Legacy systems which are funded below the level that IRS may need to operate them in the upcoming year, I am committed to increasing this number as the bill moves through conference with the Senate.

Mrs. JOHNSON of Connecticut. I thank the gentleman for that clarification. I also have several concerns about provisions in the bill relating to the Tax Systems Modernization Program. We all agree that the IRS has not adequately managed this program and that changes are needed to ensure that TSM is successful. However, the bill contains language fencing off all TSM funds until IRS establishes a restructured contractual arrangement with the private sector to deliver the balance of the program. Included within the fenced-off funds is nearly \$170 million for currently operational TSM systems, such as Telefile and Electronic Fraud Detection. Since it is unlikely that these contractual arrangements will be in place by the beginning of the fiscal year, I am concerned that the fencing off language could have the effect of prohibiting IRS from using these operational TSM systems for some period of time next year.

Mr. LIGHTFOOT. If the gentlelady would yield, I want to assure her that this was not the subcommittee's intention. The fencing off language was included to ensure that IRS does not spend any more funds to continue development of TSM systems in-house. Assuming that IRS is able to provide us with a concrete list of those TSM systems which are up and running, we will clarify that the fencing off language will not affect funding for operational TSM systems.

Mrs. JOHNSON of Connecticut. Reclaiming my time, I very much appreciate that clarification. I am also concerned about the provision to transfer TSM procurement activities, including responsibility for writing the request for proposal to the Department of Defense. I question whether it will be helpful, at this point in the process, to put responsibility for contracting out TSM in the hands of DOD employees who have not had any previous experience with IRS computer systems or the agency's business needs.

While I agree with the gentleman that IRS' long-term track record on

TSM has not been good, the new management structure put into place by IRS and the Department of the Treasury has come a long way toward addressing the TSM problems that the gentleman has brought to light in his oversight of this program.

Mr. LIGHTFOOT. If the gentlewoman will yield, I agree that the new management structure is a step in the right direction. However, I am convinced that IRS does not have the in-house technical capability to complete the development and delivery of a successful TSM. The proposal to transfer writing of the RFP and other contract award activities to the Department of Defense was intended to demonstrate the depth of congressional intent that IRS must get out of the business of developing TSM and turn it over to experts in the private sector who develop computer systems for a living.

The CHAIRMAN. The time of the gentlewoman from Connecticut [Mrs. JOHNSON] has expired.

(On request of Mr. LIGHTFOOT, and by unanimous consent, Mrs. JOHNSON of Connecticut was allowed to proceed for 5 additional minutes.)

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I also believe IRS does not have the technical expertise to write the RFP and award the contract in the necessary time frame. However, we do not want to burden the Department of Defense with work that does not directly benefit national defense. As the bill moves through conference, I would be happy to work with Treasury and the IRS to address the issue of who should be responsible for writing the restructured RFP. While I am determined that IRS should be out of the business of writing the new contract, I am certainly ready and willing to negotiate on who has the best technical expertise to do the job.

Mrs. JOHNSON of Connecticut. Reclaiming my time, I thank the gentleman for his willingness to be flexible on this issue. My final point is with regard to provisions in the bill relating to tax debt collections. The bill transfers \$13 million from the IRS to Treasury to initiate a second private sector debt collection program, and provides an additional \$13 million for continuation of the current private debt collection IRS initiative established by the fiscal year 1996 Treasury, Postal Service, and General Government appropriation.

As my colleague knows, the Ways and Means Subcommittee on Oversight, which I chair, recently held a hearing earlier to explore the idea of using private firms to assist in collecting Federal tax debts. I supported the program you initiated last year so we can determine whether privatizing some tax debt collection functions is a good business decision for the Federal Government.

I also applaud the gentleman for the language he included last year to guar-

antee that taxpayers rights are fully protected under the 1996 program.

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The private contractors who were recently awarded contracts under the program are subject to the disclosure laws: The Privacy Act, the Taxpayer Bill of Rights, and applicable sections of the Fair Debt Collection Practices Act.

However, I do want to emphasize my belief that the use of private collection firms to collect Federal tax debts is something that needs to be fully and fairly tested before the program is greatly expanded. Under current law, private contractors cannot be compensated out of the proceeds of amounts they assist in collecting, so the pilot is being conducted using appropriated funds.

Since this does not allow for the most efficient test of the effectiveness of private contractors, the Committee on Ways and Means is in the process of developing legislation which we hope to be able to consider in the near future to allow IRS to expand the use of private collection firms and test alternative compensation arrangements that are not permissible under present law.

Thus, I urge the gentleman to drop the \$13 million that the bill transfers from IRS to Treasury to initiate a second private sector debt collection program.

Mr. LIGHTFOOT. Mr. Chairman, if the gentlewoman will continue to yield, I am very pleased to learn that the Committee on Ways and Means is developing legislation relating to private debt collection. I share the gentlewoman's goal of doing what is necessary to determine whether privatizing some tax collection functions is a good business decision.

As the Treasury appropriations bill moves through conference with the Senate, I am committed to addressing the gentlewoman's concerns regarding the second private sector debt collection program.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the chairman for his clarification on these important issues.

While I remain concerned about the adequacy of funding levels provided for the IRS, I recognize the challenges the gentleman faced in putting this bill together, and I am satisfied by the chairman's commitment that he will address these issues in conference with the Senate. I commend Chairman LIGHTFOOT for his responsiveness and willingness to listen to the concerns of the Committee on Ways and Means.

AMENDMENT OFFERED BY MRS. JOHNSON OF CONNECTICUT

Mrs. JOHNSON OF Connecticut. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. JOHNSON of Connecticut: Page 4, beginning on line 1, strike "and Internal Audit of the Internal Revenue Service."

Page 4, line 5, strike "and the internal" and all that follows through "Inspector General" on line 8.

Page 4, line 14, strike "and of which" and all that follows through line 19, and insert "\$29,319,000."

Page 20, line 23, strike "\$1,616,379,000" and insert "\$1,722,985,000".

The CHAIRMAN. For what purpose does the gentleman from Iowa [Mr. LIGHTFOOT] rise?

Mr. LIGHTFOOT. Mr. Chairman, I ask unanimous consent that the remainder of title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The text of the remainder of title I is as follows:

OFFICE OF PROFESSIONAL RESPONSIBILITY
SALARIES AND EXPENSES
INCLUDING TRANSFER OF FUNDS

For necessary expenses of the Office of Professional Responsibility, including purchase and hire of passenger motor vehicles, up to \$3,000,000, to be derived through transfer from the United States Customs Service, salaries and expenses appropriation: *Provided*, That none of the funds shall be obligated without the advance approval of the House and Senate Committees on Appropriations.

TREASURY BUILDINGS AND ANNEX REPAIR AND RESTORATION

INCLUDING TRANSFER OF FUNDS

For the repair, alteration, and improvement of the Treasury Building and Annex, the Bureau of Alcohol, Tobacco and Firearms National Laboratory Center and the Fire Investigation Research and Development Center, and the Rowley Secret Service Training Center, \$22,892,000, to remain available until expended: *Provided*, That funds for the Bureau of Alcohol, Tobacco and Firearms National Laboratory Center and the Fire Investigation Research and Development Center and the Rowley Secret Service Training Center shall not be available until a prospectus authorizing such facilities is approved by the House Committee on Transportation and Infrastructure: *Provided further*, That funds previously made available under this title for the Secret Service Headquarter's building shall be transferred to the Secret Service Acquisition, Construction, Improvement and Related Expenses appropriation.

FINANCIAL CRIMES ENFORCEMENT NETWORK
SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed \$14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement; \$22,387,000: *Provided*, That notwithstanding any other provision of law, the Director of the Financial Crimes Enforcement Network may procure up to \$500,000 in specialized, unique, or novel automatic data processing equipment, ancillary equipment, software, services, and related resources from commercial vendors without regard to otherwise applicable procurement laws and regulations and without full and open competition, utilizing procedures best suited under the circumstances of the procurement to efficiently fulfill the agency's requirements: *Provided further*, That funds appropriated in this account may be used to procure personal services contracts.

DEPARTMENT OF THE TREASURY FORFEITURE FUND

For necessary expenses of the Treasury Forfeiture Fund, notwithstanding any other provision of law, not to exceed \$7,500,000 shall be made available for the development of a Federal wireless communication system, to be derived from deposits in the Fund: *Provided*, That the Secretary of the Treasury is authorized to receive all unavailable collections transferred from the Special Forfeiture Fund established by section 6073 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1509) by the Director of the Office of Drug Control Policy as a deposit into the Treasury Forfeiture Fund (31 U.S.C. 9703(a)).

VIOLENT CRIME REDUCTION PROGRAMS INCLUDING TRANSFER OF FUNDS

For activities authorized by Public Law 103-322, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as follows:

(a) As authorized by section 190001(e), \$89,800,000, of which \$15,005,000 shall be available to the United States Customs Service; of which \$47,624,000 shall be available to the Bureau of Alcohol, Tobacco and Firearms, of which \$2,500,000 shall be available for administering the Gang Resistance Education and Training program, of which \$3,662,000 shall be available for ballistics technologies, and of which \$41,462,000 shall be available to enhance training and purchase equipment and services; of which \$5,971,000 shall be available to the Secretary as authorized by section 732 of Public Law 104-132; of which \$1,000,000 shall be available to the Financial Crimes Enforcement Network; of which \$20,200,000 shall be available to the United States Secret Service, of which no less than \$1,000,000 shall be available for a grant for activities related to the investigations of missing and exploited children.

(b) As authorized by section 32401, \$7,200,000, for disbursement through grants, cooperative agreements or contracts, to local governments for Gang Resistance Education and Training: *Provided*, That notwithstanding sections 32401 and 310001, such funds shall be allocated only to the affected State and local law enforcement and prevention organizations participating in such projects.

TREASURY FRANCHISE FUND

There is hereby established in the Treasury a franchise fund pilot, as authorized by section 403 of Public Law 103-356, to be available as provided in such section for expenses and equipment necessary for the maintenance and operation of such financial and administrative support services as the Secretary determines may be performed more advantageously as central services: *Provided*, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made for the purpose of providing capital, shall be used to capitalize such fund: *Provided further*, That such fund shall be reimbursed or credited with the payments, including advanced payments, from applicable appropriations and funds available to the Department and other Federal agencies for which such administrative and financial services are performed, at rates which will recover all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of Automatic Data Processing (ADP) software and systems, and an amount necessary to maintain a reasonable operating reserve, as determined by the Secretary: *Provided further*, That such fund shall provide services on a competitive basis: *Provided further*, That an amount not to exceed 4 percent of the total annual income to such fund may

be retained in the fund for fiscal year 1997 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment and for the improvement and implementation of Treasury financial management, ADP, and other support systems: *Provided further*, That no later than 30 days after the end of each fiscal year, amounts in excess of this reserve limitation shall be deposited as miscellaneous receipts in the Treasury: *Provided further*, That such franchise fund pilot shall terminate pursuant to section 403(f) of Public Law 103-356.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed 52 for police-type use, without regard to the general purchase price limitation) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed \$9,500 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109; \$51,681,000, of which \$9,423,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 1999: *Provided*, That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: *Provided further*, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further*, That funds appropriated in this account shall be available for training United States Postal Service law enforcement personnel and Postal police officers, at the discretion of the Director; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; and travel expenses of non-Federal personnel to attend course development meetings and training at the Center: *Provided further*, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training at the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide short term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of nec-

essary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, \$18,884,000, to remain available until expended.

FINANCIAL MANAGEMENT SERVICE SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, \$191,799,000, of which not to exceed \$14,277,000 shall remain available until expended for systems modernization initiatives. In addition, \$90,000, to be derived from the Oil Spill Liability Trust Fund, to reimburse the Service for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101-380: *Provided*, That none of the funds made available for systems modernization initiatives may not be obligated until the Commissioner of the Financial Management Service has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed 650 vehicles for police-type use for replacement only and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where an assignment to the National Response Team during the investigation of a bombing or arson incident requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed \$12,500 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; provision of laboratory assistance to State and local agencies, with or without reimbursement; \$389,982,000, of which \$12,011,000, to remain available until expended, shall be available for arson investigations, with priority assigned to any arson involving religious institutions; which not to exceed \$1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); and of which \$1,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in drug-related joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms: *Provided*, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco and Firearms to other agencies or Departments in the fiscal year ending on September 30, 1997: *Provided further*, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms

maintained by Federal firearms licensees: *Provided further*, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of "Curios or relics" in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: *Provided further*, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c) and the inability of the Bureau of Alcohol, Tobacco and Firearms to process or act upon such applications for felons convicted of a violent crime, firearms violations, or drug-related crimes shall not be subject to judicial review: *Provided further*, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That no funds in this Act may be used to provide ballistics imaging equipment to State or local authorities who have obtained similar equipment through a Federal grant or subsidy: *Provided further*, That, notwithstanding any other provision of law, all aircraft owned and operated by the Bureau of Alcohol, Tobacco and Firearms shall be transferred to the United States Customs Service: *Provided further*, That no funds under this heading shall be available to conduct a reduction in force: *Provided further*, That no funds available for separation incentive payments as authorized by section 525 of this Act may be obligated without the advance approval of the House and Senate Committees on Appropriations: *Provided further*, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code.

UNITED STATES CUSTOMS SERVICE
SALARIES AND EXPENSES
INCLUDING TRANSFER OF FUNDS

For necessary expenses of the United States Customs Service, including purchase of up to 1,000 motor vehicles of which 960 are for replacement only, including 990 for police-type use and commercial operations; hire of motor vehicles; contracting with individuals for personal services abroad; not to exceed \$20,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; \$1,489,224,000; of which \$65,000,000 shall be available until expended for Operation Hardline; of which \$28,000,000 shall be available until expended for expenses associated with Operation Gateway; of which up to \$3,000,000 shall be available for transfer to the Office of Professional Responsibility; and of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations, and not to exceed \$4,000,000 shall be available until expended for research and not to exceed \$1,000,000 shall be available until expended for conducting special operations pursuant to 19 U.S.C. 2081 and up to \$6,000,000 shall be available until expended for the procurement of automation infrastructure items, including hardware, software, and installation: *Provided*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That the United States Custom

Service shall implement the General Aviation Telephonic Entry program within 30 days of enactment of this Act: *Provided further*, That no funds under this heading shall be available to conduct a reduction in force: *Provided further*, That no funds available for separation incentive payments as authorized by section 525 of this Act may be obligated without the advance approval of the House and Senate Committees on Appropriations: *Provided further*, That the Spirit of St. Louis Airport in St. Louis County, Missouri, shall be designated a port of entry: *Provided further*, that no funds under this Act may be used to provide less than 30 days public notice for any change in apparel regulations.

OPERATION AND MAINTENANCE, AIR AND MARINE
INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include: the interdiction of narcotics and other goods; the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and, at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts; \$83,363,000, which shall remain available until expended: *Provided*, That no aircraft or other related equipment, with the exception of aircraft which is one of a kind and has been identified as excess to Customs requirements and aircraft which has been damaged beyond repair, shall be transferred to any other Federal agency, Department, or office outside of the Department of the Treasury, during fiscal year 1997 without the prior approval of the House and Senate Committees on Appropriations.

AIR INTERDICTION PROCUREMENT

For the purchase and restoration of aircraft, marine vessels and air surveillance equipment for the Customs air and marine interdiction programs, \$28,000,000: *Provided*, That such resources shall not be available until September 30, 1997, and shall remain available until expended.

CUSTOMS SERVICES AT SMALL AIRPORTS
(TO BE DERIVED FROM FEES COLLECTED)

Such sums as may be necessary for expenses for the provision of Customs services at certain small airports or other facilities when authorized by law and designated by the Secretary of the Treasury, including expenditures for the salary and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary pursuant to section 236 of Public Law 98-573 for each of these airports or other facilities when authorized by law and designated by the Secretary, and to remain available until expended.

HARBOR MAINTENANCE FEE COLLECTION

For administrative expenses related to the collection of the Harbor Maintenance Fee, pursuant to Public Law 103-182, \$3,000,000, to be derived from the Harbor Maintenance Trust Fund and to be transferred to and merged with the Customs "Salaries and Expenses" account for such purposes.

BUREAU OF THE PUBLIC DEBT
ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; \$169,735,000: *Provided*, That the sum appropriated herein from the General Fund for fiscal year 1997 shall be reduced by not more

than \$4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at \$165,335,000.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service, not otherwise provided for; including processing tax returns; revenue accounting; providing assistance to taxpayers, management services, and inspection; including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; \$1,616,379,000, of which up to \$3,700,000 shall be for the Tax Counseling for the Elderly Program, and of which not to exceed \$25,000 shall be for official reception and representation expenses.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; tax and enforcement litigation; technical rulings; examining employee plans and exempt organizations; investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; statistics of income and compliance research; the purchase (for police-type use, not to exceed 850), and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; \$4,052,586,000.

INFORMATION SYSTEMS

INCLUDING TRANSFER OF FUNDS

For necessary expenses for data processing and telecommunications support for Internal Revenue Service activities, including tax systems modernization (modernized developmental systems), modernized operational systems, services and compliance, and support systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; \$1,077,450,000, of which \$424,500,000 shall be available for tax systems modernization program activities: *Provided*, That none of the funds made available for tax systems modernization shall be available until the Internal Revenue Service establishes a restructured contractual relationship with a commercial sector company to manage, integrate, test, and implement all portions of the tax systems modernization program, except that funds up to \$59,100,000 may be used to support a Government Program Management Office, not to exceed a total staffing of 50 individuals, and other necessary Program Management activities: *Provided further*, That none of the funds made available for tax systems modernization may be used by the Internal Revenue Service to carry out activities associated with the development of a request for proposal and contract award, except that funds shall be available for the sharing of data and information and general oversight of the process by the Associate Commissioner of the Internal Revenue Service for Modernization, and such funds as may be necessary shall be transferred to the Department of Defense which will conduct all technical activities associated with the development of a request for proposal and contract award: *Provided further*, That none of these funds may be used to support in excess of 150 full-time equivalent positions in support of tax systems modernization: *Provided further*, That these funds shall remain available until September 30, 1999.

INFORMATION SYSTEMS
(RESCISSION)

Of the funds made available under this heading for Tax Systems Modernization in Public Law 104-52, \$100,000,000 are rescinded, in Public Law 103-329, \$51,685,000 are rescinded, in Public Law 102-393, \$2,421,000 are rescinded, and in Public Law 102-141, \$20,341,000 are rescinded.

ADMINISTRATIVE PROVISIONS—INTERNAL
REVENUE SERVICE

SECTION 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the House and Senate Committees on Appropriations.

SEC. 102. The Internal Revenue Service shall maintain a training program to insure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

SEC. 103. The funds provided in this Act for the Internal Revenue Service shall be used to provide as a minimum, the fiscal year 1995 level of service, staffing, and funding for Taxpayer Services.

SEC. 104. No funds available in this Act to the Internal Revenue Service for separation incentive payments as authorized by section 525 of this Act may be obligated without the advance approval of the House and Senate Committees on Appropriations.

UNITED STATES SECRET SERVICE
SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed 702 vehicles for police-type use, of which 665 shall be for replacement only), and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: *Provided*, That approval is obtained in advance from the House and Senate Committees on Appropriations; for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed \$20,000 for official reception and representation expenses; not to exceed \$50,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That 3 U.S.C. 203(a) is amended by deleting "but not exceeding twelve hundred in number"; \$528,368,000, of which \$1,200,000 shall be available as a grant for activities related to the investigations of

missing and exploited children: *Provided further*, That resources made available as a grant for activities related to the investigations of missing and exploited children shall not be available until September 30, 1997, and shall remain available until expended.

ACQUISITION, CONSTRUCTION, IMPROVEMENT,
AND RELATED EXPENSES

For necessary expenses of construction, repair, alteration, and improvement of facilities, \$31,298,000, to remain available until expended: *Provided*, That funds previously provided under the title, "Treasury Buildings and Annex Repair and Restoration," for the Secret Service's Headquarters Building, shall be transferred to this account.

GENERAL PROVISIONS—DEPARTMENT OF THE
TREASURY

SECTION 111. Any obligation or expenditure by the Secretary in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 1997, shall be made in compliance with the reprogramming guidelines contained in the House and Senate reports accompanying this Act.

SEC. 112. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 113. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1986 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection, including any private sector employees under contract to the Internal Revenue Service, complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 114. The Internal Revenue Service shall institute policies and procedures which will safeguard the confidentiality of taxpayer information.

SEC. 115. The funds provided to the Bureau of Alcohol Tobacco and Firearms for fiscal year 1997 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

SEC. 116. Paragraph (3)(C) of section 9703(g) of title 31, United States Code, is amended—

(1) by striking in the third sentence "and at the end of each fiscal year thereafter";

(2) by inserting in lieu thereof "1994, 1995, and 1996"; and

(3) by adding at the end the following new sentence: "At the end of fiscal year 1997, and at the end of each fiscal year thereafter, the Secretary shall reserve any amounts that are required to be retained in the Fund to ensure the availability of amounts in the subsequent fiscal year for purposes authorized under subsection (a)."

SEC. 117. Of the funds available to the Internal Revenue Service, \$13,000,000 shall be made available to continue the private sec-

tor debt collection program which was initiated in fiscal year 1996 and \$13,000,000 shall be transferred to the Departmental Offices appropriation to initiate a new private sector debt collection program: *Provided*, That the transfer provided herein shall be in addition to any other transfer authority contained in this Act.

PRIORITY PLACEMENT, JOB PLACEMENT, RE-
TRAINING, AND COUNSELING PROGRAMS FOR
U.S. TREASURY DEPARTMENT EMPLOYEES AF-
FECTED BY A REDUCTION IN FORCE

SEC. 118. (a) DEFINITIONS.—

(1) For the purposes of this section, the term "agency" means the United States Department of the Treasury.

(2) For the purposes of this section, the term "eligible employee" means any employee of the agency who—

(A) is scheduled to be separated from service due to a reduction in force under—

(i) regulations prescribed under section 3502 of title 5, United States Code; or

(ii) procedures established under section 3595 of title 5, United States Code; or

(B) is separated from service due to such a reduction in force, but does not include—

(i) an employee separated from service for cause on charges of misconduct or delinquency; or

(ii) an employee who, at the time of separation, meets the age and service requirements for an immediate annuity under subchapter III of chapter 83 or chapter 84 of title 5, United States Code.

(b) PRIORITY PLACEMENT PROGRAM.—Not later than 30 days after the date of the enactment of this Act, the U.S. Department of the Treasury shall establish a priority placement program for eligible employees.

(c) The priority placement program established under subsection (b) shall include provisions under which a vacant position shall not be filled by the appointment or transfer of any individual from outside of the agency if—

(1) there is then available any eligible employee who applies for the position within 30 days of the agency issuing a job announcement and is qualified (or can be trained or retrained to become qualified within 90 days of assuming the position) for the position; and

(2) the position is within the same commuting area as the eligible employee's last-held position or residence.

(d) JOB PLACEMENT AND COUNSELING SERVICES.—The head of the agency may establish a program to provide job placement and counseling services to eligible employees and their families.

(1) TYPES OF SERVICES.—A program established under subsection (d) may include, is not limited to, such services as—

(A) career and personal counseling;

(B) training and job search skills; and

(C) job placement assistance, including assistance provided through cooperative arrangements with State and local employment services offices.

(e) REFERRAL OF ELIGIBLE EMPLOYEES TO PRIVATE SECTOR CONTRACTORS.—Any contract related to the Internal Revenue Services' Tax Systems Modernization program shall contain a provision requiring that the contractor, in hiring employees for the performance of the contract, shall obtain referrals of eligible employees, who consent to such referral, from the priority placement or job placement programs established under this section.

This title may be cited as the "Treasury Department Appropriations Act, 1997".

Mr. LIGHTFOOT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. LAHOOD]

having assumed the chair, Mr. DREIER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration 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, pursuant to House Resolution 475, had come to no resolution thereon.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 3756, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1997

Mr. LIGHTFOOT. Mr. Speaker, I ask unanimous consent that during the further consideration of H.R. 3756, in the Committee of the Whole, pursuant to House Resolution 475:

First, the bill be considered as having been read; and

Second, no amendment shall be in order except for the following amendments, which shall be considered as read, shall not be subject to amendment or to a demand for a division of the question in the House or in the Committee of the Whole, and shall be debatable for the time specified, equally divided and controlled by the proponent and a Member opposed:

An amendment by Mr. KENNEDY of Massachusetts, regarding Customs Service, for 10 minutes;

An amendment by Mr. DURBIN, regarding firearms disabilities, for 30 minutes;

An amendment by Mrs. JOHNSON of Connecticut, regarding IRS funding for 10 minutes;

An amendment by Mr. TRAFICANT, for 10 minutes;

An amendment by Mr. HOYER or Mrs. LOWEY, to strike sections 518 and 519, for 30 minutes;

An amendment by Mr. HOYER, regarding buyouts, for 10 minutes;

An amendment by Mr. WOLF, regarding buyouts, for 10 minutes;

An amendment by Mr. KINGSTON, regarding customs ports of entry, for 9 minutes;

An amendment by Mr. GUTKNECHT, regarding an across-the-board cut, for 20 minutes;

An amendment by Mr. SANDERS, regarding health maintenance organizations, for 20 minutes;

An amendment by Ms. KAPTUR, regarding China tariffs, for 10 minutes;

An amendment by Mr. SOLOMON, regarding a limitation on the Comptroller of the Currency, for 10 minutes;

An amendment by Mr. SALMON, regarding the White House Travel Office, for 10 minutes;

An amendment by Mr. HOYER, for 10 minutes; and

An amendment by Mr. GEKAS, for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. HOYER. Reserving the right to object, Mr. Speaker, and I do not intend to object, this agreement is intending, as I understand it, to give all the amendments that we know about the opportunity to be offered.

In addition, it gives us an opportunity to further discuss the points raised by the gentlewoman from Connecticut [Mrs. JOHNSON] in my amendment, and will then provide for the consideration of the balance of the bill?

Mr. LIGHTFOOT. If the gentleman will yield, that is correct.

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

The SPEAKER. Without objection, the unanimous consent request offered by the gentleman from Iowa [Mr. LIGHTFOOT] is agreed to.

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3814, COMMERCE, JUSTICE, STATE, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104-678) on the resolution (H. Res. 479) providing for consideration of the bill (H.R. 3814) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PARLIAMENTARY INQUIRY

Mr. HOYER. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. HOYER. Mr. Speaker, I presume the answer to my question, but the Chair did not say the unanimous-consent request was adopted.

The SPEAKER pro tempore. The Chair did say that. The Chair in a very soft voice said "without objection."

Mr. HOYER. If the Speaker said that, then we are confident that it is done.

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 further consideration of the bill, H.R. 3756.

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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 further 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. When the Committee of the Whole rose just a few moments ago, pending was the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON].

The bill had been read through page 31, line 14. At the conclusion of the Johnson amendment the Chair will announce the further procedures pursuant to the order of the House.

The Chair recognizes the gentlewoman from Connecticut [Mrs. JOHNSON] for 5 minutes in support of her amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, this amendment strikes language in title I of the bill.

PARLIAMENTARY INQUIRY

Mr. HOYER. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. HOYER. Mr. Chairman, I want to know where we are now. I would not have agreed to the unanimous-consent request if I did not think we were going to terminate proceedings of the bill at this time. That was the understanding that I had, and that was the understanding under which I gave unanimous consent.

If that is not the case, I cannot withdraw my unanimous-consent agreement, but that was my understanding, and the bill would proceed much more slowly tonight if my understanding was incorrect.

The CHAIRMAN. The Johnson amendment was pending when the Committee rose.

Mr. HOYER. I understand that, Mr. Chairman.

Mr. LIGHTFOOT. There was so much confusion.

Mr. HOYER. Mr. Chairman, I ask unanimous consent to proceed for 1 minute out of order to determine what we are doing.

The CHAIRMAN. The gentlewoman from Connecticut [Mrs. JOHNSON] controls 5 minutes in support of her amendment. Does she wish to yield for the purpose of a colloquy?

Ms. JOHNSON of Connecticut. I am happy to yield to the gentleman from Iowa [Mr. LIGHTFOOT].

The CHAIRMAN. To whom does the gentlewoman from Connecticut [Mrs. JOHNSON] yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Iowa [Mr. LIGHTFOOT] for a colloquy with the gentleman from Maryland [Mr. HOYER].

The CHAIRMAN. Would the gentlewoman yield to the gentleman from Maryland?

Mr. HOYER. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Maryland [Mr. HOYER].