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House of Representatives

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore [Mr. NETHERCUTT].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 29, 1997.

I hereby designate the Honorable GEORGE R. NETHERCUTT, Jr. to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 462. An act to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes;

S. 1178. An act to amend the Immigration and Nationality Act to extend the visa waiver pilot program, and for other purposes; and

S. 1227. An act to amend title I of the Employee Retirement Income Security Act of 1974 to clarify treatment of investment managers under such title.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 21, 1997, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member other than the majority and minority

leaders and the minority whip limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Michigan [Mr. KNOLLENBERG] for 5 minutes.

PEOPLE'S BUSINESS DELAYED BY CAMPAIGN FINANCE REFORM

Mr. KNOLLENBERG. Mr. Speaker, last week my colleagues on the other side of the aisle held the House hostage in an attempt to score political points. In apparently a panic mode over the endless scandals from the 1996 Presidential election, they repeatedly forced procedural votes that delayed our work on the appropriation bills. They justify delaying the people's business as an attempt to force consideration of campaign finance reform.

Mr. Speaker, campaign finance reform is an important issue, but it is also a complex issue. Before acting, we should first fully understand all that is involved with the current system.

From the beginning of this year, scandal after scandal involving the Clinton White House, the Democratic National Committee, and their liberal political allies have dominated the headlines.

Given this onslaught of negative press coverage, I understand why my Democratic colleagues would like to change the subject and create the appearance that they are good Government reformers. But I believe it is critically important for Congress to act in a deliberative fashion on this issue. It is not enough to say that the system stinks. We need to identify the people who make the system stink and hold them accountable for skirting the law.

The money laundering schemes involving illegal foreign contributions are serious allegations, and they are allegations that need to be fully investigated before campaign finance legislation is considered.

I am not saying that there is no need for reform. In fact, I have introduced a bill that would make Members of Congress more accountable to their constituents and less beholden to Washington special interests. But I believe the old saying, "Do not place the cart in front of the horse." It applies to this situation.

The American people have elected us to do their business in a deliberative and a thoughtful manner. They understand the way we finance elections is flawed, but they are not looking for knee-jerk solutions or reactions that may have the unintended consequence of making the system worse. At this point, we do not know enough about what went wrong in 1996 to offer a solution.

Just consider, for example, the scandal involving the 1996 Teamsters presidential election. On September 18, three political consultants for Teamsters president Ron Carey pled guilty to criminal conspiracy charges related to a money laundering scheme that may involve the Democratic National Committee, Clinton campaign aides, and senior White House officials.

For background purposes, a 1989 settlement between the Teamsters and the Justice Department over racketeering charges called for the Federal Government to finance and oversee the 1996 Teamsters presidential election. Ron Carey won the election by a narrow margin, but on August 22 a court-appointed Federal overseer threw out the election, the results, and called for a new election because of fundraising abuses.

Mr. Speaker, under current law it is illegal for Teamsters funds to be spent on a candidate in a union election. The money laundering scheme that Carey's political aides pled guilty to involved using Teamsters funds to make political contributions to outside groups which then sent the money back to the Carey campaign, a clear violation of the law.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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A memo has emerged that indicates Teamster money may have been contributed to State and local Democratic parties in exchange for DNC officials funneling money into Carey's campaign. Senior Clinton advisers have been implicated in this scandal, and while we do not know the extent of their involvement at this time, the possibility of the President's men being involved in a conspiracy of this magnitude is certainly troubling. After all, the Clinton Justice Department was supposed to ensure that the Teamsters election was conducted in a fair and honest manner. To carry out this responsibility, Congress provided some \$22 million.

As a member of the House Committee on Education and the Workforce, I am pleased that the gentleman from Michigan [Mr. HOEKSTRA] and the gentleman from Illinois [Mr. FAWELL] have scheduled hearings on this troubling matter, and I look forward to working with them to get to the bottom of this scandal.

Mr. Speaker, we must reform our system to make political candidates more accountable to the people they represent and less beholden to the big money and interests that provide it, but we must first examine what is wrong with the system before we can offer a workable solution. After all, a doctor would not prescribe a patient or a treatment for a patient that he has not examined.

By allowing the inquiries by the relevant congressional committees, the Justice Department, and, hopefully, a special counsel to move forward, we will gain a better understanding of what needs to be done to improve this system.

The scandals from the Clinton reelection campaign have tainted the process by which Americans choose their leaders, and no matter how hard the President and his allies try to change the subject, this troubling fact must not be swept under the rug.

As elected officials, we have an obligation to investigate the matter fully and hold those responsible for this sleazy money chase of 1996 accountable. Mr. Speaker, to do anything less would be scandalous in its own right.

MAKING COLLEGE AFFORDABLE FOR ALL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Massachusetts [Mr. MCGOVERN] is recognized during morning hour debates for 5 minutes.

Mr. MCGOVERN. Mr. Speaker, last week the College Board came out with its annual report on tuition costs at our Nation's institutions of higher learning. This year's average tuition increase of 5 percent represents a curb over the past decade of double-digit inflation in college costs. Nonetheless, it is still an increase above the national inflation rate.

When we evaluate the information in this report, we do need to recognize that the overwhelming number of colleges, universities, and community colleges across the land are keeping their annual tuition increases within the 2 to 3 national percent average for inflation. Even some of our most elite colleges are attempting to keep increases in tuition within this national boundary.

Last week the president of the Massachusetts Institute of Technology, Dr. Charles Vest, visited my office and related how MIT has managed to keep its costs down to 2 percent of inflation. Dr. Vest said that he had taken a page out of the corporate handbook to contain operating costs. MIT has closed down its in-house office supply system and is now contracting with private supply companies. It has outsourced many of the publications it once handled in house as well.

No one would argue that our colleges and universities could not do more to keep overall costs down so that those increases are not passed along as tuition increases. We should recognize, however, that like all institutions, colleges and universities have been having to adjust their operations to face a new century and a new future.

The top three factors for tuition and fee growth have been: First, the need to make technological improvements on campus such as the purchase and use of computers, information technology, and more sophisticated laboratories and libraries, et cetera; second, the need for the institution to provide a greater share of student financial aid due in large measure to the decreases in Federal and State provided grant aid; and, third, increase in faculty salaries and benefits with health and retirement increases similar to those elsewhere in the Nation which, over the past decade, have also risen at rates greater than the national inflation rate.

When we in Congress review the situation, we do need to demand fiscal restraint and accountability from our colleges and universities, but we must also recognize that we have not always played a helpful role and, indeed, that we might be part of the problem, not the solution.

Federal investment in higher education, especially student financial aid, has shrunk significantly in constant dollars over the past 15 years. In the decade between 1986 and 1996, the amount of Federal dollars invested in Pell grants fell by 16 percent. For work-study programs, Federal aid decreased 32 percent; for Perkins loans, funding decreased by 17 percent; and for the Federal SEOG program, funding fell by 33 percent.

Whenever Federal dollars are taken away from student financial aid, those costs must be picked up by the institutions themselves. Institutional fundraising that would normally have been used to cover the costs of faculty and staff benefits or upgrading technology

are less available, so part of those costs are passed along to students and their families through tuition and fee increases.

Once again, to use MIT as an example, in 1980 the Federal Government provided about 40 percent of financial aid grants to students based on economic need, with MIT providing about 50 percent. In 1996, the Federal Government provided 10 percent of need-based grants and MIT raised funds for 80 percent of those grants.

If we are going to make a college education affordable for every student qualified to attend an institution of higher learning, then we must make grant funding a far greater priority for national spending.

This year, the combination of increases in the Pell grant maximum award and education tax credits will provide financial support and relief for many American families. In spite of President Clinton's commitment to increase the Pell grant maximum to \$3,000, an amount upheld in the House Labor-HHS-Education appropriations bill, we must still do more. We must do much more.

If the Pell grant were to have the same value and impact this year as it did when it was created, then the Pell grant maximum would have to be increased today by \$5,000, a level that would not only increase the average award amount but would also broaden the eligibility pool.

I know many of my colleagues want to support legislation that would pledge a Pell grant award to every eligible child upon graduation. Well, if they want that grant to be worth the paper it is written on, they had better start supporting significantly greater increases in our appropriations for Pell grants each year.

We must all do more to make a college education affordable to all. We must all do more to make every college accessible to those who qualify for admission to an institution of higher learning. Colleges and universities must do their part by controlling overall operating costs, and we here in Congress must do more to support our children's future by ensuring that Federal support for student financial aid increases substantially over the next 5 years.

RECESS

The SPEAKER pro tempore. There being no further requests for morning hour debates, pursuant to clause 12, rule I, the Chair declares the House in recess until 12 noon.

Accordingly (at 10 o'clock and 43 minutes a.m.), the House stood in recess until 12 noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. UPTON] at 12 noon.