

my colleagues, I voted on Friday against tabling the pending amendment. I voted against tabling, because I think the amendment properly criticizes the proposed regulations for failing to protect ordinary law-abiding citizens from possibly unreasonable and invasive scrutiny by their financial institutions.

At the same time, my vote against tabling was not a general endorsement of the amendment. To the contrary, like the proposed regulations it criticizes, the amendment is not drafted as carefully as it should be.

The first part of the amendment prohibits the banking agencies from publishing "in final form" the flawed regulations proposed in December. I support that prohibition. But the second part of the amendment goes much farther. It also prohibits the banking agencies from proposing any regulation "which is substantially similar to" the proposals condemned in the first part.

The question is what "substantially similar" means.

If it means that the banking agencies should not propose know-your-customer regulations without including adequate privacy protections, that is fine. But if means that the agencies may not propose any know-your-customer regulations, no matter how finely tuned and protective of privacy, then the amendment is a serious mistake. If it means that agencies are not only prohibited from issuing regulations but should also start dismantling their existing know-your-customer practices, the amendment is a disaster.

I say that because know-your-customer programs are today a key part of law enforcement efforts to stop money laundering. Virtually all major financial institutions operating in the United States today have well developed know-your-customer programs, and U.S. bank examiners already routinely test the adequacy and effectiveness of these programs. For example, existing examination procedures testing bank compliance with the most important anti-money laundering statute on the books, the Bank Secrecy Act, already spell out the elements of an adequate know-your-customer program and test that program as part of its "core analysis."

The purpose of these know-your-customer programs is to stop financial institutions from unwittingly helping criminals to launder illegal proceeds.

Ten or twenty years ago, if an individual walked into a U.S. bank with a million dollars stuffed into a duffel bag and asked the bank to wire the money to an offshore account in a foreign country, most banks would have done so with few or no questions asked. And the bank would have collected a nice fee for arranging the wire transfer.

But that was before the United States embarked upon a world-wide, intensive effort to educate banks and foreign governments about the benefits of battling crime by stopping money laundering. The goals are to make

banks wary of moving funds for criminals, to seize illegal funds in the banking system, and to put money launderers in jail and out of business.

Congress has played a key role in the advancement of this law enforcement strategy. For example, the subcommittee on which I am the ranking minority member, the Permanent Subcommittee on Investigations, held landmark hearings 15 years ago on how criminals were using financial institutions in the United States to launder their funds. The House and Senate Banking Committees have held numerous hearings over the years outlining the problem and proposing legislation to detect and stop money laundering.

In the last Congress, the House Banking Committee held a series of hearings and the Congress passed H.R. 1756, the Money Laundering and Financial Crimes Strategy Act. In this Congress, the leading crime bill proposed by the majority, S. 5, the Drug-Free Century Act, contains an entire title devoted to "money laundering deterrence." Still another bill, H.R. 4005, the Money Laundering Deterrence Act of 1998, which passed the House by voice vote last year but was not brought before the Senate actually directed the banking agencies to propose know-your-customer regulations within 120 days.

That's because virtually all money-laundering experts will tell you that know-your-customer programs are one of the most important tools financial institutions have to prevent money laundering. Two examples explain why as well as illustrate how a sensible idea can be pushed too far.

First, suppose a stranger walks into a bank with a million dollars in small bills and asks the bank to wire the cash to a foreign bank account. Should the bank wire the money and then, after the customer is gone, report the transaction to law enforcement, or should the bank first determine who the customer is and, if not satisfied, decline to transfer the money? To me, the answer is clear that the bank should determine who the customer is before moving any money.

Second example. Suppose a longtime customer of the bank with a modest savings account deposits \$3,000 into that savings account. Should the bank report that \$3,000 deposit to law enforcement? To me, the answer is obviously no. That type of report would unreasonably invade the customer's privacy, as well as be a waste of time for law enforcement.

Surely, we can design regulations that distinguish between these two examples. At a minimum, different rules should apply to customers holding assets or conducting transactions below a specified threshold. We already do that with currency transaction reports, and the same could and should be done with know-your-customer programs. Additional privacy protections should be provided to prohibit banks from using know-your-customer data for purposes other than law enforcement, such as to

sell products to the customer or sell the customer's personal data to third parties.

I do not support the current know-your-customer proposals, because they do not include these and other privacy protections.

Unfortunately, the amendment before the Senate, in its zeal to condemn the proposed regulations, goes too far. The first section, which prohibits the banking agencies from finalizing the regulations as proposed in December, is fine. But the second section, which also prohibits them from publishing "substantially similar" regulations, is ambiguous and troubling.

It is my hope that the supporters of the amendment do not intend to reverse the gains of the last twenty years and free banks of any obligation to know who their customers are. It is my hope that their intent is to protect ordinary law-abiding customers, but to keep the heat on money launderers by maintaining longstanding requirements that banks ask appropriate questions. It is my hope that their intent to require the agencies to correct the flaws in the proposed regulations, but not block all know-your-customer regulations no matter how narrowly or carefully drawn.

The pending amendment could easily be clarified. However, given the current parliamentary situation, it is not clear that anyone will be permitted to offer the additional language. If no clarification is provided, I want the record to show that my support for the amendment is based on the understanding that the amendment's ban on "substantially similar" regulations is a ban on know-your-customer regulations that lack adequate privacy protections for ordinary, law abiding individuals. It is not a ban on all future know-your-customer regulations, no matter how carefully drafted.

Financial privacy is an important issue. It needs to be addressed. Senator SARBANES is working on a comprehensive financial privacy bill that I hope this body is given an opportunity to consider. It is unfortunate that we are being asked to address an important aspect of the financial privacy debate in such a rushed and inappropriate context. Which brings me back to Senator SARBANES' original question about why we are adding banking amendments to an education bill instead of the education amendments America wants and needs.

CONGRATULATIONS TO JOHN Q. HAMMONS ON HIS 80TH BIRTHDAY

Mr. ASHCROFT. Mr. President, I rise today to encourage my colleagues to join me in congratulating Mr. John Q. Hammons of Springfield, Missouri, who celebrated his 80th birthday on February 24, 1999. John is truly a remarkable individual. He has witnessed many events that have shaped Springfield. In fact, John has contributed significantly to the growth and spirit of

Springfield through his donations to construct and improve such places as schools, hospitals, and theaters. His generosity and personal participation in the life of the community have benefitted us all.

Mr. Hammons' celebration of 80 years of life is a testament to me and all Missourians. His achievements are significant and deserve to be recognized on this special occasion. I would like to join his many friends and relatives in wishing him good health and happiness in the future.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, March 5, 1999, the federal debt stood at \$5,652,546,580,761.78 (Five trillion, six hundred fifty-two billion, five hundred forty-six million, five hundred eighty thousand, seven hundred sixty-one dollars and seventy-eight cents).

One year ago, March 5, 1998, the federal debt stood at \$5,528,530,000,000 (Five trillion, five hundred twenty-eight billion, five hundred thirty million).

Fifteen years ago, March 5, 1984, the federal debt stood at \$1,473,914,000,000 (One trillion, four hundred seventy-three billion, nine hundred fourteen million).

Twenty-five years ago, March 5, 1974, the federal debt stood at \$468,399,000,000 (Four hundred sixty-eight billion, three hundred ninety-nine million) which reflects a debt increase of more than \$5 trillion—\$5,184,147,580,761.78 (Five trillion, one hundred eighty-four billion, one hundred forty-seven million, five hundred eighty thousand, seven hundred sixty-one dollars and seventy-eight cents) during the past 25 years.

MORRIS K. UDALL

Mr. HOLLINGS. Mr. President, yesterday this body paid tribute to one of the greatest men to serve in Congress in the twentieth century, Morris "Mo" Udall from Arizona. Yesterday, I was proud to sign the resolution honoring him, and I would like to pay tribute to him now.

Mo Udall was a giant. For thirty years, he straddled politics in Arizona and America. He was a statesman as well as a legislator, and an intellectual as well as a politician. Although Mo believed passionately in many causes and was a Democrat through and through, his wit and warmth helped him forge many productive, bipartisan relationships with his colleagues across the aisle. Mo's intelligence, commitment, and personal touch helped him create a legislative legacy that still shines bright today, almost forty years since he entered the House of Representatives.

As everyone who follows public affairs knows, Mo Udall hailed from a family with a rich tradition in politics and public service. His ancestors were pioneers who helped transform the Ari-

zona Territory into a great state. Mo entered Congress after winning a special election in 1961 to replace his brother, Stewart, whom President Kennedy had tapped to head the Department of the Interior.

Today, the Udall name continues to resonate in Congress. Mo's son, MARK, and his nephew, TOM, both were elected to the House in 1998. I know they will carry on the great tradition of public service and Congressional achievement set by their fathers.

Mo was such a modest and easy-going man that one sometimes overlooks the enormity of his legislative record. After rising to the chairmanship of the Committee on Interior and Insular Affairs, a position he held until his retirement in 1991, Mo wrote much of the nation's most important environmental legislation. He pushed through important regulations concerning land, water, mineral, and timber use. Mo also helped reform America's postal system and our campaign finance laws, and he was instrumental in reforming the seniority system in Congress.

In addition to being a great legislator, Mo Udall was a great man. He bridged divisions and always sought to bring people together to work for the good of the country.

Like many of my colleagues, I believe Mo's wit and self-deprecating manner were largely responsible for his successes. Perhaps the best way to illustrate his humor is to relate a joke he loved to tell about one of his campaign visits to New Hampshire during his 1996 Presidential race. At one stop, Mo approached a group of men to tell them he was running for President, only to be told, "Yes, we were just laughing about that."

Mr. President, if ever a public servant deserved to be taken seriously, it was Mo Udall. It is a sign of his stature as a man that despite his many accomplishments, he never took himself too seriously.

Today I am honored to pay my respects to my friend Mo Udall, whose legacy of public service and bipartisan achievement will be remembered for many lifetimes.

TRIBUTE TO CHARLES PAONE OF REVERE, MASSACHUSETTS

Mr. KENNEDY. Mr. President, next week, on March 17th, St. Patrick's Day, one of Revere, Massachusetts' finest sons, Charles Paone, will celebrate his 90th birthday. Charlie, as he is known by his many friends, has spent most of his life in his hometown of Revere. He graduated from Immaculate Conception High School in 1927, and went on to Georgetown University, graduating in 1931. After college, Charlie returned to Massachusetts and attended Boston College Law School, receiving his law degree from that outstanding college in 1935.

Charlie was inducted into the Army in 1942, where he served with distinction in the 209th Counter Intelligence

Corps. He's been a member of the American Legion for more than 50 years, and he's been very active in his post. He has also been a member of the Knights of Columbus for more than 60 years, and is a past Grand Knight. In 1981 he retired from the Revere Public School System after four decades of outstanding service.

Charlie is loved by his family and friends as a wonderful role model who is always willing to go the extra mile for those in need, whether it's helping someone with their taxes or providing a ride to the local store for groceries. And, of course, all of us in the Senate know Charlie's nephew Marty, who does an excellent job as our Secretary for the Minority.

In many ways, our country is great today because of Americans like Charlie of the World War II generation. They served their country far above and beyond the call of duty in the war, and they came back from the war to rebuild the nation on the home front and make America the great country it is today. Tom Brokaw, in his current number one best-seller, calls them "The Greatest Generation," and it's leaders like Charlie that he's writing about.

It's a privilege to join Charlie's family and friends in wishing him a very happy 90th birthday and a very happy St. Patrick's Day, and to commend him for all that he has done for his family, his friends, his community, and our country.

BENJAMIN H. HARDY, JR.

Mr. COVERDELL. Mr. President, I am honored to rise this morning to pay tribute to a distinguished American and a great Georgia visionary. 50 years ago, Benjamin H. Hardy, Jr., was one of the primary architects of a new foreign policy initiative that became known as President Truman's "Point Four," a program of technical assistance to help the people of developing nations. This bold and revolutionary program became an important tenant of American foreign policy, helping people around the world improve their lives.

Mr. Hardy was a distinguished student at the University of Georgia, graduating with a BA in journalism in 1928. After graduation, he worked as a journalist and later as a public affairs officer for the Departments of Defense and State. His service at the Department of State required him to draft the foreign policy portion of President Truman's 1949 inaugural address. The address cited four basic points of American foreign policy: (1) Support for the United Nations; (2) continuation of the Marshall Plan; (3) military cooperation with Western allies; and (4) a "bold new program" of technical assistance to people in developing nations. This last point was based on what Mr. Hardy had seen of the economic needs in South America during World War II. According to some accounts, he included it in the draft of President Truman's speech at considerable risk to his own career.