

Mr. Speaker, the relationship between the United States and China is both complex and varied. No agreement, no trade deal, can solve every problem or answer every question. But this trade agreement moves the ball forward on very key issues.

It is a win-win-win for fairness, new markets, and our Western values in China. It is a good deal for America.

HONORING NATIONAL FEDERATION OF THE BLIND

The SPEAKER pro tempore (Mr. TANCREDO). Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

Mr. CUMMINGS. Mr. Speaker, "change ordinarily evolves over hundreds of years, but when a fundamental difference in the way we view the world comes quickly, the shift in our thinking is called revolution." Such revolution "takes place not because the governing institutions have had a change of heart, but because the pressure brought to bear by individuals organized for collective action has added the necessary impetus."

These words were spoken by Kenneth Jernigan, past president of the National Federation of the Blind, a revolutionary organization with the philosophy that blind people, if organized throughout the land, have the strength and purpose to change the course of history.

The NFB was founded in 1940 at a time when the opportunities for blind persons were lacking and society's attitudes towards them was, sadly, one of misunderstanding and negativity. This was also a time when there was no rehabilitation for blind persons, no libraries, no opportunity for higher education, no jobs in Federal service, no hope in the professions, no State or Federal civil rights protections.

But that was another time, another generation. Headquartered in Baltimore, the National Federation of the Blind is today what its founders dreamed it would become, a truly revolutionary organization ensuring that blind people get equal treatment and a fair shake. It is the Nation's largest consumer advocacy organization of blind persons and is considered the leading force in the blindness field today.

With 50,000 members, the NFB's influence is felt throughout the Nation, with affiliates in all 50 States, plus Washington, D.C., and Puerto Rico, and over 700 local chapters.

The mission of the NFB is twofold. First, it strives to help blind persons achieve self-confidence and self-respect. Second, the organization acts as a vehicle for collective self-expression by the blind. These goals are achieved through the organization's numerous initiatives, which include educating the public about blindness and literature and information services, ensuring that blind persons have access

to aids and appliances and other adaptive equipment, increasing emphasis on the development and evaluation of technology, and continued support for blind persons and their families through job opportunities and special services.

NFB's commitment is critical to the 750,000 people in the United States who are blind and the 50,000 that will become blind each year.

Recently I participated as the honorary chair in the NFB's Newsline Night '99. This yearly event makes it possible to support one of the organization's important services, an electronic text-to-speech telephone-based service which delivers seven national and over 20 local newspapers to blind persons throughout the country.

Technology enables national and local news to be available on Newsline by 7:00 a.m. each morning. The service began as a pilot project in the Baltimore-Washington area, and Newsline Baltimore began delivering newspapers and other material via local phone lines in 1996. This revolutionary idea assists approximately 11 million Americans who cannot read regular print but would enjoy the receipt of news and information over a cup of coffee like the rest of the seeing population.

In addition to the Newsline service, NFB supports a job opportunity service, a materials center containing literature and aids and appliances used by the blind, and the International Braille and Technology Center for the Blind, which is the world's largest and most complete evaluation and demonstration center for speech and Braille technology.

When looking in total at all the services that the NFB provides and all of its accomplishments, one can say without hesitation that this organization is truly revolutionary.

I encourage the organization to continue its revolutionary crusade towards full citizenship and human dignity for equal rights and for the right to work with others and do for yourselves. I also challenge all of us who have sight to recognize that we are all human and, thus, alike in most ways. However, we each have unique characteristics that allow us to contribute to society in special ways. Respect for such differences implies, then, just allowing someone in. It implies that we have something to learn and a benefit to gain from others who are different from us.

I close with a quote from Jacobus TenBroek, the first president of the NFB, to summarize this concept. He said, "In order to achieve the equality that is their right, in order to gain the opportunity that is their due, in order to attain the position of full membership in the community that is their goal, the blind have continuing need for the understanding and sympathy and liberality of their sighted neighbors and fellow citizens. The greatest hope of the blind is that they may be seen as they are, not as they have been

portrayed; and since they are neither wards nor children, their hope is to be not only seen but also heard in their own accents and for whatever their cause may be worth."

UNFINISHED BUSINESS OF CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I just would like to spend some time tonight, and I am going to be joined by the gentlewoman from Connecticut (Ms. DELAURO), talking about the unfinished business of this Congress and of this House of Representatives.

We know that it is likely, either tomorrow or within the next few days, that the Republican leadership will bring up probably an omnibus appropriations bill, better known as the budget, I guess, for most people.

We, as Democrats, have been very critical of the Republican leadership because since October 1, which was the beginning of the fiscal year, they have not been able to complete the budget, the appropriations process. And that process now is, I guess, about 6 weeks overdue and they have not been able to effectively legislate and keep the Government going by providing the budget that we need for this fiscal year.

We have also been critical of the fact that already, even though they keep bringing up the issue of Social Security and spending the Social Security surplus, already, if we look at the appropriations bills that they passed, they clearly have dipped into the Social Security Trust Fund.

At the same time, they have also broken the caps. One of our colleagues, the gentleman from Massachusetts (Mr. FRANK), was here just a few minutes ago giving a special order and talking about how the caps under the Balanced Budget Act have really become a thing of the past.

But I did not really want to dwell on this tonight because I think it is evident that the budget process has been a mess. But, hopefully, over the next few days, there will be a budget passed; and we will have an appropriations and a budget for this fiscal year.

The larger problem, though, I think is the unfinished business of this Congress and the unfinished business of this House of Representatives.

Republicans are, basically, ready to leave town now, not having addressed most of the concerns that my constituents bring to my attention. And these are the concerns that the average family has in this country, whether it is Medicare, seniors asking me about the need for a prescription drug benefit; HMO reform, which myself and my colleague from Connecticut have been on this floor so many times in the last couple of years demanding that the Patients' Bill of Rights be passed.

We finally did manage to get it passed, but so far there has been no conference between the House and the Senate on the Patients' Bill of Rights, and the Republican leadership is obviously just trying to kill HMO reform by not having the conference take place and hoping that the issue will go away.

I just mention those two issues because I think they are very important. But there are a lot of other issues: gun safety, the issue of school construction, campaign finance reform. There are many that need to be addressed.

I would like to yield to my colleague, the gentlewoman from Connecticut (Ms. DELAURO), but before I do that, I just want to say very briefly that I get so many letters from my constituents about the fact that this Congress has not addressed the problem with prescription drugs, the increased cost of prescription drugs, the fact that seniors do not have access to them because Medicare does not cover it as a basic benefit, and also about HMO reform and the need for HMO reform.

This letter just came to my office in the last few days before we came back. I think I received it on Friday of last week from one of my constituents in my hometown of Long Branch, New Jersey. I am just going to read part of it because it is so simple, but it says it all:

Dear Congressman Pallone.

I know how hard you have fought for the HMO Patients' Bill of Rights. This legislation is supposed to protect the public from the insurance company's over-zealous quest for profits. I have an Aetna U.S. Healthcare Medicare plan. Aetna gets the \$45 from Medicare Part B. As of January 1, 2000, the rate will have increased by \$35. That is a 78 percent increase, and they have dropped the prescription drug benefit. I don't know how they can justify that kind of increase. My plan is to drop the HMO coverage and take the Part B from Medicare.

Now, you know, Mr. Speaker, this just says it all to me. How many constituents have come into my office, have called me and sent me letters and complained about the fact that they cannot afford prescription drugs? How many people that actually have some kind of prescription drug benefit as part of their health insurance have been dropped, that prescription drug benefit has been dropped or the co-payments or the deductibles or everything have gone up? And how many people have complained to me about abuses relative to HMOs and the problems they have experienced with HMOs?

I only read this letter and I start out this evening by talking about these two health care issues because these are just common sense things. These are things that people talk to us about on the streets every day. These are the kinds of things that the gentlewoman from Connecticut (Ms. DELAURO) and I are going to be hearing about over the next 6 weeks after this House adjourns over the next few days.

It is really unfair that this Republican leadership does not address these issues and just leaves this unfinished for the next year because the public is crying out for this kind of legislation to address these issues.

□ 2030

I yield to my colleague from Connecticut.

Ms. DELAURO. I thank my colleague from New Jersey for taking this time to talk about really quite a serious issue. I think we should try to put this in some kind of a perspective. First of all, let me mention that we are going to be gone from here within the next few days. We do not know how many more days there will continue to be the deliberation on the budget, but the fact is that if we do have an opportunity after the Republican leadership has been fighting tooth and nail, more cops on the beat, more teachers, reduced class size, if in fact there are some gains in that area, we will feel vindicated and we will be very, very pleased. They are important victories for working families. That is what we want to do. That is why we come here. We want to try and protect those vital priorities.

But that leads me to say that one has to take a look at why we are here. Each of us comes as a direct result of elections, people cast their votes and they say, FRANK PALLONE of New Jersey, ROSA DELAURO of Connecticut, of the Third District, we think you will do a good job on our behalf. Each of the 435 Members who comes here has that kind of trust. It is a responsibility as well as an opportunity. What we try to do is to take very seriously that responsibility, those obligations, and try to reflect the will of the people in this body. It is the People's House. But the kinds of issues that you have talked about, the health issues and as you go through the list of the unfinished business and whether it is HMO reform or prescription drugs or gun safety or minimum wage, Social Security or Medicare, in each of these areas we know that the public is clamoring for some kind of relief. If it is on HMO reform, they are desperate to get back to doctors and patients and themselves making their medical decisions. They are desperate and clamoring for the notion that, my gosh, if something goes terribly wrong with a course of medical action that has been, if you will, prescribed by an HMO, that they in fact cannot get any accountability, any relief, they have no place to go. They worry about that for themselves and their families.

You mentioned prescription drugs. You know and I know that people are making those hard decisions every day as to whether or not to fill their prescriptions or buy food, because the cost of prescription drugs continues to escalate. Gun safety. We know that it is now 7 months since Columbine, that terrible tragic case and there have been subsequent tragedies, and yet modest

gun safety legislation cannot seem to see the light of day, when we have parents and children saying, help us to make our communities safe.

Minimum wage. We are at a time in this country over the last 10 years where chief executive officers of corporations have seen their wages escalate 481 percent over the last 10 years. In fact, workers have seen only a 28 percent increase and quite frankly if workers' salaries had gone up as much as the CEO salaries, the minimum wage would be roughly about \$22. People want to raise their standard of living. They are working very, very hard. Social Security and Medicare, bedrock programs which have lifted, really lifted and provided a retirement future, retirement security for so many hard-working men and women in this country. These are the issues that people speak to us about. These are the issues that they are concerned and worried about. This is what they feel that they have given us their trust to do something about.

Yet there is a hard core minority within the majority party, within the Republican Party here, that has said "no" to these pieces of legislation, when there has been real bipartisan support. As you know, HMO reform, campaign finance reform which I did not mention, but there were bipartisan gun safety measures in the Senate. If this were just one-sided, you might say that, "My gosh, all these folks on the Democratic side are wrong. These are not issues that people care about." But, in fact, it does not make any difference what party you are about, what your party identification is. Prescription drugs, HMO reform, gun safety, minimum wage, Medicare/Social Security, they know no party affiliation. People just expect that we are going to do the best we can on their behalf. And, yet, this majority party, this Republican leadership, has bottled these bills up after they had passed in the House, after they have real bipartisan support. They have said "no." So they thwart the will of the Members who serve here, but much, much more importantly, they thwart the will of the American public. It is wrong. It really is. That is not why we were sent here. We cannot subsume all of this legislation that in fact has a tremendous impact on what people's lives are about because we may have some individual views or there may be some special interests out there that provide us with funding for campaigns, for some reason that we do not like, that I do not like or the gentleman from New Jersey does not like or the gentleman from Maine does not like that particular thing. That is not why we are here. We have an obligation. We have responsibilities to those people who send us here. We do not come here on our own. We are sent here to do the public's work.

What this does, when the Republican leadership thwarts the will of the public, they fray that public trust. And we find wherever we go people say, "Well,

I have got to make it on my own, because those folks in Washington are not going to make a difference in the lives of my family, of my work." That is sad, that is very sad, because that is not what we are supposed to be about. I lament that, you do, my colleague from Maine does, and people on both sides of the aisle. My hope, and it certainly is not going to happen in the next few days of this year, of the 106th Congress, but we have to make that commitment that we will come back, and every day of the last year of this 106th Congress, of this session, that we pledge to make the fight for prescription drugs and HMO reform and gun safety legislation and Social Security and Medicare and the minimum wage. The public has got to know that we want to do that, and we are on their side on these issues.

There are those in this body who would do harm. Unfortunately, they are in the leadership of the majority party. That is wrong. I thank my colleague for calling us all together tonight.

Mr. PALLONE. I want to thank the gentlewoman. I just wanted to briefly comment on some of the things she has said because it is so true, and then yield to our colleague from Maine.

It is amazing to me because I have just seen the pattern from day one with every one of the pieces of legislation that you mentioned, and you are right, that ultimately when these bills pass the House, they are bipartisan. But what we see is the Republican leadership basically, for every one of these, HMO reform, Medicare prescription drugs, campaign finance reform, gun safety, we see Democrats introducing a bill, I will use the HMO reform as an example but I could use it for every one of the ones the gentlewoman mentioned. Democrats introduced a bill that would really make a difference in terms of correcting the abuses of HMOs. They get almost every Democrat to support the bill, to co-sponsor it, as we say, and then they reach across to the other side of the aisle to try to get some Republicans who understand that this is an important issue and that something has to be done about it and we still cannot get the bill out of committee or to the floor because the Republican leadership because they are so dependent on special interests, in this case the insurance companies, will not bring it up.

What do we do? We file a discharge petition. We file it on a bipartisan basis, or we get some of the Republicans to join us. The numbers of the discharge petition, which is an extraordinary procedure that you should not have to use, is basically petitioning this House leadership to bring a bill to the floor because they will not go through the normal process in committee, and when we approach the magical majority of numbers to sign that discharge petition, then all of a sudden the Republican leadership decides they have to bring the bill to the

floor. But they do not let the bill have hearings, they do not let the bill go through committee. They just manage to bring some bill to the floor that is usually exactly the opposite and does not have the reforms that are necessary to cure the problems with HMOs. Then when it gets to the floor, we have to make an extraordinary effort to amend the bill or to bring up the substitute that is an actual reform measure and finally we succeed. But almost a year has gone by by the time that happens. Then, because the Senate has not passed anything, we try to go to conference where the House and the Senate get together so that we can eventually send the bill to the President, and at that stage, they do not let the conference take place. We have done this over and over again.

My colleague from Maine has now just last week filed a discharge petition on his bill related to the price discrimination with regard to prescription drugs, and we filed another bill by the gentleman from California (Mr. STARK) and the gentleman from California (Mr. WAXMAN), a discharge petition, that would provide for the Medicare benefit. We are going to have to get people to sign the petitions when we come back in January. We will. We are all going to work on it, to make sure that we get those signatures and eventually bring these bills to the floor. But we have to exercise these extraordinary procedures. It is very difficult and it takes a long time and it is very easy for the Republican leadership through these procedural gimmicks to basically thwart the will of the real majority here.

I saw just the other day some of our Republican colleagues coming up on the floor and talking about the need for a prescription drug benefit. So we are starting to get some of them, too. But it does not matter because the House leadership, the Republican leadership is opposed to it.

I yield to the gentlewoman from Connecticut.

Ms. DELAUBRO. Our colleague from Maine will talk about this whole issue of prescription drugs. In the framework that we are talking about, this is not a program here, a program there. That is not what this is about, because budgets and legislation is created out of need. It is reflective of priorities, of values, of how you approach problems that people have. If you reflect on values and who we are and what you want to try to do with responsibility and providing opportunity and doing those kinds of things which is what this body is all about, one has to take a look at all of this through that prism of values and where our values lie in this body, because that is what infuses all of this. That is what prompts us to act. It is what we believe is the right thing to do on behalf of the people. That is what runs through all these pieces of legislation. They are not out there by themselves. I am sorry to take time from my colleague from Maine.

Mr. PALLONE. The thing that really worries me, too, my colleague from Connecticut talked about how the public starts to lose faith because they see all these procedural gimmicks and they think we are never getting anything done. That letter that I was quoting from from my hometown constituent, he ends the letter saying, "I think your best efforts have had less than the anticipated worthy results. Can something be done?"

As much as he has faith in me and my willingness to come down here and try to get a prescription drug benefit and HMO reform, he is doubting whether it is ever going to be accomplished. That is a sad thing. I yield to my colleague from Maine who is really the person who has done the most to bring to our attention this issue of price discrimination with prescription drugs. I appreciate all the gentleman has done.

□ 2045

Mr. ALLEN. Madam Speaker, I thank the gentleman for yielding, and I thank the gentlewoman from Connecticut (Ms. DELAUBRO) for her eloquence on these topics.

What she has been saying is that we are not here to go through the motions. I remember when I was elected, I got a little handwritten note from a constituent of mine who had sent me a \$20 check at some point during the campaign. And he said, when you get to Washington, remember the people who sent you there.

What he was saying is, all of those people who sent us here did not send us here to help ourselves, they sent us here to help them, to work for them. Occasionally, as I travel around my district in Maine, once in a while someone gets it right and comes up to me and says, we sent you there to work for us. It is true. If we forget that even for a day, we are slipping from our assignment.

Mr. Speaker, it was 3 years ago almost exactly to the day when I had just been elected for the first time. I came in for an orientation session. Our leader, our Democratic leader, the gentleman from Missouri (Mr. GEPHARDT) said something that I will not forget, partly because he does not let us forget it. He says it often. He said that "nothing important in this House ever gets done except on a bipartisan basis. Nothing important ever gets done in this House except on a bipartisan basis." That is why this year, when we look back at this year, we cannot help but be disappointed, because we have had opportunities. Let us look at two of them.

On two of the major issues that came before this body, we constructed a bipartisan majority made up mostly of Democrats, but of a number of courageous and determined Republicans.

Let us look at one issue, campaign finance reform. In the last session of this House, in the last Congress, it was a battle simply to get the bill to the floor. But this session of Congress,

with the help of the Speaker, it came to the floor. And a substantial number of Republicans, I think 60 or more, voted with the Democrats to pass campaign finance reform in the House, but then the leadership appoints conferees and the issue dies. We do not get anywhere particularly in the other body.

The second example is the Patients' Bill of Rights. There is no question that the real Patients' Bill of Rights which we passed in the House of Representatives could not have passed without Republican support; not a lot of Republican support, but some Republican support. What happens? At the end of the day, the Speaker appoints conferees, only one of whom on the Republican side, only one of the 13 conferees, had actually voted for the Dingell-Norwood bill.

There again, a chance for a bipartisan accomplishment was lost, was lost, to the detriment of the people who sent us here to work for them.

A couple of other examples where we did not have the same kind of success. It seems to me that when we look at all of this, we tried to pass some modest gun safety provisions and the Republicans said no. We tried to improve health care by passing a Patients' Bill of Rights; some Republicans said yes, the majority said no, and the leadership said no.

In the other body there was an effort to ratify the comprehensive test ban treaty to make the world a safer place for all of us, and the Republicans said no. They have said no to prescription drug relief for seniors who need the help. They have said no to extending the solvency of social security. They have said no to extending the solvency of Medicare. Mr. Speaker, we have work to do for the people of this country in this House and it is not being done.

Let me come back for a moment, since both Members said I would talk about it, and I cannot sit down without talking about the issue of prescription drugs.

The gentlewoman from Connecticut (Ms. DELAURO) said that what we try to do here grows out of need. Here is a story about how this whole sort of issue of prescription drugs arose for me.

In the first year or so that I was elected, I would go to meetings with groups of seniors. I would go there talking about the issues that Washington wanted to talk about: Social security and Medicare, and the need to make those programs solvent for the long-term.

What my seniors said, they would pull out a little white slip of paper and say, what I am really worried about is the cost of these prescription drugs. So eventually when the Democratic staff on the Committee on Government Reform said they would be interested in doing a study, something I wanted to call attention to in my district, I said, please, can you do something on prescription drugs?

What we found by that study that has now been replicated in 130 districts across the country is that on average, seniors pay twice as much for their prescription medication as the drug companies' preferred customers: the big HMOs, the hospitals, and the Federal government itself through the VA and Medicaid.

That price discrimination needs to stop. I have one bill, the Prescription Drug Fairness for Seniors Act. The gentleman from California, Mr. WAXMAN and Mr. STARK, have a bill to provide prescription drug benefits under Medicare.

We need both approaches. The bottom line is what the gentleman from Missouri (Mr. GEPHARDT) said over and over again, we cannot do anything important, and these are important issues, that is not done in a bipartisan way. We need some help from the other side.

Frankly, there is no need to wait. This is a disappointing year. We are coming back next year, however. We will go right back at it. We are going to do the best we can on these issues for the American people.

Next year I hope that we have a little different spirit in this House, that we get back to basics, that we remember who sent us here, that we remember why we came, and that we put aside the ideology that the Federal government cannot do anything or should not do anything or cannot do anything right or should not do anything, and we do the best we can for the American people.

If we do that, we will have some gun show safety positions, we will pass and enact the Patients' Bill of Rights, we will pass a prescription drug benefit, and make sure that there is enough leverage on price so the taxpayers do not get taken for a ride, and we will do something about preserving Medicare and social security for the long-term.

That would be an agenda that the 106th Congress, both sides of the aisle, could be proud of, because it is an agenda that grows out of the needs and the wishes and the beliefs of the American people today. That is the agenda that we have all been fighting for on this side of the aisle.

We have not been quite persuasive enough yet, but I am still hopeful that next year will be the year, and next year we can say with some real satisfaction that we took on the major issues of our time and we dealt with them productively.

Mr. PALLONE. I know that the gentleman is going to do that.

The gentleman talked about and I talked about the discharge petitions on the gentleman's bill with regard to the price of prescription drugs, as well as the Stark-Waxman bill that would provide a prescription drug benefit under Medicare. We are certainly going to pursue that full force when we come back in January.

I do not mean to be the pessimist here. Obviously, we would like to be bi-

partisan. But I just read the other day, and I think it was in Congress Daily, that when we come back in January, the Speaker, the Republican Speaker, is talking about another tax cut; that that is going to be at the top of the agenda.

I just cannot help thinking that we are going to see maybe a watered down version, but another version of what we witnessed this summer, which is this trillion dollar, and the Republicans try to forget about this now, they do not talk about it anymore, but one of the reasons that it has taken so long and we have been so delayed with this budget is because they spent most of the first 6 months through the summer trying to pass this trillion dollar tax cut.

The effect of that tax cut would have been exactly the opposite of what my colleague, the gentleman from Maine, just talked about. In other words, there would not have been any money to shore up social security, no money to help with Medicare, and we need to look at those programs on a long-term basis because we know they are going to start to run out of money in a few years.

We want to move ahead in a positive way to actually improve Medicare by providing a prescription drug benefit, but if this surplus was used the way the Republicans had initially wanted to by having all the money go for a tax cut that was primarily for the wealthy and for corporate interests, we would not have had anything. We would not have been able to even discuss trying to preserve social security and Medicare.

I am just so afraid, having looked at what the Speaker mentioned the other day in Congress Daily, which is a publication that is circulated around Congress, for the people that do not know what it is, that they are just going to come back here in January and start to talk about another huge tax cut again, instead of addressing Medicare and social security and the other long-term needs that my colleague, the gentleman from Maine, has talked about.

Mr. ALLEN. Mr. Speaker, if the gentleman would yield briefly, one point about the tax cut, that was such a bogus issue, because there was no trillion dollar on-budget surplus. If we make just two simple assumptions that the Republican leadership did not make, one, that we would have emergency spending at at least the same level that we had had it for the last 5 or 10 years, and number two, that there would be growth in domestic spending at least at the rate of inflation, if we just made those two assumptions, the trillion dollar on-budget surplus became a \$200 billion on-budget surplus.

Well, we cannot have an \$800 billion tax cut when there is only a \$200 billion surplus and even pretend that we are being fiscally responsible. So there is one issue where I believe the majority went astray.

Here is another one. There has been all this talk and accusations about the

Democrats raiding the social security trust fund. Sometimes people on our side of the aisle say, well, they have done it, too. We get into this conversation that is really not very productive and misleading.

Some of the articles lately have been illuminating. In September, the Washington Post called it "a fake debate." In October, the New York Times said it was "social security scare-mongering." In a recent column, Henry Aaron described this as "great pretenders." The truth was shown in an article in USA Today this morning. The headline is, "Add It Up, Social Surplus Is Getting Tapped."

But the important point is this: The Republicans have already dipped into the social security surplus to the tune of \$17 billion, according to the Congressional Budget Office. Our own budgeters are saying that. Let us not make a big deal of this, because the truth is, this does not affect the security of the benefits for a single person who is getting social security. It does not extend or contract the solvency of the social security trust fund by one day.

The real problem that we know, that we have been talking about, is how do we make sure that when there are fewer people working and paying into the system, that the retirees will be able to maintain the benefits at at least the current level.

We can deal with that issue. That is a real issue. But we cannot deal with the issues of health care, of education, of the environment in this country if we are engaged in fake debates about tax cuts and surpluses where the numbers do not add up, and allegations of thievery that have no place on the Floor of this Chamber or anywhere else.

We need to be serious about the work that we do, and as I said before, remember who we are doing it for.

Mr. PALLONE. Mr. Speaker, I am convinced that that whole effort on the Republican side to talk about tapping the existing trust fund is nothing more than an effort to disguise the fact that they are not providing one penny for long-term solvency of social security and Medicare. They just keep confusing the issues constantly. I appreciate what the gentleman said.

I yield to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, let me make two quick points. My colleague, the gentleman from Maine, when he was talking about the Republican argument on the Democrats raiding social security trust fund, it is somewhat disingenuous when we have the majority leader of the Republican party who, in 1984, indicated that social security was a rotten trick, a bad retirement, and who only in recent years talked about phasing out social security.

So this sense of the Republican majority saving social security, I think the public sees through that, given the history.

But I wanted to make a quick point on the issue that the gentleman

brought up on the tax cut, this trillion dollars, which ultimately came down to \$800 billion in a tax cut.

I think it is important to note that Democrats are for tax cuts. We support tax cuts. But it is a question, when I talked about values and priorities, and where the focus is, where are tax cuts? Let us look at families in this country. Let us look at working families. Let us look at the marriage penalty, home health care, education tax credits to get the kids to school, small business tax cuts.

We put a package together where the tax cuts were paid for. We are for tax cuts, but we want to make sure that it is not the richest 1 percent or 2 percent of folks in this country who are the beneficiaries, but hard-working folks of modest means who are finding it more difficult day in and day out to make ends meet.

That is where our direction has to be. That is what we have to do. That is about values. That is about priorities. That is about who in fact should benefit from what goes on in this country.

Mr. PALLONE. I want to thank the gentlewoman for mentioning that this unfinished agenda that we are realizing over the next few days because the Republicans want to go home really could have included significant tax cuts for the average family if only they would have, on the other side, agreed to deal with those real tax cuts for families, rather than the larger tax cuts for the wealthy and for corporate interests.

□ 2100

I yield now to the gentleman from Texas.

Mr. GREEN of Texas. Mr. Speaker, I again thank my colleague from New Jersey (Mr. PALLONE) for asking for this special order on the "unfinished agenda." I was in my office returning phone calls and I know the gentleman talked about prescription drug benefits for seniors. One of the calls I was returning was a senior who is in an HMO and he joined that HMO because they did have a prescription drug benefit. Now what we are seeing is they are raising the deductibles and lowering the maximum they will cover. So unless Congress reacts, then the HMOs who got a lot of seniors to join because of whether it be for glasses or some other benefit that is not covered by Medicare, we will see even more seniors who do not have some type of copay or prescription drugs.

This person said he liked his doctors, he liked his hospital, but he just could not afford to continue paying because HMOs are raising the deductibles and dropping some of the coverage for Medicare.

The unfinished agenda I think is important to talk about it, because not that I do not want to go home and we do not want to go home. In fact, I go home every weekend and I enjoy it. I get to see my family and I love the district I represent and to do things in that district. But there are some

things that we need to do and I think we could have gotten to them before the middle of November. In fact, our original adjournment date was the end of October and we missed that, but we could tell earlier in the year that the way things were running it just was not working.

One of the issues that I did not hear talked about that we hoped we would see is a minimum wage increase. The have the best economy in our history, but we still have a lot of people left out. Typically, the unskilled, the people at the literally lower level of the economic scale and they are not benefitting from that. They cannot invest in new stock offerings or take advantage of some of the things that are happening, but a minimum wage increase will see that benefit to them.

So I talked to a lot of my own constituents and some businesses who said we do not know if we could afford it. And I said this is the best economy that we have seen in years. So we have not dealt with that. I know the controversy is whether they will have a dollar increase over 2 years versus 3 years, but the concern I have is the sweetener on that minimum wage increase. We are in a legislative process. There is not purity. We have to get enough votes to pass something. So I understand we would have to have some tax relief. But it needs to be paid for.

The gentleman from Michigan (Mr. BONIOR) had a minimum wage increase in 2 years with \$30 billion in tax relief, but it would have been made up by not going into Social Security or borrowing more money from Social Security. Because I agree with my colleagues that we are not spending Social Security up here; what we are doing is a continual borrowing from it. And whether we as Members of Congress this year or next year or 20 years from now, whoever is here, we need to make sure that the Congress then pays back those debts to Social Security, just like they would pay it back to us if we had a Treasury note or someone in Europe or Japan who happened to invest in the government securities of our country. Social Security needs to be paid back just like every other person who loans money to the Federal Government.

Mr. Speaker, the minimum wage increase was just left out. And, again, we are talking people who are working hard. We are not talking people who are on public assistance. Workers at minimum wage with two children in the family, they are still well below the poverty line. That is why I think it is bad we did not take it up much sooner and seriously discuss it in October and early November.

Let me talk about the managed care. I know that some time has been spent on it by my colleagues tonight, and the gentleman from New Jersey served on the health task force, he is the Chair of that in our caucus. It worried me when the Speaker appointed only one Member to the conference with the Senate

that voted for the bill. Today, I think Congress Daily said the Speaker's office said, well, his concerns and reason there is not going to be any more people added to it, only one person who voted for the bill that passed on a bipartisan basis on this floor, is that he is concerned about coverage. They want more people covered.

Great. I would like to do that too, and I think we share that. But let us not try and eat the whole apple at one bite. We have to deal with people who are fortunate enough to have coverage now and make sure they have adequate coverage. I would like to, tonight or tomorrow, start drafting a bill that would talk about expanded health care, because I come from a district that is traditionally underserved and we have a lot of employers who cannot afford insurance. Or maybe they do pay part of it, but their employee has to pay part of it. That employee, if they are minimum wage or a little higher, they are busy just trying to cover their weekly needs, rent and fuel and insurance. Not health insurance, but insurance on their car, because it is mandatory in most of our States to come and go from work. So people do not have that.

So I would like to start on that, and I would wish they would not use the managed care reform bill as the whipping post, because that is what they are doing. I do not think they have any seriousness about expanding coverage. Managed care needs to be dealt with as its own issue, because those are people who are fortunate enough to have some type of insurance. And, again, I speak from coming from the State of Texas where all the protections that we passed on this floor, they are already in State law and of course have been for 2 years.

Eliminating the gag rules between the doctor and their patients. Outside swift appeals process. Medical necessity. Making sure the doctor is the one making that determination. Accountability. Accountability for those medical decisions. Again, I know the fear is we are going to see lots of folks go to the court house. In Texas, we have not seen that run on the court house. In fact, I do not think there is more than half a dozen, or not even that many cases, that were filed simply because the appeals process works. They are finding over half the time in favor of the patient and not necessarily for who made that decision in the HMO bureaucracy.

The other concern we have as part of our bill is that patients do not have to drive by an emergency room to get care. If the HMO may have been fortunate enough to make a deal with an emergency room that is 15 miles away and the patient is having chest pains or breaks a leg, then, sure, they want to go to the closest emergency room and then be transferred. But our bill provided for that.

That is why it worries me that we are going to see not only a weak bill that

the Senate passed, we passed a strong bill here, but the majority, the Republicans put again out of 13 conferees, I think only one voted for the final version. I think that sends a message to the American people. And I hope they continue to remember, and I am going to be here as long as I can over the next few weeks and next months when we come back to talk about how real managed care reform needs to be passed and that is an unfinished agenda we have for this year.

Frankly, we could have dealt with that much earlier if it had not come up in the middle of October. The gentleman from New Jersey and I are members of the Committee on Commerce, the Subcommittee on Health and Environment. It would have been nice if we would have held hearings on the bill, instead of waiting to September to have a few hearings on it. This was such a major issue last session of Congress and in this session of Congress, it should have been dealt with in the spring and maybe today we could be congratulating ourselves on the agenda that we did accomplish. So that is what really bothers me.

The tax cut; I know we spent so long this year talking about this hundreds of billions of dollars in tax cuts. And, again, I sometimes have constituents who come to me and say, "Wait a minute. We want you to talk how we understand you. Do not talk in 'Washingtonese.'" and I tell them, "With my accent, I do not think anybody would say that I talk in 'Washingtonese.'" But one of the things that I asked some folks, I said: Wait a minute. If this tax cut was so important and it was such a great political issue, why did we not have a veto override vote here on the floor of the House or the Senate? Why did we not have an effort to do that?

I think when I went back home in August and when our colleagues went back home and talked to a lot of people, they found out that the tax cut was not the top of the agenda for most folks. Health care concerns, education concerns. The economy is good. They did not want Congress to mess things up because the economy is so good for such a large percentage of the American people. So maybe it was that we spent so much time this year talking about this huge tax cut that, again, it would have literally devastated our country.

I think over the next 10 years, because the demand we had, we have a growing country. That is great. We have growing demands both for our military, defense, we have growing demand for the INS, for the Border Patrol. We have a growing demand, and so many people say, "Sure, I would like to have a tax cut. But I do not want them not to be able to staff an aircraft carrier," although I hope we do not build one that we do not want. "I want to make sure that our military personnel have a pay increase," and that was part of the bill that we did pass. That is one

of the few things that I think we could say that we finished and it was passed and signed by the President.

So lack of a real managed care reform effort that should have started earlier this year. Prescription drugs is something that we have been talking about on our side of the aisle for over a year, and it is beginning to hit because again a lot of the seniors who are fortunate enough to have an HMO which has prescription coverage are now seeing that benefit reduced. Hopefully not eliminated, but reduced. And we need to solve the problem before it becomes such a crisis for our seniors. It is already a crisis for at least a third of the people who have no benefit at all.

Again, coming from Houston, I have seniors who are willing to drive to Mexico, which takes 6½ hours. But most people cannot afford to do that, whether it be physically or financially, to go down to buy cheaper drugs, or to go to Canada in the northern part of our country.

Social Security Trust Fund. The safeguarding. I know we talked about that earlier and we have not had any long-term safeguarding. But I would hope that maybe when we come back after the holidays and New Years, and of course next year is an election year and people say Congress does not do anything during an election year. I hope that is not the case. Hopefully, we will respond to the demands of the American people, one, because of the managed care reform needs and also a prescription drug benefit.

The President has a proposal that would expand Medicare coverage. But there is a bill that our colleague from Maine and the gentleman from Texas (Mr. TURNER) and a bunch of us signed on to that does not cost very much Federal money a lot all. All it would do is allow HCFA to negotiate just like HMOs now do for reduced medication costs for their seniors who are members of their HMO, just like as the Federal Government, the Veterans Administration does. They negotiate with prescription drug companies to be able to reduce prescription costs to veterans, because that is part of the service that is provided for our veterans who served our country.

Mr. Speaker, that would have so little Federal cost that it was something that we really should have been talking about in the spring and say, hey, let us see if this works. Let us at least have some hearings on it and see where everyone sits down and comes around on it. If there is a problem, let us try and fix it. That is what the legislative process is about and that is what we have not been doing for this year.

Again, I am disappointed because I have served a lot of years as a legislator and I enjoy problem-solving like some of my colleagues on the Republican side, but we have not had that opportunity this year. Let us problem-solve with managed care reform, prescription drug benefits and a minimum wage increase. However we have to

couch it to make sure it can be beneficial to so many people.

Again, I thank the gentleman from New Jersey for taking the time tonight and asking for this special order, but also to say we know we have not finished our job. And as much as I want to go home and be with my family in Houston, I would like to be here to get our job done. And if we could stay for another week, I would be glad to take up prescription drugs and HMO because it would be a much nicer Christmas for the American people if we had something to take home to them.

Mr. PALLONE. Mr. Speaker, I appreciate what the gentleman said. It is so true. We know because just for the last few days when we were home for Friday over the couple of days we had around Veterans Day, that that is what I am hearing. I am hearing from my constituents about these unfinished needs and about the prescription drugs and the HMOs.

The one letter that I read earlier, this is from a gentleman who actually had a Medicare plan that included the prescription drug benefit and now it has been dropped completely. So I am getting all of that. I am getting a lot of people who had the benefit completely dropped and others for whom it costs a lot more.

The one thing that the gentleman from Texas said that I wanted to highlight again, before we conclude tonight, is a lot of times I think that the Republican leadership thinks that the American public, that they can pull the wool over their eyes, that they do not really understand what is going on down here, that a lot of people do not pay attention. And we always hear that people do not pay attention to what goes on in Congress.

Mr. Speaker, I find just the opposite to be true. When we had that situation with the trillion-dollar tax cut that the Republicans put forth during the summer, which was mostly to pay for the wealthy, to help the wealthy and the corporate interests, I was amazed when I went home because everybody always says the public is selfish, they want a tax cut. They are not going to worry about the implications of it. I found just the opposite was true.

Everyone, particularly the seniors, understood exactly that that was not a tax cut that was going to help the average person and that for senior citizens it meant that there would be no money left to deal with the solvency of Medicare and Social Security.

I think that is why when we came back, there was no effort to override the President's veto and we really have not heard any more about it for the last 2 or 3 months because they realize that the public got it and that the public understood that that was wrong and that it was taking away from other more important priorities. I do not know if it will stop them, because as I said before, we hear that the Speaker is talking about bringing up another major tax cut in January. We just have

to make sure that this unfinished agenda that we have been talking about tonight, that we address it and that we force the Republican leadership to address it when we come back in January.

□ 2115

The President will deliver his State of the Union Address. I know he is going to talk about prescription drugs because he set the pace for that last year. That and these other priorities have to be met. But we will be here. We will be determined that we are going to deal with this unfinished agenda.

Mr. GREEN of Texas. Mr. Speaker, like the gentleman from New Jersey (Mr. PALLONE) said, we will, like the Terminator, we will be back. But it would not hurt me if we stayed a few days to get some of these things done. The gentleman and I know, if we have not done them in the 11 months we have been here, we are not going to do them in the next couple of weeks.

Mr. PALLONE. Mr. Speaker, we still do not control the process because we are in the minority.

Mr. GREEN of Texas. Mr. Speaker, they do not let the gentleman from New Jersey and I bring bills up on the floor.

FAILURE OF FIRST NATIONAL BANK OF KEYSTONE

The SPEAKER pro tempore (Mr. TANCREDO). Under a previous order of the House, the gentleman from Iowa (Mr. LEACH) is recognized for 5 minutes.

Mr. LEACH. Mr. Speaker, I rise to speak on the last day of the session about the introduction of a small bill related to what some might argue is a small event involving the loss by the Federal Government of an amount of money that would be considered gargantuan in every respect except its relative size to the United States Government budget.

Given all the budget decisions involving issues like Medicare, defense spending, and U.N. funding, this Congress should be aware that three-quarters of \$1 billion has just become obligated outside the budget process because of regulatory laxness related to the failure of one rural bank, the First National Bank of Keystone, West Virginia.

The facts revealed to date suggest that this failure may cost the Bank Insurance Fund far more than the Federal Deposit Insurance Corporation estimated the fund would lose from all bank failures this year. Indeed, the expected loss is so high that it could make Keystone not only one of the 10 most expensive bank failures ever, but also one of the most spectacular for any institution of any size with losses approaching an astounding 70 percent of the bank's assets.

The public first learned of the failure of First National Bank of Keystone September 1, 1999, when the Office of the Comptroller of

the Currency (OCC) announced it was closing the bank and appointing the FDIC as receiver. Bank examiners had discovered that loans on the bank's books totaling \$515 million were missing—items that represented roughly half the bank's \$1.1 billion in total reported assets. Other overstated assets, questionable accounting practices, and credit quality problems push the total expected losses toward the 750 million dollar mark. The picture that is emerging is of an institution which, in recent years, reported high profits at the same time management pursued dubious investment strategies and, ultimately, mischievous techniques to hide massive losses from the scrutiny of examiners.

It will take some time for criminal investigators and Federal bank regulators to unravel the full story of this bank failure, but it is not too early to ask if Federal regulators properly supervised the institution and prudentially stewarded the deposit insurance fund which back-stops risks in the banking system. For 5 or 6 years, red flag practices should have alerted regulators that the high-risk asset management strategies employed by Keystone were hardly of the kind expected in a rural institution situated in a West Virginia town of 627 residents and warranted vigilant supervisory measures.

From 1992 to 1998, Keystone increased its assets tenfold to over \$1 billion as it offered depositors up to 2 percentage points more in interest than competitor institutions. Rather than expanding small business and agricultural loans in its West Virginia market area, Keystone engaged in a high-risk strategy of buying, securitizing, and selling subprime loans made to and by people the bank hardly knew. Management practices were reminiscent of those witnessed during the S&L crisis of the 1980s. Rapid asset growth, risky investment activity, and the practice of paying hyper-competitive interest rates were augmented by legal and administrative tactics designed to thwart regulatory oversight.

A combination of lax management and weak supervision by the bank's board were conducive to the imprudent and allegedly fraudulent activities that have been uncovered. Over the past several years, the OCC made futile attempts to curb Keystone's go-go activities with various enforcement actions and civil money penalties; but, in hindsight, the measures were too weak and too late. The OCC pushed for management changes, but the bank's board resisted. Several experienced officers were hired in 1999; however, the board gave them the cold shoulder and they quickly resigned. In May of 1999, an external accountant, Grant Thornton, conducted an independent audit as required by the OCC, and issued an unqualified opinion of the bank's 1998 financial statements. The firm detected no fraud. Just a few months later, however, federal examiners found that a half-billion dollars were missing from the bank's claimed assets.

The delay in uncovering the losses apparently occurred in part because bank management engaged in a sustained pattern of obfuscation. Another tactic of Keystone management was not unlike that employed 15 years earlier by Charles Keating. One of the