the IRS. Jeffrey Dahmer and the ''Son of Sam'' were considered innocent until they were proven guilty. Regular taxpaying Americans, however, are not afforded this protection.

Mr. Speaker, during the last Congress, I highlighted the need for this legislation on the House floor by reading letters and cases I have received from people around the country. You may remember the case of David and Millie Evans from Longmont, CO. The IRS refused to accept their canceled check as evidence of payment even though the check bore the IRS stamp of endorsement. Or how about Alex Council, who took his own life so his wife could collect his life insurance to pay off their IRS bill? Months later, a judge found him innocent of any wrongdoing. I have heard hundreds of stories of IRS abuses like these on radio and television talk shows. Thousands of Americans have written to me personally with their horror stories.

Opponents argue that my bill will weaken IRS's ability to prosecute legitimate tax cheats. This bill will not affect IRS's ability to enforce tax law, it only forces them to prove allegations of fraud. My bill will ensure that IRS agents act in accordance with the Standards of Conduct required of all Department of Treasury employees. Most importantly, it will force the IRS to act in accordance with the Constitution of the United States of America where all citizens are considered innocent until proven guilty.

Mr. Speaker, I am hopeful that this is the year that Congress passes this bill. It is an important piece of legislation.

HONORING ROSANNE FISHER ON THE OCCASION OF HER RETIREMENT

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 9, 1997

Mr. GILLMOR. Mr. Speaker, I rise today to pay tribute to an outstanding citizen of Ohio. Williams County Commissioner Rosanne H. Fisher is retiring after years of service to the people of Ohio.

I have had the privilege of representing Williams County in the U.S. House of Representatives through much of the time Rosanne has served as commissioner. It has been a privilege working with her to help Northwest Ohio. I can tell you Rosanne has been a strong advocate and outstanding friend of our area. Rosanne's aggressive leadership was crucial in securing funding for the Hillside Assisted Living Complex, establishment of Solid Waste District and Recycling, implementation of 911 system, remodeling the senior center and the establishment of a records center.

She is member of the Ohio County Commissioner Association Board of Trustees, State OCCA Legislative Board, and the State of Ohio Board of Adult Detention. A graduate of Libby High School and the University of Toledo, Rosanne was first elected Commissioner in 1989. Throughout her distinguished tenure with the County Commissioners, Rosanne has demonstrated her deep faith in, and dedication to, upholding the principles of American democracy.

Mr. Speaker, we have often heard that America works because of the unselfish contributions of her citizens. I know that Ohio is a much better place to live because of the dedication and countless hours of effort given by Commissioner Rosanne Fisher. While Rosanne may be leaving her official capacity in Williams County, I know she will continue to be actively involved in those causes dear to her.

I ask my colleagues to join me in paying special tribute to Rosanne H. Fisher's record of personal accomplishments and wishing her and her family all the best in the years ahead.

THE UNREMUNERATED WORK ACT OF 1997 INTRODUCED

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 9, 1997

Mrs. MORELLA. Mr. Speaker, today, I am introducing the Unremunerated Work Act, which would direct the Commissioner of the Bureau of Labor Statistics to conduct time-use surveys to measure the unwaged work women and men do inside and outside of the home. Household, agricultural, volunteer, and child care duties are considered unremunerated work, the value of which would be included in the gross national product [GNP] under this act.

Unpaid work in the home is the full-time, lifelong occupation for many Americans, mostly women. For both men and women who work for pay in the marketplace, household work absorbs many hours per week. Yet, little is known about the value of household work.

The only national survey that measures the value of household work for the adult population was conducted in the 1970's by the University of Michigan. Government statistics have overlooked the amount of time spent on housework, child care, agricultural work, food production, volunteer work, and unpaid work in family businesses. This visible work is often a full-time job for many men and women, and is also done by men and women who hold paid jobs in the marketplace.

Women continue to enter the work force in record numbers. They also continue to serve in many unpaid roles, from hours caring for their children, running their households, and volunteering their time to charitable organizations. None of this ''unpaid'' work is counted when Government gathers statistics on the productivity of Americans. The collection of data about unpaid work would more accurately reflect the total work that Americans contribute to society, and would give greater value to the roles played by both women and men as volunteers, household engineers, and caregivers.

INTRODUCTION OF THE DEPOSITORY INSTITUTIONS AND THRIFT CHARTER CONVERSION ACT

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 9, 1997

Mrs. ROUKEMA. Mr. Speaker, I am reintroducing The Depository Institution Affiliation and Thrift Charter Conversion Act, legislation that represents a significant step toward crafting meaningful financial reform legislation that will take us into the 21st Century and put us on sound footing to compete in the global marketplace.

As I have said in the past, it is the responsibility of Congress after due diligence to make the important policy decisions giving statutory authority for the structure of financial institutions. It is not in the best interest of the system to continue to let the financial regulators make these decisions in a piecemeal, and arbitrary fashion. For Congress to not act would be a serious abdication of our responsibility.

In anticipation of resuming my role as Chairwoman of the Financial Institutions and Consumer Credit Subcommittee, financial modernization will be on the top of my agenda. With that in mind, I am planning early and comprehensive hearings to commence as soon as the committee completes its organization process.

For those of us that serve on the Banking Committee, we are painfully aware of how controversial the issues surrounding the financial services industry can be. To say the least, various sectors of the financial services industry have had different and often conflicting views on how best to go about modernization. The legislation we are reintroducing today represents the work of a coalition of 10 industry organizations representing a broad cross-section of the financial services industry. Participants in the Alliance group include: American Bankers Association; ABA Securities Association; American Financial Services Association; America's Community Bankers; Consumers Banker Association; Financial Services Council; Investment Company Institute; Securities Industry Association; and The Bankers Roundtable.

I am pleased to see the American Council of Life Insurance [ACLI] has also begun participating in these discussion. In fact, several of the new provisions included in this package were at the ACLI's suggestion.

This legislation represents a concrete effort to break the current logjam that has blocked financial services reform legislation in the past. The bill incorporated many significant compromises between those competing interests. For this reason, I believe it represents an important starting point for us to begin the debate on financial modernization.

This legislation is a comprehensive approach that addresses affiliation issues, Glass-Steagall reform, functional regulation, insurance issues and thrift charter conversion by melding together key elements of the major reform bills introduced previously in Congress.

While this latest ''Alliance'' bill is the product of a great deal of good faith negotiation and compromise by the major trade groups, it is nonetheless a work in progress that will require more discussion and development. While each member of the Alliance for Financial Modernization has participated in redrafting the legislation I am introducing today, they do not necessarily endorse all the provisions in the current product. In addition, there are several key elements missing from this bill.

For example, a clear definition of what is meant by the terms ''banking'', ''securities'', and ''insurance'' as well as a fair means to resolve any disputes that may arise between regulators over the proper characterization of

novel or hybrid products is an area of great sensitivity for all financial service providers—and one that still lacks a consensus among the industries. For this reason, this bill does not include such a provision.

In addition, America's Community Bankers would like to see a much broader approach, and have urged that permissible holding company affiliations be expended from financial activities to all businesses. This would extend the unitary thrift holding company authority to all holding companies—a view that is supported by the securities and insurance companies and other diversified financial companies as well. However, this bill does not address the so-called ''chartering up'' approach which would allow thrifts and commercial banks to engage in insurance and real estate activities. Currently, commercial banks are now prohibited in most cases from fully engaging in these activities; and thrift institutions, under this Alliance proposal, would be forced to divest of these activities and to nates the thrift charter and requires thrifts to convert to banks.

I, too, have serious reservations regarding many of the provisions included in this bill. The least of which is the holding company regulation structure and the regulatory oversight authority.

Last year's Alliance bill included a new regulation and oversight of holding companies based on similar requirements to the structure currently applied to Unitary Holding Companies. With the introduction of this legislation today, I have, at the Alliance's request, included a different regulatory structure which mirrors the current Securities industry risk assessment model.

Let me be clear that I have reservations about both the previous model in last year's Alliance bill and the one included in the bill I am introducing today. A fundamental question of financial reform is to determine the most appropriate means of regulating the system to preserve the safety and soundness of the financial services industry and the taxpayers dollars. As I begin hearings on this bill, this will be a major focus. While I agree that the current holding company structure needs reform, I am not convinced that the model included in this bill is the most appropriate and efficient means.

The key elements of the bill include:

Financial Services Holding Company [FSHC]: creation of a new, optional structure allowing financial companies to affiliate with banks similar to the D'Amato-Baker approach. A company could choose to own a bank through a new ''financial services holding company'' that would not be subjected to the Bank Holding Company Act, but subject to a new regulatory structure.

Permissible Affiliations: FSHCs could own or affiliate with companies engaged in a much broader range of activities than is permitted for bank holding companies under current law. The bill would not, however, eliminate all current restrictions on affiliations between banks and commercial firms. A financial services holding company would have to maintain at least 75 percent of its business in financial activities or financial services institutions, which would include such institutions as banks, insurance companies, securities broker dealers, and wholesale financial institution.

FSHCs are restricted from entering the insurance agency business through a new affiliate unless it bought an insurance agency that had been in business for at least 2 years.

This bill includes lists of activities that are deemed to be ''financial'' and entities that are deemed to be ''financial services institutions.'' A new National Financial Services Committee, chaired by the Treasury Department and including the bank regulators, the SEC, and a representative state insurance commissioner would be created.

Holding Company Oversight: The regulation and oversight of the new Financial Services Holding Companies would be based on the holding company risk assessment model that currently is applied to the Securities Industry. This represents a change from the original Alliance bill that I introduced last year. As we consider provisions that address the regulation of various institutions, I will be taking special care to assure that all institutions are regulated in such a way as to preserve the safety and soundness and the integrity of the insurance funds.

Securities Activities: Provisions for certain securities activities such as asset-backed securities and municipal revenue bonds could be offered in a new, separate securities affiliate. These provisions are similar to provisions included in the Leach bill and agreed to by the Commerce Committee.

Elimination of the Thrift Charter: With the new financial services holding company structure in place, the thrift charter would be eliminated; thrifts would generally be converted to banks, with grandfathering-transition provisions; and unitary thrift holding companies would be required to convert to either bank holding companies or financial services holding companies, also with grandfather-transaction provisions. The statutory language for the charter conversion is similar to the language included in the last version of my Thrift Charter Conversion bill, H.R. 2363.

I want to again reiterate that I do have serious concerns with several of the provisions included in this bill. However, I believe this draft proposal is an important document because it includes many compromises between the various financial services industry. Clearly, there are issues associated with this legislation that are yet to be discussed. However, with the introduction of this legislation we are advancing the debate on financial services modernization, and setting the stage for action in the 105th Congress that will take this industry into the 21st Century and beyond.

There is no doubt that Congress has always had at its disposal the tools to modernize our Depression-era banking codes. What it has lacked is the will. The pressures of competing interests have made this task all but impossible and resulted in gridlock. This bill is a significant first step toward breaking that logjam. It includes major areas of compromise between the various competing industries. Again, I am planning for early and comprehensive hearings in my subcommittee on the issues of financial modernization.

Again, let me stress that I will proceed with great care. My primary goal will be to preserve the safety and soundness of our financial system while protecting the American taxpayer and the business and consumers that rely on their services.

SUMMARY SECTION BY SECTION

The Draft bill is an effort to break the current logjam that is blocking financial services reform legislation. It is a comprehensive approach that addresses affiliation issues, Glass-Steagall reform, functional regulation, insurance issues, and thrift charter conversion. It does this by melding together key elements of the major reform bills that were considered by the last Congress. The purposes of this approach are to (1) build on the constructive efforts of Chairmen D'Amato and Leach and Representatives McCollum, Baker, and Roukema, among others, during the past two years; (2) provide a comprehensive framework for addressing the major concerns of the broadest possible range of industry participants; and (3) address legitimate concerns of the regulators that were reflected in both legislative and regulatory proposals that emerged during the last several years.

1. FINANCIAL SERVICES HOLDING COMPANIES

Using modified language from the D'Amato-Baker bills, the draft bill creates a new and entirely optional structure for financial companies to affiliate with banks. A company could choose to own a bank through a new ''financial services holding company'' that would not be subject to the Bank Holding Company Act. Instead, the financial services holding company would be subject to a new regulatory structure established by a newly-created section of financial services law called the ''Financial Services Holding Company Act.'' Any company that owns a bank but chooses not to form a financial services holding company would remain subject to the Bank Holding Company Act to the same extent and in the same manner as it is under existing law. However, an affiliate of a bank that is not part of a financial services holding company generally could not engage in securities activities to a greater extent than has been permitted under existing law.

Permissible Affiliations.—A financial services holding company could own or affiliate with companies engaged in a much broader range of activities than is permitted for bank holding companies under current law (with contrary state law preempted). The bill would not, however, eliminate all current restrictions on affiliations between banks and commercial firms. A financial services holding company would have to maintain at least 75 percent of its business in financial activities or financial services institutions, which would include such institutions as banks, insurance companies, securities broker dealers, and wholesale financial institutions. In addition, a bank holding company that became a financial services holding company could not enter the insurance agency business through a new affiliate unless it bought an insurance agency that had been in business for at least two years. Finally, foreign banks could also choose to become financial services holding companies.

The bill includes lists of activities that are deemed to be ''financial'' and entities that are deemed to be ''financial services institutions.'' A new National Financial Services Committee, which would be chaired by the Treasury Department and include the bank regulators, the SEC, and a representative state insurance commissioner, would (1) determine whether additional activities should be deemed to be ''financial'' or additional types of companies should be deemed to be ''financial services institutions''; and (2) issue regulations describing the methods for calculating compliance with the 75 percent test. Other than these limited circumstances, a financial services holding company would not be subject to the cumbersome application and prior approval process that currently applies to bank holding companies.

Holding Company Oversight.—Because it would own a bank, a financial services holding company would be subject to certain supervisory requirements, but only to the extent necessary to protect the safety and

soundness of the bank. These supervisory requirements are virtually identical to those that currently apply to companies that own regulated securities broker dealers, and companies that own regulated futures commission merchants—the so-called ''holding company risk assessment provisions.'' In the past six years, Congress has twice embraced this model for gathering information on potential risk to regulated entities by affiliated companies, once in the Market Reform Act of 1990 (securities firms), and once in the Futures Trading Practices Act of 1992 (futures traders). While the National Financial Services Committee would establish uniform standards for these requirements as they apply to depository institutions, the appropriate Federal banking agency that regulate the lead depository institution of the financial services holding company would implement and enforce them.

Apart from these general requirements, financial services holding companies would not be subject to the bank-like regulation that currently applies to the capital and activities of bank holding companies. However, as in the D'Amato-Baker bills, financial services holding companies would be subject to the following additional safety and soundness requirements:

Affiliate transaction restrictions, including but not limited to the requirements of Sections 23A and 23B of the Federal Reserve Act.

Prohibition on credit extensions to nonfinancial affiliates.

Change in Control Act restrictions.

Insider lending restrictions.

A ''well-capitalized'' requirement for subsidiary banks.

Civil money penalties, cease-and-desist authority, and similar banking law enforcement provisions applicable to violation of the new statute.

New criminal law penalty provisions for knowing violations of the new statute.

Divesture requirement applicable to banks within any financial services holding company that fails to satisfy certain safety and soundness standards.

Cross-Marketing Provisions.—As with the D'Amato-Baker bills, the bill would preempt cross-marketing restrictions imposed on financial services holding companies by state law or any other federal law.

Securities Activities.—The draft bill includes principal elements of the last-introduced version of the Leach bill in the previous Congress, H.R. 2520, as it related to Glass-Steagall issues. These include statutory firewall, ''push-out,'' and ''functional regulation'' provisions, with some modifications. These new restrictions would apply only to financial services holding companies; they would not apply to the securities or investment company activities of banks that remained part of bank holding companies.

Wholesale Financial Institutions.—Financial services holding companies (but not bank holding companies) could also form uninsured bank subsidiaries called wholesale financial institutions or ''WFIs.'' Such WFIs could be either state or nationally chartered, and there would be no restrictions on the ability of a WFI to affiliate with an insured bank. A WFI would not be subject to the statutory securities firewalls applicable to insured banks and their securities affiliates, but the WFI could not be used to evade such statutory firewalls.

2. ELIMINATION OF THRIFT CHARTER

With the new financial services holding company structure in place, the thrift charter would be eliminated; thrifts would generally be required to convert to banks, with grandfathering/transition provisions; and unitary thrift holding companies would be required to convert to either bank holding companies or financial services holding companies, also with grandfathering/transition provisions. The statutory language for the charter conversion is similar to the language included in the last version of the Roukema bill, which is the one that was used in the House's offer in the Budget Reconciliation conference in late 1995.

3. NATIONAL MARKET FUNDED LENDING INSTITUTIONS

Unlike the D'Amato-Baker bills, the draft bill generally precludes a commercial firm from owning an insured depository institution. However, the bill recognizes the important role that nonfinancial companies play in other aspects of the financial services industry by allowing such companies to own ''national market funded lending institutions.'' This new kind of OCC-regulated institution would have national bank lending powers, but would have no access to the federal safety net: it could not take deposits or receive federal deposit insurance, and it would have no bank-like access to the payments system or the Federal Reserve's discount window. In addition, the institution could not use the term ''bank'' in its name. By owning a national market funded lending institution, a nonfinancial company could provide all types of credit throughout the country using uniform lending rates and terms.

SPECIAL TRIBUTE TO U.S. SENATOR ROBERT C. BYRD OF WEST VIRGINIA ON A HALF-CENTURY OF SERVICE TO THE NATION AND TO HIS STATE

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 9, 1997

Mr. RAHALL. Mr. Speaker, 50 years ago yesterday, January 8, 1997, the senior Senator from West Virginia, ROBERT C. BYRD, began his service in the U.S. House of Representatives where he served for 11 years, moving to the Senate in 1958 where he has served for the past 39 years.

As we all know, Senator BYRD celebrated having cast his 14,000th vote in the U.S. Senate last year, at which time he had a 98.7 percent voting average.

Senator ROBERT C. BYRD is the nationally recognized historian in residence in the Senate—the uncontested expert on the Senate as an institution, and the leading, nationally recognized expert on parliamentary procedures.

West Virginia's citizens recognize Senator BYRD and applaud his achievements as a researcher, lecturer, writer, and parliamentary magician. That is all well and good, they say. It makes them very proud.

But what makes Senator BYRD's people in West Virginia most proud is that he is also one of them—that he is someone they can go to, take their troubles, trials and tribulations to, and know that he will hear them and he will intervene on their behalf at every opportunity to make things better. West Virginians know that Senator BYRD's every waking moment of service in the U.S. Senate is in their service—their best interests, their well being—and they know this without one single iota of doubt.

Residents of West Virginia can name with pride the many accomplishments of Senator BYRD—those noted above first of all. But, in addition, West Virginians can tell you that during his Senate tenure he has served as secretary of the Senate Democratic Conference, Senate majority whip, Senate majority leader, Senate minority leader, and President pro tempore.

Further, Senator BYRD has served his State and his country throughout an integral part of the high drama and history of the second half of the 20th century—including the cold war, Vietnam, Watergate, Iran-Contra, the collapse of the Soviet Union, and the gulf war. He has served under nine Presidents, one of whom was assassinated, the other forced to resign the highest office in the land.

Senator BYRD is widely recognized for having achieved many milestones during his career, among them being only one of three U.S. Senators in history to have been elected to seven 6-year terms; being the first sitting Member of either House of Congress to begin and complete the study of law and obtain a law degree while serving in the Congress; being the first person in the history of West Virginia ever to serve in both chambers of his State Legislature and both Houses of the U.S. Congress; obtaining the greatest number, the greatest percentage, and the greatest margin of votes cast in statewide, contested elections in his State; being the first U.S. Senator in West Virginia to win a Senate seat without opposition in a general election; and having served longer in the U.S. Senate than anyone else in West Virginia history.

Mr. Speaker, these are remarkable achievements for one man, and we honor Senator BYRD for them.

His greatest feat, in my estimation, is that he has brought dignity and civility to the U.S. Senate every day of his life, throughout his tenure there.

Senator ROBERT C. BYRD is a gentle but firm leader, who has the ability to share, in his writing and vocally, his deep and abiding reverence for the Senate as an institution. He constantly lectures, through his weekly history lessons, on the importance of knowing and observing, and above all else, respecting, the traditions of the Senate, its rules of engagement and the parliamentary procedures that govern it as an institution.

And so it is with great personal honor that I rise on the occasion of his 50th anniversary year of U.S. Senate service, to pay tribute to the well cherished and beloved senior Senator from West Virginia ROBERT C. BYRD, and to wish God's blessings upon himself personally, and upon the important work he will do in the coming years on behalf of his institution, his countrymen nationwide, and his especial work on behalf of his fellow West Virginians.

SUPPORT FOR H.M.O. PATIENT REFORM

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 9, 1997

Mr. STARK. Mr. Speaker, on Tuesday, January 7, I introduced legislation to provide a comprehensive set of consumer protections for people in managed care plans.

One of my proposals is that Medicare and Medicaid should not start monthly payments—which can amount to somewhere between