

few years. This will require reductions in taxation, litigation and regulation to make it dramatically easier to launch small businesses. It also will require an aggressive outreach program to encourage minority individuals to create their own business as an alternative to working for others.

In addition to expanded economic opportunity we should insist on solving other challenges which affect all Americans but bear particularly harshly on minority populations. I imagine it is January 1, 2001, the first day of a new century and a new millennium. It is a Monday morning. Imagine waking up to an America that was virtually drug-free, in which practically every child was learning at their best rate, and in which almost all children were born into or adopted into families that could nurture and raise them.

I am not describing a utopia. This is the America I went to high school in in 1960. Drug use was marginal. There was an expectation you could read the diploma before they gave it to you. Self-esteem was earned not given. Young males knew that fatherhood was a responsibility not just a biological side effect of hedonism.

All of America will be better off if we create a drug-free, learning-oriented America of children growing up in families—minority Americans in general and black Americans in particular—would find their lives dramatically improved by these changes.

Stopping drug addiction, drug-related violence, and drug-generated wealth will do more to improve the lives of young blacks and the prospects of poor neighborhoods than all of the quotas and set-asides combined. When neighborhoods are drug-free and crime free, businesses will return, jobs will reappear and economic opportunity will be re-established.

True learning is infinitely more powerful than social promotion combined with quotas and set-asides. Every child of every background in every neighborhood deserves their full rights to pursue happiness as their Creator endowed them. Recently, I attended an 8th grade graduation at St. Augustine private School here in Washington. 98% of the private school children will graduate. The public schools which cost three to four times as much will graduate less than half as many of their entering children. Saving the children who are dropping out requires new approaches not new quotas.

We know we can dramatically reduce single teen pregnancy because it is being done. Kay Granger, former mayor of Fort Worth and now a freshman member of Congress, worked on a YWCA project for 800-at-risk teenage girls. Statistically 70% should have become pregnant. The program taught these young girls ambition, integrity, and motivation. Instead of 560 becoming pregnant, only two did. We can break the cycles of dependency and despair in our poor neighborhoods.

This is not a proposal for a massive new government program. If centralized bureaucracies in Washington could have stopped drugs, guaranteed learning and ended single teen pregnancy, the job would have been done—we have created the bureaucracy and spent the money. It was just the wrong model.

America is a great country filled with good people. Tocqueville pointed out in the 1840s that volunteerism, local leadership and faith based charities were the unique attributes that gave America its dynamic character. Marvin Olasky recaptured these principles of American success in his 1994 book "The Tragedy of American Compassion."

Instead of focusing on broad sweeping generalizations about race, the President's com-

mission needs to focus on practical, doable, immediate action steps that can solve America's problems. If Americans get busy enough working together to achieve real goals, racism will recede. Perspiration and teamwork will dissolve racism faster than therapy and dialogue.

I'm sure most of you saw the Bulls-Jazz championship game last week. In the closing moments, when Michael Jordan looked to find an open man for a winning shot, he didn't look for the closest black player. He looked for the nearest jersey. That happened to be Steve Kerr who is white. This is the example for society to follow: A group of individuals so focused on a common goal of winning—that they don't have time to worry about what color the other is. I will also remind everyone here and watching on C-SPAN that Michael Jordan tragically lost his father a few years ago. Steve Kerr, while a college freshman, lost his father to Middle East violence. They are also good examples of overcoming adversity and triumphing in the face of it.

We thank the President for wishing to continue the dialogue on race last weekend. But frankly, there has been much talk on this issue and very little action of the sort which will dramatically change people's lives. Let me now suggest 10 practical steps which, started today can build a better America and, in the process, close the racial divide.

1. Learning: We must create better opportunities for all children to learn by breaking the stranglehold of the teachers' unions and giving parents the financial opportunity to choose the public, private, or parochial school that's best for their children (as outlined in Majority Leader Arney's Educational Opportunity Scholarships for District of Columbia students).

2. Small business: We must set a goal of tripling the number of minority-owned small businesses by bringing successful small business leaders together to identify—and then eliminate—the government-imposed barriers to entrepreneurship.

3. Urban renewal: We must create 100 Renewal Communities in impoverished areas through targeted, pro-growth tax benefits, regulatory relief, low-income scholarships, savings accounts, brownfields clean-up, and home-ownership opportunities (as outlined in Jim Talent and J.C. Watts' American Community Renewal Act).

4. Civil rights: The Equal Employment Opportunity Commission should clear its existing backlog of discrimination cases by enforcing existing civil rights laws, rather than trying to create new ones by regulatory decree.

5. Equal opportunity: We must make America a country with equal opportunity for all and special privilege for none by treating all individuals as equals before the law and doing away with quotas, preferences, and set-asides in government contracts, hiring, and university admissions (as outlined in the Canady-McConnell-Hatch Civil Rights Act of 1997).

6. Racial classification: We must break down rigid racial classifications. A first step could be to add a "multiracial" category to the census and other government forms to begin to phase out the outdated, divisive, and rigid classification of Americans as "blacks" or "whites" or other single races. Ultimately, our goal is to have one classification—"American".

7. Home ownership: We must ease the path toward home ownership by giving local communities and housing authorities the flexibility and authority to more effectively and efficiently house low-income Americans (as

outlined in the Housing Opportunity and Responsibility Act). We must also expand faith-based charities such as Habitat for Humanity, which grow families as well as build homes.

8. Violent crime: We must make our cities safe and secure places to live and work through community policing, tougher sentences for violent criminals, and innovative anti-crime programs (as outlined in the Juvenile Crime Control Act of 1997). We must also dramatically expand the community-based anti-drug coalition efforts and insist on a victory plan for the war on drugs.

9. Economic growth: We must expand economic opportunities for all Americans by promoting continued economic growth with low inflation and rising take-home pay, through tax cuts, tax simplifications, litigation reform, less regulation and overhaul of the burden of government on small businesses. After all, for welfare-to-work to be successful, work needs to be available.

10. Welfare reform: We must take the next step in welfare reform by fostering and promoting innovative local job training, and entry-level employment programs to move welfare recipients into the workforce (as outlined in the Personal Responsibility Act of 1996 and the welfare-to-work initiatives of Governor George Bush of Texas and others).

These ten steps are examples of the kind of practical, down-to-earth, problem-solving efforts which will improve the lives of all Americans, but have an especially important and dramatic impact on the lives of poor Americans and minority communities.

I hope the President's commission will establish a goal of practical reforms and practical changes and will hold hearings designed to elicit pragmatic, down-to-earth proposals for real change.

The commission would do well to start right here with the Orphan Foundation. This is a uniquely American institution—in your generosity of spirit, in your inner strength and in your boundless optimism. But most of all, you are uniquely American because in giving these and many other young people the rarest of treasures—a sense of hope, a sense of place and a sense of possibility—you are in fact helping show them what it means to be citizens and part of the American family. And those are the greatest gifts of all. You are part of a worldwide movement of freedom and faith. You are all making our jobs a little bit easier. I thank the Foundation for its work; I salute this year's scholarship winners and I thank you for allowing me to join you this evening.

BALANCED BUDGET ACT OF 1997

SPEECH OF

HON. DARLENE HOOLEY

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1997

Ms. HOOLEY of Oregon. Mr. Speaker, I rise today to express my support for this historic budget agreement. We have a remarkable opportunity to balance the budget while protecting our values, and I believe we should do everything we can to craft a budget plan that will be good for all Americans.

Balancing the budget and putting our fiscal house in order is the single most important thing we can do for our children, and for our future. We have made important strides toward balancing the budget and shrinking the

deficit while maintaining a healthy, growing economy. But there is still a long way to go.

While I am voting in support of the measure, the bill is far from perfect. In the past 2 days important improvements have been made to the legislation. The leadership should be commended for continuing negotiations. However, further changes are needed in key areas including children's health care, reproductive choice and medical savings accounts.

I am very concerned about the inclusion of the Hyde amendment restrictions in the children's health initiative. I believe the inclusion of this anti-choice rider is an inappropriate infringement on reproductive rights.

I am pleased that the bill includes the \$16 billion in funding for the children's health care initiative, as outlined by the budget resolution. Making health care affordable and accessible to our country's 10 million uninsured children must remain a core budget priority. Even though I believe we should provide States with much-needed flexibility in implementing the initiative, we must ensure that States use the new funds to expand health services for children in need.

Many States have already acted in very aggressive and innovative ways to expand health coverage to uninsured kids. Unfortunately, the formula included in this bill is structured so it penalizes States like Oregon that have already taken action to provide health care to more children. The distribution of funds is unfair and it is bad policy. We should be rewarding Oregon, and other States that have already invested in creative policies for expanding coverage. Instead, the bill rewards inaction and punishes innovation.

Finally, I must express some deep reservations over the inclusion of a large medical savings account demonstration project for Medicare beneficiaries. I am very concerned about the effects MSA's could have on Medicare beneficiaries. In my view, a 500,000-person demonstration project is much too large to test the impact of MSAs on Medicare. Because of the uncertainties associated with MSA's, any demonstration project must proceed with caution.

Today is another step in this important budget process. I support this step, and urge my colleagues and the administration to continue our hard work for budget legislation that will best serve the American people.

BALANCED BUDGET ACT OF 1997

SPEECH OF

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1997

Mr. COYNE. Mr. Speaker, I rise today in opposition to the portion of the 1997 reconciliation bill that we are considering today. I oppose this bill because there a number of provisions contained in it that are so objectionable that I cannot support this legislation in its current form. Let me outline my objections to this bill.

Until this morning, the House welfare legislation would have allowed States to pay welfare recipients less than the minimum wage for publicly sponsored work programs. This isn't right. Work is work. Everybody should earn a living wage. States should not be permitted to treat individuals on welfare differently from other workers. Afraid of the political repercussions of such a patently unfair policy, the majority has modified its legislation in the Rules Committee. While I am pleased that the House leadership has conceded that welfare workers ought to be paid at least the minimum wage, I think that the changes that were made to this legislation do not go far enough. Welfare workers still will not be ensured of adequate protection from sexual harassment, discrimination, or health and safety violations in the workplace. Welfare workers also will not be assured that they will receive the same benefits and working conditions as other workers doing the same type of work for the same employer.

The House bill would allow States to privatize their Medicaid and food stamps eligibility processes. I believe that making eligibility determinations is an inherently governmental function that should not be privatized, and that the privatization of eligibility determinations could lead to many unfair and inappropriate eligibility determinations.

The welfare portion of the House bill also overturns an appeals court ruling mandating that States use alternative base periods for determining unemployment compensation eligibility. By overturning the court's ruling, the bill denies many low-wage, intermittent workers access to unemployment insurance benefits at the times when they need them most. It seems to me that states should use workers' most recent earnings history to determine eligibility for unemployment compensation benefits.

Finally, the welfare portion of the reconciliation bill breaks both the spirit and the letter of the budget agreement in its treatment of legal immigrants. The budget agreement stipulated that legal immigrants in the United States by August 22, 1996, but who become disabled after that date would be eligible. Under the House bill, only legal immigrants who were on the SSI rolls as of August 22, 1996 would continue to be eligible for SSI payments.

In addition to the welfare provisions of this legislation, I object to a number of the bill's Medicare provisions as well. The Medicare portion of the reconciliation legislation includes a provision authorizing a demonstration project of 500,000 medical savings account [MSA's]. At a time when we are fighting to preserve the Medicare program, we should not be giving hand-outs to the healthiest and wealthiest Medicare beneficiaries—especially when these hand-outs cost the Medicare program money.

The Medicare portion of the legislation falls short with regard to managed care consumer protection provisions as well. It does not include some critically important managed care consumer protection provisions, like the ability of beneficiaries to obtain expedited appeals of denied claims in urgent situations. The bill

also allows the Secretary of Health and Human Services to waive the 50-50 rule for managed care plans. This rule traditionally ensured that managed care plans provided quality care to Medicare beneficiaries. It is not certain that other, more comprehensive, measures of quality will be established before the 50-50 rule is waived. In short, this legislation does not ensure that Medicare's managed care beneficiaries will receive the highest quality of medical care.

In addition, the bill does not allow graduate medical education [GME] and disproportionate share hospital [DSH] payments to go directly to the institutions that train medical residents and take care of Medicare beneficiaries. Instead, these payments will continue to go to managed care companies, middlemen who do not perform these critically important functions, but whom many people believe often fail to pass the full GME and DSH payments on to the hospitals. It is only fair that these payments go to those institutions that incur the costs of GME and DSH. The GME and DSH provisions of this bill desperately need to be changed.

The bill also includes some unwarranted weakening of our medical malpractice laws. The malpractice provisions in the legislation way weaken the ability of our legal system to deter medical malpractice.

Finally, the bill does not include some important protections against waste, fraud and abuse in the Medicare program that were offered by the Democrats on the House Ways and Means Committee when this bill was marked up. It has been estimated that waste, fraud and abuse cost the Medicare program about \$23 billion last year alone. The Republican majority refused to incorporate several provisions that would have helped the Medicare program to avoid rampant waste, fraud and abuse. This bill should be changed to include those provisions.

I am also opposed to several of the Medicaid provisions contained in this legislation. Specifically, I am very concerned that the level of disproportionate share hospital payments that go to hospitals who treat large numbers of the poor will render these facilities unable to continue providing services to this vulnerable population.

Further, I am opposed to repeal of the Boren amendment, which requires states to pay hospitals and nursing homes a reasonable and adequate rate for treating and taking care of Medicaid recipients. It is only fair that health care institutions charged with caring for Medicaid recipients be assured that they receive adequate compensation for doing so. I believe that repeal of the Boren amendment could have disastrous consequences for many hospitals and nursing homes that care for the poor.

Mr. Speaker, these are the main reasons that I have decided to oppose this legislation. I urge my colleagues to work with me to produce a reconciliation bill that we can all support—one that provides for the neediest, most vulnerable members of our society in a fiscally responsible fashion.