

we should reward these outreach efforts through generous tax deductions for property or items that are donated to help those most in need, even if the recipients are at the four corners of our world.

While many of these efforts are truly commendable, like those of the International Red Cross, others simply represent the dumping of worthless products. Under the title, "In a Wave of Balkan Charity Comes Drug Aid of Little Use," the New York Times reported this very summer how camps filled with refugees from Kosovo received anti-smoking inhalers and hemorrhoid treatments instead of much-needed antibiotics.

The Times reported that "the outpouring of aid from corporate America and elsewhere for more than a million refugees who flooded into Albania and Macedonia during the war was indeed vast and included many badly-needed medicines. But the World Health Organization said about one-third to half of all of the shipments were inappropriate and likely to gather dust in warehouses or be destroyed at government expense."

Should American taxpayers subsidize the donations of useless pharmaceutical products to foreign countries? I think the question really answers itself, but this practice continues to occur, encouraged by our U.S. tax laws. Normally when a corporation donates property it may deduct its cost to produce the item.

To encourage donations to a charity for needy causes, as is the case for these drugs that are destined for foreign relief, our tax laws permit a corporation to receive twice its basis. That is fine when the drugs are useful, but it is totally unjustified when they are worthless. I am filing legislation today to prevent this abuse of the enhanced charitable deduction for overseas contributions of worthless drugs, and some 50 of my colleagues are joining me in this effort.

A recent study by the Harvard School of Public Health entitled *An Assessment of U.S. Pharmaceutical Donations* concluded that up to 40 percent of the drugs that are sent abroad were not requested and that about one third had less than a year of usefulness remaining. This is not a new problem. The *New England Journal of Medicine* had previously described a similar situation surrounding the misery in Bosnia. After analyzing about 30,000 metric tons of drugs and medical materials donated over a 4-year period, the *Journal of Medicine* study concluded, "in total, we considered 50 to 60 percent of all the medical supplies donated to Bosnia and Herzegovina to be inappropriate." Over one-third of these donations consisted of the dumping of large quantities "of useless or unusable drugs." They even included medicine for leprosy, a disease not found in these countries, and this is a problem not limited to the Balkans. It stretches from Armenia to Papua New Guinea.

Yet our existing law continues to encourage and subsidize such contributions. We should stop this now with straightforward amendments to the Internal Revenue Code. These amendments would include requiring that there be one year of good shelf life remaining as specified by Food and Drug Administration regulations, that drugs be labeled in a manner understandable to foreign health professionals, and that charities assure the drugs that are sent are drugs that are requested and needed by the foreign recipient.

Said one World Health Organization official, "if you overload people with things that they do not recognize and do not know how to use, you're not helping." And indeed to those in need around the world, the dumping of useless drugs is actually worse than no help at all, since such toxic junk must be destroyed by those most in need.

The *Journal of Medicine* study estimated that the cost of destroying 17,000 tons of inappropriate drug donations in the Balkans reached \$34 million. That is \$34 million wasted, some of which went to destroy drugs subsidized by American taxpayers that never should have been sent in the first place.

The bill that I am filing today has received the support of the Partnership for Quality Medical Donations, a group consisting of a number of major pharmaceutical companies and international relief agencies.

The provisions of this bill are drawn from the drug donation guidelines of the World Health Organization. These guidelines and this bill incorporate what are really the "best practices" of industry at present, but we incorporate these into Federal tax law. Some companies have been singled out for public praise, and rightly so, but U.S. tax laws provide an incentive for foreign dumping that must end. Let us stop rewarding those who have been more interested in obtaining a tax deduction than helping those who are truly in need. Let us stop the tax subsidies for drug dumping.

MICROENTERPRISE DEVELOPMENT, THE TIME HAS COME TO SUPPORT HARD-WORKING AMERICANS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentlewoman from Maryland (Mrs. MORELLA) is recognized during morning hour debates for 3 minutes.

Mrs. MORELLA. Mr. Speaker, this seemed like a good opportunity to call attention of this body to a bill that I think is worthy of consideration and passage. From Bangladesh to Guatemala, one of the most exciting strategies for fighting poverty in developing countries is microenterprise development. For poor women especially, the practice of extending very small loans and improving access to financial services has revolutionized the lives of poor people and the way in which we think about poverty-focused development.

We are now learning that microenterprise development can transform the lives of poor Americans as well. The time has come for us to provide the same support to these hard-working Americans that we have provided so successfully to millions of people around the world.

The program for investment in microentrepreneurs, called the PRIME Act of 1999, which is H.R. 413, sponsored by my colleagues the gentleman from Iowa (Mr. LEACH) and the gentleman from Illinois (Mr. RUSH), and I am a co-sponsor, that provides us with an opportunity to do just that.

Unlike developing countries where access to credit is the biggest obstacle to poor entrepreneurs, American entrepreneurs face significant challenges to access the training and the technical assistance that is necessary to navigate the complex American economy. Though poor entrepreneurs may already have a business idea and a willingness to work hard, they may lack the financial and business skills that are necessary to turn a good idea into a sustainable business.

Very often, a little training and technical assistance can be the difference, the difference between success and failure, between food on the table and an evening of hunger. The PRIME Act can be a catalyst for such change. I hope this body will consider it and pass it.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 14 minutes a.m.), the House stood in recess until 10 a.m.

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AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BIGGERT) at 10 a.m.

PRAYER

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

Let us pray using the words of St. Francis:

Lord, make us instruments of Your peace.

Where there is hatred, let us sow love;

where there is injury, pardon;

where there is discord, union;

where there is doubt, faith;

where there is despair, hope;

where there is darkness, light;

where there is sadness, joy.

Grant that we may not so much seek

to be consoled as to console;

to be understood as to understand;

to be loved as to love.

For it is in giving that we receive;

it is in pardoning that we are pardoned; and

it is in dying that we are born to eternal life.
Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from North Carolina (Mr. BALLENGER) come forward and lead the House in the Pledge of Allegiance.

Mr. BALLENGER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day.

The Clerk will call the first individual bill on the Private Calendar.

BELINDA MCGREGOR

The Clerk called the Senate bill (S. 452) for the relief of Belinda McGregor.

Mr. SENSENBRENNER. Madam Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

RICHARD W. SCHAFFERT

The Clerk called the bill (H.R. 1023) for the relief of Richard W. Schaffert.

Mr. SENSENBRENNER. Madam Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

WILD HORSE MANAGEMENT: A BETTER WAY

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Madam Speaker, more than half of this Nation's wild horse population and burro population roams free over the rangelands of Nevada. But the State of Nevada has little or no authority over the management of these herds because wild horse and burro management rests solely with the Bureau of Land Management, mostly here in Washington, D.C.

Unfortunately, the BLM's management has proven to be highly ineffec-

tive and terribly destructive to both the rangeland and to these animals.

Wild horses and burros are causing havoc and destruction on Nevada's rangelands through overgrazing and destruction of riparian areas. Many animals simply are starving to death because the land cannot physically sustain them.

These horses and burros may not be the brightest animals on the farm, but neither is the bureaucracy here in Washington, D.C. The failure of this current management system is obvious to many Nevadans.

Clearly, the current Federal bureaucracy is doing more harm than good, and a change needs to be made. Congress needs to act to pass H.R. 2874, the Wild Horse and Burro Preservation and Management Act.

Madam Speaker, I yield back whatever common horse sense may remain in the BLM's management policy.

STRENGTHEN SOCIAL SECURITY SYSTEM RATHER THAN JUST TALK ABOUT IT

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Madam Speaker, we began this session of Congress in January with much hope of improving our Social Security system and strengthening it. Both Democrats and Republicans talked about making that our top priority. Well, Madam Speaker, we are now near the end of this session of Congress, and we have not lived up to our commitments to our seniors.

In January, we talked about extending the Social Security Trust Fund. Now, when we look at what is going to be done, we will not extend the solvency of the Social Security Trust Fund by one day.

The Republican leadership is trying to change the subject. But our seniors understand what is happening. It was our responsibility to act on Social Security this year, and we are not going to do it.

The President has sent up proposals that would extend the solvency of the Social Security system by 16 years. That is a good first step. We should pass that. Then we should work together as Democrats and Republicans to strengthen our Social Security system rather than just talking about it.

MINIMUM WAGE HIKE IS UNNECESSARY

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Madam Speaker, I rise today to remind my colleagues of a few reasons that a minimum wage hike is unnecessary. Raising the minimum wage harms the very people that it is supposed to help.

U.S. Census figures show that the average income of minimum wage em-

ployees increases by 30 percent within 1 year of employment. Why? Because, as these workers spend time in the workplace, they accumulate more skills and increase their own value. Just plain common sense.

That is why less than 3 percent of employees above the age of 30 work at the minimum wage. The longer they are in the work force, the more money they make.

Madam Speaker, there are better ways to empower the poorest and least skilled in our society. Tax incentives for working Americans and businesses are just one way. Raising the minimum wage is clearly the wrong way.

I urge my colleagues to keep these important factors in mind as the House debates a minimum wage hike in the future.

SENIORS DISAPPOINTED WITH FAILURE TO SOLVE SOCIAL SECURITY SOLVENCY BEFORE CLOSE OF CONGRESS

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Madam Speaker, think how disappointed the American public must be as they see the Congress coming to a close in the next couple of weeks and how it has failed to address the problems of Social Security, to extend the solvency of Social Security, to deal with the fundamental reforms that are necessary so that Social Security will be there for us, for our children and our grandchildren; and then to find out, not only have they failed to extend the solvency of Social Security, but the Republicans have made a conscience decision to dip into the trust funds.

As we were told at the end of last week by the Congressional Budget Office, some \$17 billion has been taken out of the Social Security Trust Funds to finance the gimmicks that the Republicans have put together to try and pass the budget, a budget that has yet to pass.

Think of the disappointment of the American public when they learn this most fundamental program, this most important program to the retirees of our Nation has been given this kind of treatment during this session as the Republicans get ready to leave this town and to end this Congress. Not only have they spent the Social Security Trust Fund, but they have also failed to deal with prescription drug benefits and with the minimum wage.

SENIORS WILL BE DISAPPOINTED WITH CONGRESSIONAL RECORD THIS YEAR

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Madam Speaker, as we prepare to finish our