INTRODUCTION OF THE STOP SWEATSHOPS ACT OF 1997

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. CLAY. Mr. Speaker, last year, I joined with Senator KENNEDY and more than 50 other Members of Congress to introduce legislation to curb the reemergence of sweatshops in the domestic garment industry. Today, I am introducing that legislation once again.

Sweatshops have returned to the apparel industry in the United States in numbers and forms reminiscent of the turn of the century. Sweatshop employers exploit those who work for them, sometimes subjecting workers to slave-like conditions. By exploding workers, sweatshop employers derive an unfair and unlawful competitive advantage that harms law abiding employers, as well as workers and their families.

The Stop Sweatshops Act of 1997 strengthens the ability of the Department of Labor to enforce the Fair Labor Standards Act [FLSA] and improves the ability of workers in the garment industry to obtain redress for violations of the act. As importantly, at a time when the Congress is reducing funds available for enforcement of the labor laws, the bill encourages manufacturers in the garment industry to deal with reputable contractors and acts to balance market pressures that have encouraged the reemergence of sweatshops.

The reemergence of sweatshops represents a problem that cannot be allowed to continue to grow. As we approach the 21st century, we have an obligation to eliminate this vestige of the 19th century. I urge my colleagues to support this humane legislation.

THE FLORIDA WETLANDS MITIGATION BANKING STUDY ACT OF 1997

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. McCOLLUM. Mr. Speaker, today I am introducing legislation to authorize a study on a topic of growing environmental importance, mitigation banking. Specifically, this bill authorizes the Army Corps of Engineers to conduct a 2-year study in Florida on the process of authorizing mitigation banking and its effectiveness.

In an effort to minimize impacts to wetlands, mitigation banks have been created. In the past, developers who adversely impacted a wetland area were required to either restore an existing wetland or create a new one. The restoration was usually performed on the impact site and often resulted in small, scattered wetlands which were not effective in maintaining or restoring the overall health of the watershed.

A mitigation bank typically consists of a large parcel of land on which an entity voluntarily restores, enhances, creates, or preserves wetlands and uplands. These entities may be a developer or group of developers, a public agency, or a private firm that has rights to land for the creation of a mitigation bank. A bank is formed through an agreement between regulatory agencies and the bank sponsor. The entity establishing the mitigation bank is then given mitigation credits for work on the wetlands. Credits are assigned by State and Federal regulators, including local water management districts and the Army Corps of Engineers. These credits can be used as a ''debit'' at another site to offset unavoidable damage to wetlands.

Mr. Speaker, this process is becoming more and more widespread. Because of the potential impact mitigation banking has for the nation, it is important to examine it further to better identify both the advantages and disadvantages of the process. My bill allows the Corps to conduct a study which analyzes the establishment and use of mitigation banks under current federal guidelines and Florida law to determine if any further federal action is needed. Florida was chosen as a study state because it has some of the most advanced statutes and regulations on mitigation banks, and a large number of mitigation banks have already been established and used.

As this realively new procedure begins to spread, I believe that it is important that all aspects and potential effects are examined. My bill will provide a study that I hope will clarify the future federal role. I encourage your support for this bill and look forward to working with many of my colleagues on its passage.

REPRESENTATIVE PELOSI HONORED FOR HUMAN RIGHTS WORK

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. STARK. Mr. Speaker, Representative NANCY PELOSI was cited in a recent New York Times article for her work as a tireless advocate on behalf of human rights in China. She has been the persistent voice reminding this Congress and the administration that we cannot ignore the atrocities in China. They are too awful, too numerous for us not to recognize.

A large market like China can be seductive for those who see commercial gain to be made. They do not want to see the pain wrought by the Chinese Government operating in its normal course whether it be false imprisonment, loss of freedom of religion, speech and association, proliferation of nuclear weapons or even the illegal shipping and sale of AK–47s to our own streets.

Representative PELOSI is the voice that reminds us that there is no such thing as business as usual with China. She is to be commended for her tireless efforts. I commend to you the enclosed article by A.M. Rosenthal:

CLINTON'S CHINA WRIGGLE

(By A.M. Rosenthal)

President Clinton, his supporting cast of bureaucrats and even most of his political opponents are so twisting the essence of the visit to the White House of Communist China's top weapons dealer that the deeply important meaning is wrung right out of it. And that is no accident.

Mr. Clinton is doing what comes naturally at times of political embarrassment, the old Washington dance. Wriggle, two, three, four, wriggle, two three, gliiide, everybody sing out together: ''Doin' the White House wriggle!''

''It was inappropriate,'' the President says with a fine show of chin. Screening must be tightened!

Republicans and Democrats un-in-love with Mr. Clinton say no, the problem is political money.

Wang Jun, the Chinese Army's chief arms broker, missile salesman and weapons smuggler, was brought to a White House reception by an Arkansas businessman who became a hotshot Democratic fund-raiser.

Taking some of the stink out of fund-raising would be real nice. But it won't get at the why and how come of Mr. Wang, whose job is to make money and build power for the Chinese armed forces by peddling weapons worldwide, and whose name is known to every China expert, spook and high military officer in the world, getting to a White House do with the President.

Nor will it deal with the hypocrisy of the Administration now clucking about this fellow's visit in February when the man he reports to was the official guest of the United States Government just a couple of weeks ago. This one got to the White House not for a handshake but for a real sit-down meeting with none other than the old screening-tightener-upper, Mr. Clinton himself. He is Gen. Chi Haotian, who gave the order to kill dissidents in and around Tiananmen Square in 1989 and was promoted to Defense Minister by a grateful Politburo.

No, the answer to how these characters got to the White House is not political money or screening. It is Mr. Clinton's decision to base America's policy about Communist China on trade.

For Beijing, the principal purpose of trade is to build up its police and military power. The biggest owner of Chinese industry and commerce is the military establishment. It uses the profit to build more weapons to sell, particularly missiles amusingly forbidden under U.S. regulation, and to modernize its armies, including the police army operating the Chinese gulag.

There is no hiding place, not for Mr. Clinton, not for America's allies, not for American C.E.O.'s, not for the American consumer or stockholder: doing business with China means providing money for the Chinese armed forces. So let's not get all wriggly when China's killers and arms-selling chiefs show up at our parties.

Most of Mr. Clinton's political opponents are trapped by and with him. They went along with him in sacrificing democracy and American security to the Trade Gods. So, like him, they have to do something when a killer-salesman comes to Washington. Watch them dance.

How did a nice young fellow from Arkansas, who preached human rights when he ran for President the first time, sell them out a year later? Why did that nice Assistant Secretary of State for China affairs go along, after attacking the early Bush clone of the Clinton policy?

Why did Bob Dole, and his party, wipe out any difference of principle between them and Mr. Clinton on providing China with the huge trade profits to build its military power? Oh, who cares why; they did.

Well, it is holiday time. Here's a fine present: three names among those Washingtonians who fight for Chinese human rights and American democratic honor. In government, Nancy Pelosi, San Francisco's Representative, and in this cause truly all America's. Among the experts: William C. Triplett 2d, former chief Republican counsel to the Senate Foreign Relations Committee; indispensable to the struggle. In journalism, the conservative Washington journal The Weekly Standard—may its editorials against the sellout of China reach the conservative movement and awaken the liberal.

And to all readers who have written that they will not support the suppression of Chinese freedom by purchasing China-made goods, this column goes with respect and thanks. These people, they just do not know how to wriggle.

CREDIT OPPORTUNITY AMENDMENTS ACT OF 1997

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. MCCOLLUM. Mr. Speaker, today I rise to reintroduce the Credit Opportunity Amendments Act which will fundamentally reform the Community Reinvestment Act [CRA] of 1977, and clarify the enforcement of our fair lending laws.

The original purpose of CRA was to encourage banks to loan into the communities in which they maintained deposit taking facilities.

In addition, the Members of the 95th Congress were concerned about redlining, the practice of denying loans in certain neighborhoods based on racial or ethnic characteristics. The enforcement mechanism chosen was to have CRA performance taken into account when regulators were deciding on applications by the banks.

When CRA passed in 1977, the Senate report stated that no new paperwork would be required under the new law. It was believed that examiners had all the information they needed on hand from call reports and their examination reports to enforce CRA. This is not the case. Instead of relying on existing information, regulators have created expansive new reporting requirements resulting in mounds of additional paperwork and many wasted hours that could have been used to serve the community.

CRA's enforcement mechanism has gone completely haywire. It has become what many refer to as regulatory extortion. By holding up applications on the basis of CRA protests, some community groups hope to get sizable grants or other contracts from banks. This happens all too often.

Recently, the Clinton administration has linked the enforcement of CRA with other fair lending statutes. This has placed the Justice Department in the position of being an additional bank regulator. This new bank regulator caught the lending industry off guard by using the disparate impact test for proving discrimination. Disparate impact is a controversial theory for proving discrimination in employment law purely using statistical data. Under this scenario, a lender can be found to have discriminated without some element of intent or without proving that any harm resulted from a lending practice.

This legislation remedies these problems while ensuring that lenders reinvest in the communities in which they serve. First, it replaces the current system of enforcement and graded written evaluations with a public disclosure requirement. This will dramatically reduce unnecessary paperwork and end the extortion-like nature of the current enforcement mechanism.

This approach allows bank customers to decide whether the bank is doing an adequate job in meeting its community obligations; not bureaucrats in Washington or organized community groups. If not, consumers can take their business elsewhere.

This will not end the congressional requirement that banks invest in their community. Nor will it stop organized groups from being involved. They will have the enforcement from the public disclosure on the bank's intentions and performance. They can raise any concerns with the bank or the regulators at any time. Consumers and the groups representing their interests can make their concerns known without having the extraordinary authority to hold up mergers and other obligations.

The second change in this bill makes the practice of redlining a violation of the Equal Credit Opportunity Act and the Fair Housing Act. Redlining will be defined as failing to make a loan based on the characteristics of the neighborhood where the house or business is located. Currently no prohibition against redlining in fair housing or fair lending exists, however, courts have interpreted these statutes to prohibit redlining. By placing a prohibition on redlining in statute, we will be sending a clear message that we are opposed to discrimination in lending in all forms, whether based on an individual's race, gender, age, sex, or makeup of the neighborhood where the individual lives or works.

This will also clarify that the method chosen to enforce our antidiscrimination laws is clear and resides in the fair housing and lending laws. No longer will regulators be forced to confront laws to attempt to address problems that the laws are inadequate for the purpose.

Third, the Credit Opportunity Amendment Act adds two criteria to the current use of the disparate impact theory. First, it requires regulators show actual proof that the lender discriminated and that the discrimination caused harm to the victim. Second, this legislation requires the party bringing suit to prove the lender intended to discriminate when making its lending criteria.

Finally, by designating a lead regulator to enforce our fair lending and community reinvestment statutes, we will have more even-handed enforcement of these laws. In turn, banks will be in a better position to know how to comply with them. Currently, confusion is the most prevailing reaction to the enforcement of CRA over the last 15 years and fair lending more recently.

The current bill makes substantial reforms to CRA which I strongly support. By enacting this legislation, we make a bold step to eliminate credit allocations in the guise of CRA and rationalize our regulation of the banking industry. At the same time, we make it absolutely clear that redlining is unacceptable and is against the law. Therefore, Mr. Speaker, I urge my colleagues to support my legislation in the 105th Congress.