

## MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3540. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3540) "An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes," requests a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and appoints Mr. McCONNELL, Mr. SPECTER, Mr. MACK, Mr. JEFFORDS, Mr. GREGG, Mr. SHELBY, Mr. BENNETT, Mr. HATFIELD, Mr. LEAHY, Mr. INOUE, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mrs. MURRAY, and Mr. BYRD to be the conferees on the part of the Senate.

## TAX LEGISLATION FOR THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized during morning business for 5 minutes.

Ms. NORTON. Mr. Speaker, I have put in a unique remedy for a catastrophic financial crisis in the District of Columbia. Questions have been raised about it. I think I and the people I represent are due the courtesy of a moratorium on off-the-cuff conclusions about the bill until they are fully briefed.

The reasons, of course, for my bill, for a tax cut for the District, lie in the unique disadvantages of the city and the unique remedy it will take to solve them.

We lost more residents in the first half of the 1990's than we did in the entire 1980's. Perhaps we share that in common with other cities, but virtually nothing else. Uniquely, we have no way to recoup revenue when we lose people.

Leon Panetta, a personal friend and a friend of the District, spoke on television yesterday about my bill. In virtually every respect he was way off the mark. For example, Leon said congresspeople would be able to get this tax cut. They do not pay D.C. income taxes. The law requires them to be citizens of their own States.

Imagine the pain in my District when they heard opposition to a tax cut to the District because it would be unfair to other cities. I never would have put the tax cut bill in in the first place if we had a State like other cities. We are the only city in the United States which has State responsibilities and State costs, and no State. Seventy-five

percent of the money that big cities get, they get from external sources, such as State aid.

I do not oppose Mr. Panetta's notion that we ought to have some tax-based remedy for other cities. I welcome it. I would be thrilled. But do not hang a bunch of unique responsibilities around our necks and then say when it comes to relief, the same relief must go to those who do not have those unique responsibilities.

There are four reasons, briefly, why I have put this bill in. We are the only city required to pay for State, county, and municipal functions. That means that we pay for Medicaid. Thirty-seven States get a greater Federal contribution for Medicaid than the District of Columbia.

We are the only city with no State to recycle income from wealthier areas. Detroit has Michigan, Mr. Panetta. New York City has New York State. We have nobody.

We are the only city barred by Congress from a commuter tax, and commuters take two-thirds of the revenue out, use our services, and leave nothing, not one thin dime in tax revenue.

Finally, my constituents were particularly pained because apparently no notice has been taken of the fact that we are second per capita in Federal income taxes, with no full voting representation in the House or the Senate. Four territories, which have the same delegate to Congress as the District has, have paid no, I repeat, no Federal income taxes.

Yes, I have asked for a unique remedy, because there are unique responsibilities. If you want to enlarge that to include the other great cities of the United States, be my guest. It would be magnificent.

Finally we would get an urban policy. The Control Board that Congress has set up is not reviving the economy of the District. It is in fact reviving the government of the District. But taxpayers are leaving at such a rate that your Capital of the United States is dissolving as I speak, and nobody, not the administration, and not soon enough the Congress, is stepping up to save it in time.

It will be too late 3 years from now. If there is to be a tax cut, let it be now, so there be time for it to kick in. If not a tax cut, then I challenge Mr. Panetta and every Member of this body to come up with a remedy during this session.

It is your Capital City. It may be my home as a fourth generation Washingtonian, but 200 years ago, you set up the Capital of the United States and you gave it special and peculiar disabilities. Are you going to let it go out of existence? Are you going to treat Washington, DC, less than England would treat London? Are you going to treat Washington, DC, less than France would treat Paris?

Do not compare the District of Columbia to Detroit, New York, Atlanta, or San Francisco, unless you give the people I represent the same citizenship

rights and the same aid that those cities get. This is your Capital. Treat it as your Capital. Do not leave us stranded, swinging in the breeze, by the neck.

## COMMENTS ON WELFARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Ohio [Mr. HOKE] is recognized during morning business for 5 minutes.

Mr. HOKE. Mr. Speaker, I want to thank the gentlewoman from the District of Columbia. I think she is absolutely right, and I think that it is time that we try a different approach with the District. We have seen a failed policy of liberalism that has brought this District to what it is, and I think it is absolutely appropriate that at this time in the District's history, we should take advantage of the situation that we have here, and we should do something that is opportunity-oriented, that is incentive-oriented, using a different approach, and see what the results will be. I am absolutely confident that the results that the gentlewoman is looking for will in fact come about, and I am going to support her in her efforts. I appreciate the courage that the gentlewoman has taken to undertake this.

Mr. Speaker, I want to speak about the welfare bill that we dealt with last week. I want to start out, I came across a number of I think fascinating quotations from the State of the Union address in 1935 by Franklin D. Roosevelt. I want to read some of those to you.

Mr. Roosevelt said:

The lessons of history confirmed by the evidence immediately before me show conclusively that continued dependence upon relief induces a spiritual and moral disintegration, fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. It is inimical to the dictates of sound policy. It is in violation of the traditions of America. The Federal Government must and shall quit this business of relief.

This is Franklin Roosevelt in 1935. He goes on to say, "In the days before the Great Depression, people were cared for by local efforts."

Listen to this carefully. It sounds as though it was written for a speech for the new majority's welfare plan of 1996. Specifically the idea of sending power out of this city and back to States, communities, localities, churches, synagogues, et cetera.

He says:

In the days before the Great Depression, people were cared for by local efforts, by states, by counties, by towns, cities, by churches, and by private welfare agencies. It is my thought that in the future they must be cared for as they were before. I stand ready through my personal efforts and through the public influence of the office that I hold, to help these local agencies to get the means necessary to assume this burden.

Are you listening, President Clinton?

Local responsibility can and will be resumed for, after all, common sense tells us that the wealth necessary for this task existed and still exists in the local community, and the dictates of sound administration require that this responsibility be in the first instance a local one.

John F. Kennedy echoed these fundamental insights into human nature in 1962 when he said, "No lasting solution to the problem of poverty can be bought with a welfare check."

Finally, in 1931, President Roosevelt said, "The quicker that a man or woman is taken off the dole, the better it is for them during the rest of their lives."

Over four decades ago we launched a war on poverty with the best of intentions. But \$5.5 trillion later we have nothing to show put poverty, despair, hopelessness, broken families, and a damaged work ethic. We have ignored the basic law of nature, that when someone is given handout after handout after handout, without having something demanded in return, he or she is condemned to a lifestyle of dependency and the loss of personal dignity and self-worth.

Not surprisingly, this is also the root of a similar problem at the opposite end of the economic spectrum, children spoiled by affluent parents who shower them with material goods, but require nothing in return. This is literally the essence of what it means to spoil a child. Yet there are also millions of middle class parents everywhere in America who require their children to clean their rooms, make their beds, complete their homework, and do daily chores in exchange for a modest allowance. This teaches responsibility, an understanding that money is given in exchange for work, and it bonds a child to his or her family in a relationship of mutual commitment and responsibility.

Congress has just passed a plan that tries to apply the kind of tough love, common sense approach to welfare reform that Americans know is morally right and have said that they want. The plan is based on the simple proposition that welfare recipients should work for their benefits, just like you work to support your family and to pay your taxes.

It also recognizes that there will be no real welfare reform without tackling the appalling problem of illegitimacy. Fully one in every three American babies is born out of wedlock today.

So I ask the Speaker to commend to the attention of the President this bill. I hope that he signs it. I hope it becomes law. It will clearly bode well for the future of our country going into the 21st century.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House stands in recess until 2 p.m.

Accordingly (at 12 o'clock and 49 minutes p.m.), the House stood in recess until 2 p.m.

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CALVERT) at 2 p.m.

#### PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Protect us, O gracious God, all the day long until the shadows lengthen and the light is gone and we are alone. Remind us that we never walk the path of life alone or go through the valley by ourselves, but Your spirit leads and guides, Your strong arm is our strength, and Your grace is abundant for our every need. We place our prayers before You, O God, asking that You would bless us this day and direct us in the way of truth and peace and grace. In Your name, we pray. Amen.

#### THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

#### PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from California [Mr. MOORHEAD] come forward and lead the House in the Pledge of Allegiance.

Mr. MOORHEAD led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, July 30, 1996.

#### REPEALING OF PROVISION OF UNITED STATES CODE RELATING TO FEDERAL EMPLOYEES CONTRACTING OR TRADING WITH INDIANS

Mr. MOORHEAD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3215) to amend title 18, United States Code, to repeal the provision relating to Federal employees contracting or trading with Indians.

The Clerk read as follows:

H.R. 3215

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. FEDERAL EMPLOYEES CONTRACTING OR TRADING WITH INDIANS

(a) REPEAL.—Section 437 of title 18, United States Code, is repealed.

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 23 of title 18, United States Code, is amended by striking the item relating to section 437.

(c) EFFECTIVE DATE.—The repeal made by subsection (a) shall—

(1) take effect on the date of enactment of this Act; and

(2) apply with respect to any contract obtained, and any purchase or sale occurring, on or after the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MOORHEAD] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. MOORHEAD].

#### GENERAL LEAVE

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3215.

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

There was no objection.

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

Mr. Speaker, I rise in support of H.R. 3215 which repeals a provision of the Criminal Code, 18 U.S.C. 437, that prohibits certain Federal employees from contracting or trading with American Indians. The gentleman from Arizona, Mr. J.D. HAYWORTH, introduced H.R. 3215 on March 29, 1996.

Section 437 prohibits employees of the Bureau of Indian Affairs and the Indian Health Service from entering into contracts with American Indians for the purchase, transportation, or delivery of goods or supplies for any American Indian. It further prohibits these employees from engaging in any purchase or sale of services or property from or to any American Indian. Because these provisions prohibit any of these transactions in any case in which the Federal employee appears to benefit, they effectively bar any such transaction with a family member of the Federal employee. A violation of this section is punishable by a fine or imprisonment of up to 6 months.

Section 437, first passed in the 1800's, was enacted to prevent Federal employees who are involved in administering programs to assist American Indians from taking advantage of those they are supposed to be helping. While it was well-intentioned when passed, today it is outdated and no longer necessary. In addition, the section has the perverse effect of making it harder for the Indian Health Service to recruit and retain good medical employees for remote reservations because those employees' spouses are prohibited from trading with the local Indians.

In 1980, Congress amended this statute to allow the executive branch to provide, by regulation, for exceptions