

Section 11: Report on Secondary Market Mechanism For Reinsurance Contracts requires the Treasury Secretary to create a mechanism to sell excess-loss contracts (at least 20 percent of the total written dollar value) in the capitol markets and report back to Congress, within 18 months, with recommendations for statutory change.

Section 11: Definitions.

#### AGRICULTURE ADVISORY BOARD

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, January 7, 1997*

Mr. COSTELLO. Mr. Speaker, I rise today in recognition of a group of individuals who have been of great service to me during the past 2 years. This group is the Agriculture Advisory Board for the 12th Congressional District of Illinois. The 13 members of the Ag Advisory Board members represent each of the nine counties in the district. The group met several times throughout the 104th Congress.

This last Congress will be memorable one for the agricultural community. The recently implemented Farm Bill of 1996 has changed the way producers receive payments from the Federal Government. These payments, set at specified decreasing amounts each year for the next seven years, replaces the former system of deficiency payments, which payed farmers based on market conditions. The legislation also recognizes the need for greater exports of our American-grown commodities. Illinois is a leader in the production of corn, wheat and soybeans. The opportunities for greater exporting will improve the economy in each member's town and throughout the state.

I commented each member for giving of his time and insights to help make well-informed decisions. The members of my Agriculture Advisory Committee during the 104th Congress were Mike Campbell of Edwardsville, John Deterding of Modoc, Lawrence Dietz of DeSoto, Edwin Edleman of Anna, Greg Guenther of Belleville, Craig Keller of Collinsville, Marion Kennell of Thompsonville, Vernon Mayer of Culter, Dave Mueller of East Alton, Larry Reinneck of Freeburg, Bill Schulte of Trenton, Jim Taflinger of Cache, and Lyle Wessel of Columbia.

I am pleased that these gentlemen will be staying on the Ag Advisory Board during the 105th Congress. The Farm Bill has brought about spending cuts in many farm programs, and each board member's input will be critical to me as I review the various Federal programs in an oversight and appropriations capacity. I look forward to working with each member on agricultural matters during the 105th Congress. I ask my colleagues to join me in recognizing these individuals.

#### LENDING ENHANCEMENT THROUGH NECESSARY DUE PROCESS ACT

HON. BILL MCCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, January 7, 1997*

Mr. MCCOLLUM. Mr. Speaker, I rise today to reintroduce the Lending Enhancement Through Necessary Due Process Act.

In the aftermath of the Savings and Loan [S&L] crisis, Congress empowered the Federal Deposit Insurance Corporation [FDIC], the Resolution Trust Corporation [RTC], and other agencies to prosecute the S&L crooks and pursue other wrongdoers through civil suits to collect damage awards to lessen the taxpayer costs of the thrift debacle.

Although the government's efforts have been successful in carrying out Congress' mandate, government agencies have launched a zealous civil litigation campaign against anyone even remotely connected to a failed bank or thrift. Litigation against marginal defendants and the use of highly-paid outside counsel have aggravated the credit crunch in the early 1990's. Directors and officers in financial institutions are reluctant to make character loans or business loans with any element of risk for fear that they could be accused of negligence by the regulators if the loan ever failed. Currently, banks and thrifts have found it difficult to attract qualified bank directors and officers because of the campaign of fear brought on by the regulators.

Taxpayer funds have been wasted and the lives and reputations of countless individuals are being ruined. In their fervor to squeeze every last dollar out of S&L and bank professionals, the RTC and the FDIC are spending an inordinate amount of time and money pursuing marginal cases in which the culpability of the defendants is highly questionable. Faced with an enormous pool of potential individuals to sue, the FDIC and the RTC have employed over 2400 law firms, paying them more than \$504 million in 1992 alone. These law firms had little incentive to reduce taxpayer costs and every incentive to bill thousands of hours in the pursuit of former directors and officers, regardless of their culpability. Meanwhile, defending these suits is a costly, demeaning, and time consuming enterprise. Many defendants have agreed to costly settlements, regardless of guilt, in order to avoid bankruptcy.

The Lending Enhancement Through Necessary Due Process Act will remedy these types of abuses and still allow the regulators to pursue culpable individuals. First, accused directors and officers will be allowed to assert defenses to overreaching accusations. One example is the business judgment defense. The courts in all of the States recognize the business judgement rule either by case law or by statute. This bill will establish defenses for business judgement, regulatory actions and unforeseen economic consequences.

Second, this legislation would require that regulators have good cause to obtain the personal financial records of potential defendants. The current practice is to ask for the financial records of all parties and then sue the richest, regardless of culpability. This bill requires that the regulators demonstrate a violation of the law and the likelihood that the individual will dissipate assets.

Third, this act will give defendants additional protection to prevent the freezing of their assets without good cause. Finally, the standard for director and officer liability will be clarified by stating that the standard is gross negligence rather than simple negligence. I understand the Supreme Court has seen it necessary to take a closer look at the standard of negligence as it applies to these cases.

Mr. Speaker, although most of these cases have been brought to their final disposition, I

strongly believe that changes need to be made so the abuses I described do not continue during the resolution of future failures. While I understand, but do not necessarily agree with, the need to use excessive force to resolve the S&L debacle, the time has come for the pendulum to swing back to the center. This bill will accomplish this.

#### COMMENTS UPON INTRODUCTION OF THE RATEPAYER PROTEC- TION ACT

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, January 7, 1997*

Mr. STEARNS. Mr. Speaker, I rise today to introduce legislation that will not only save American consumers billions of dollars, but also reduce Federal regulation and promote competition in the electric power industry.

My bill will prospectively repeal section 210 of the Public Utility Regulatory Policies Act of 1978—PURPA. Section 210 mandates utilities to buy power from a certain privileged class of generators of electricity at prices set not by the free market but by the government. In fact, the independent Utility Data Institute estimates that consumers pay as much as \$8 billion a year more for their electric energy as a consequence of this anti-competitive mandate.

Simply put, PURPA is a Federal barrier to a more efficient, cost-effective, and competitive electricity industry. Each day we wait to deal with PURPA is another day that this mandate distorts electric markets and creates liabilities that will become stranded investments. Already, PURPA is estimated to have burdened the market with over \$38 billion in stranded costs.

As I said upon introduction of virtually identical legislation during the 104th Congress, my only interest in introducing this bill lies in achieving the most efficient and most cost-effective means of electric generation for America's consumers. I am prepared to move forward with this bill as introduced, or as a part of a much broader legislative effort. Indeed, I am anxious to work with Chairman SCHAEFER, Chairman BLILEY, the House Committee on Commerce, and all other interested parties as Congress moves forward with its comprehensive examination of the industry. But it must be noted that we can take an important step toward the laudable end with the timely and sagacious elimination of PURPA's unnecessary and costly Federal mandate.

Everyone will agree that we must begin to explore a move toward an electricity industry that is based on competition, market force, and lower prices for ratepayers. This is certainly my objective as I introduce this imperative aspect of electricity reform legislation.

#### INTRODUCTION OF THE MEDICARE PREVENTIVE BENEFIT EXPAN- SION ACT OF 1997

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, January 7, 1997*

Mr. THOMAS. Mr. Speaker, today I join with Mr. BILIRAKIS and Mr. CARDIN in introducing a

bill which will strengthen Medicare's coverage of certain preventive health care. This is a step in the right direction for our seniors—and for the Medicare Program. Preventive health care can translate into improved health and a better quality of life—and at the same time, reduce long-term health expenses. The private sector has for many years offered preventive benefits in insurance programs for working Americans. Medicare can do the same for senior citizens.

In past years, we examined Medicare's coverage policy for the possibility of expanding it to include certain preventive care. But each time, the Congressional Budget Office concluded that this would significantly increase Medicare costs. Last year, for the first time, CBO agreed that certain preventive health benefits could actually save Medicare money. Using this new level of understanding, we decide to include these savings and develop a responsible preventive health care program for our elderly. More important than the dollars we will save over the long term, this legislation assembles preventive methods that will save lives and enhance the quality of life for individuals suffering from certain medical conditions. In addition, these measures will empower seniors to have more control over their health through early detection of diseases, thereby increasing treatment options in many cases, and by educating patients on how to successfully manage their conditions.

The American Cancer Society estimates that one million people will be diagnosed with cancer this year, and there are more than 10 million people alive today with a history of cancer. Those who fight cancer, as either a patient or as a caregiver, know the tremendous burden such a battle brings. There is great financial cost for individuals, families, and society as a whole; the National Cancer Institute estimates national costs for cancer to be more than \$100 billion each year. By providing Medicare beneficiaries with the access to expanded prevention procedures through coverage of mammographies, pap smears, pelvic exams, and colorectal and prostate screenings, this legislation seeks to reduce suffering and save lives by detecting cancer at an earlier, more treatable stage.

We also address a disease affecting more than 15 million Americans—diabetes. Without detection or proper treatment, diabetes can lead to kidney failure, amputation, nerve damage, blindness, extended hospitalizations, heart disease, and strokes. Medical care for diabetic patients costs more than \$100 billion per year—accounting for 15 percent of all health care costs in the United States and a quarter of all Medicare costs. These medical complications and resulting costs are often avoidable through patient education on proper nutrition, exercise, blood sugar monitoring, activity and medication so that patients can take charge of their wellness. We not only empower people to take back control of their health care through patient self-management training, but we ease the financial burden by including blood-testing strips as durable medical equipment for the purposes of Medicare coverage. We also recognize the necessity of improving diabetes treatment and have added provisions requiring the Secretary of Health and Human Services to establish outcome measures to be reported to the Congress so we can change and adapt our coverage policies to reflect the medical needs of patients

and not the arbitrary determinations of a Washington bureaucracy.

This legislation should make significant strides in improving the health care system for Medicare beneficiaries diagnosed with breast, cervical, colorectal, prostate cancer, and diabetes. We will do more, since new technology will enable early detection of other diseases. This bill will make a difference in millions of lives and for thousands of families, and I am proud to introduce this bill today, at the beginning of the new 105th Congress.

#### TRUE ELECTORAL REFORM: TERM LIMITS WITH 3 4-YEAR TERMS

HON. BILL MCCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, January 7, 1997*

Mr. MCCOLLUM. Mr. Speaker, today I am introducing a proposed amendment to the Constitution that will not only limit the number of terms a Member of Congress may serve. This proposal would extend the length of a single term in the House from 2 to 4 years. Senators would remain in 6-year terms.

The arguments for term limits are well-known. The Founding Fathers could not have envisioned today's government, with year-round sessions and careers in Congress. Term limits would eliminate the careerism that permeates this institution, enticing Members to work toward extending their careers—a goal sometimes at odds with the common good. There are simply too many competing interest groups.

However, my proposal takes the essence of term limits, to limit the influence of careerism and the incessant campaigning it requires, by increasing the length of a term in the House of Representatives. Currently, each Member of the House serves 2-year terms. That means that after each election, a House incumbent must begin campaigning again almost immediately. This dangerous cycle almost never stops. A 4-year term would mitigate this to a certain degree. Looking at it another way, a person would have to run only three times to serve the maximum number of years. That is certainly an improvement, especially when tied to term limits.

Mr. Speaker, it is important to note that a 4-year term will not eliminate the House of Representatives' function as the people's House. Today's technology almost instantly allows people in Washington, DC to know how the people they represent in their district feel about issues of the day. No longer must Representatives periodically make the trek home to put themselves back in touch with the local wants and needs. Now we fly home on weekends, read our local papers in DC, receive countless polls and tune in to the news.

In the end, Mr. Speaker, there will be no loss of service by lengthening the term of office while limiting them. Indeed, it will improve as more attention is paid to legislating instead of campaigning. This is a complete reform package deserving of our attention.

#### VEHICLE FORFEITURE FOR REPEAT DRUNK DRIVERS

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, January 7, 1997*

Mr. BLUMENAUER. Mr. Speaker, as sure as we are standing here tragedy will strike again on America's roadways. Within the next few weeks there will be another national example where repeat drunk drivers lay carnage on our streets.

Sadly, this is an all too frequent occurrence in our country. Over 17,000 people a year are killed because of drunk driving and hundreds of thousands are injured.

I have a long standing commitment to doing everything possible to stop people from getting behind the wheel after drinking too much. As a member of the Portland City Council, I introduced the first ordinance in the country to take away the cars of repeat drunk drivers. This law has had a dramatic effect.

In Portland we have confiscated almost a thousand cars and forfeited almost a third of those. Most importantly it has made a difference in terms of repeat drunk driving.

From 1994 to 1995, drunk driving deaths increased nationally. During that same time period, we saw a 42-percent decrease in these fatalities in Portland. Empirical studies show when you take away the car of the repeat drunk drivers it does get their attention, and the recidivism rate has dropped. This is a program that works.

Today I am reintroducing what was my first piece of legislation as a Member of the U.S. Congress. Currently States must meet five of seven eligibility criteria to receive a share of the \$25 million in Federal drunk driving counter measure grants. My proposal will add another criteria to choose from, a program to confiscate the cars of repeat drunk drivers, like we've done in Portland.

I'm convinced that this simple step is going to move dramatically and spread the forfeiture concept around the country. Already, over 60 cities and counties have requested information on our program.

When so many issues pit one group against another, it is encouraging that taking away the cars of repeat drunk drivers has had such a broad coalition behind it. Law enforcement agencies, advocates like the Mothers Against Drunk Driving, beer and wine distributors, and others have all lent their support for Portland's program. I have begun to reach out to national coalitions and will continue to work with them on perfecting this bill.

#### NATURAL DISASTER PROTECTION AND INSURANCE ACT

HON. BILL MCCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, January 7, 1997*

Mr. MCCOLLUM. Mr. Speaker, today I rise to introduce the Natural Disaster Protection and Insurance Act. As many of my colleagues know, I have taken a great interest in past efforts to reduce the impact of catastrophic disasters.

We know that areas most likely to experience natural disasters, like my State of Florida, are currently experiencing population