

What about the large Hispanic population, the highest undercount? What about his talk about children? Is that just talk, or does he not recognize that the greatest undercount was among children?

We should be advising the people that it is a violation of law. We have made it a felony, \$5,000 or 5 years, or both. It has never been used, but it should be reserved for people who knowingly use their high positions to advocate violation of the law through selective response. It should be used for people who themselves have confused the American public, as some public officials have done. It should be used for those who sabotage the constitutional requirement of an accurate Census.

□ 2000

Our job is to help people understand why there is a long form; that they are not being asked these questions as individuals. It does not matter whether you yourself have indoor plumbing. It is being asked of you as a representative sample. Nobody can attach that answer to your name. If you are worried about people divulging information, do not worry about the census. Worry about the private sector. Worry about people on the Internet. It is no felony for them to give your name and address to everybody.

Nobody has ever heard of anybody giving your name, address or anything else from the census form.

It is cruel, it is cruel, to advise people not to fill in every answer in the long form. Sure, the government should not know your business, but your business is not by your name. It allows us to find essentially what the statistical basis is for the answers you provide. These answers are worth approximately \$700 per person. That is not to be sneezed at.

A lot of folks have spent a lot of time and more than \$6 billion trying to get an accurate census. It ill behoves Members of this body to undercut that very important constitutional effort.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2418, ORGAN PROCUREMENT AND TRANSPLANTATION NETWORK AMENDMENTS OF 1999

Mr. LINDER (during special order of Mrs. MALONEY of New York), from the Committee on Rules, submitted a privileged report (Rept. No. 106-557) on the resolution (H. Res. 454) providing for consideration of the bill (H.R. 2418) to amend the Public Health Service Act to revise and extend programs relating to organ procurement and transplantation, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3671, WILDLIFE AND SPORT FISH RESTORATION PROGRAMS IMPROVEMENTS ACT OF 2000

Mr. LINDER (during special order of Mrs. MALONEY of New York), from the

Committee on Rules, submitted a privileged report (Rept. No. 106-558) on the resolution (H. Res. 455) providing for consideration of the bill (H.R. 3671) to amend the Acts popularly known as the Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act to enhance the funds available for grants to States for fish and wildlife conservation projects and increase opportunities for recreational hunting, bow hunting, trapping, archery, and fishing by eliminating opportunities for waste, fraud, abuse, maladministration, and unauthorized expenditures for administration and execution of those Acts, and for other purposes, which was referred to the House Calendar and ordered to be printed.

ALL COLORADANS SHOULD FILL OUT THEIR CENSUS FORM

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

Mr. UDALL of Colorado. Mr. Speaker, will the gentleman yield?

Mr. UNDERWOOD. I yield to the gentleman from Colorado.

Mr. UDALL of Colorado. Mr. Speaker, I thank my colleague, the gentleman from Guam (Mr. UNDERWOOD), for yielding me this time, and I also want to thank my tireless colleague, the gentlewoman from the great State of New York (Mrs. MALONEY), for her work on the census.

Mr. Speaker, I have a short statement that I would like to share with my fellow Coloradans. I want to urge Coloradans to return their census forms. It is very important for our State and for the country.

Just last week, our State demographer, Jim Westkott, was saying Colorado may have as many as 330,000 residents than the latest estimate by the Census Bureau, an 8 percent difference between the State's estimate and the Census Bureau's latest extrapolation from the 1990 census returns.

Of course, it is the Census Bureau's numbers that are used for Federal purposes, for apportioning House seats amongst the States to allocating Federal funds for schools, transportation and other purposes. That is why it should concern everyone in our State, our State of Colorado, that the Census Bureau itself says its 1999 count of Coloradans missed some 66,000 people. That is why it is so important that this year's count be as accurate as possible, and that is why it is unfortunate that some members of the other body and other political figures have been making statements that could discourage people from being counted.

So, Mr. Speaker, I hope everyone in Colorado, from Arboles and Antonito in the south to Virginia Dale and Peetz in the north and from Dinosaur and Dove Creek in the west to Wray and Holly in

the east, plus everybody in between, will send back the census form and help make this the most complete and most accurate census in the history of our State and our country.

Mr. Speaker, as I conclude, on my plane ride today, I got out my census form and I know it was supposed to be in a few days ago but there is still time. Please, if you have the form, long or short, pull it out, take the short period of time it takes to fill it out. It is simple. It is well structured. Fill it out. Send it in so we can count every American so that we can proceed in the ways that we want to proceed in this next 10 years and continue to build on the great work that we are doing in this country.

Mr. Speaker, I again thank my colleague, the gentleman from Guam (Mr. UNDERWOOD), for this time.

NAVY'S PRIVATIZATION PRACTICE IN GUAM

Mr. UNDERWOOD. Mr. Speaker, this evening I want to take the time to discuss an item of military policy which has directly and negatively affected my home community of Guam, but which will inevitably find its way into other communities. That is the process of privatization, outsourcing, contracting out what are currently civil service jobs, particularly on Department of Defense installations.

Many Members of this body every year argue for an increase in the amount of money that this country spends on defense. They cite shortfalls in procurement and spare parts, declining recruitment numbers, crumbling infrastructure and aging equipment. There are also those Members who chastise these efforts and demand that the Pentagon do more with less and find a better way to conduct business in order to save money and meet these shortfalls. In a way, they are both right and both wrong. Congress does need to do more for the troops in terms of housing and salaries; time on deployment or in training; education benefits and health care. In most cases, this will require an increased level of funding from this body.

Congress also needs to ensure that officials in the Pentagon are spending these funds in the most prudent and efficient manner possible. This responsibility requires that Congress certify the Pentagon's fiscal decisions with the utmost consideration to the Nation's long-term strategic goals.

Unfortunately, this has not always been the case. Today I am going to focus on the conduct of the Navy's outsourcing study on Guam.

Mr. Speaker, this is one case of outsourcing that every military community around the country should pay attention to, because it serves as an example of poor, long-term planning by the Pentagon that will have grave security implications for our presence in the western Pacific.

The Department of Defense and each of the military services, since the early 1990s, have been aggressively implementing their version of, quote, a better way to do business. Their solution

is to outsource, to downsize and to privatize. The Navy announced in the fall of 1999 that Raytheon Technical Services was the winner amongst the private contractors that would be pitted to compete against the in-house civil service workers, the so-called most efficient organization. Under the A-76, or commercial study rules which are set up for this purpose, the victor in this winner-take-all competition would have the right to perform the Navy's base operating systems contract, or more commonly known as the BOS contract. This past January, the Navy announced that the BOS contract, the BOS support functions, were to be sent out to the private sector for performance. The in-house civil servants bid some \$607 million against Raytheon, which won the competition at \$321 million. The huge disparity in these bids is testament to the Navy's disenchanted efforts in assisting the local workforce and the inherent weakness in the A-76 process in situations where there is little or inadequate union input.

The study on Guam analyzed some 1,200 positions, 950 alone at the Works Public Center. Many of these workers eventually pursued the Navy's priority placement program which enables alternative Federal employment worldwide. Others chose early retirement. Those who were left, who face involuntary separation, earned the right of first refusal, the so-called right of first refusal, the jobs that the contractor provides they have the right to refuse the job first. Any way you look at it, it is an inglorious way to end one's civil service career.

Now, let us take a look at the broader look at the A76 process. To be sure, A-76 is not the best of methods to mete out savings. However, in some respects it affords the civil service an opportunity to fight it out and sometimes even beat the private sector through this competition. Appreciating its procedural imperfections, A-76 is criticized by the public workforce, the unions and the private sector contractors. Each player views the rules of the process with some degree of accuracy as favoring their opponents throughout the competition. The Department of Defense has placed a very high stake in the process of outsourcing and privatization. In 1999, the Department of Defense announced that by the year 2005 over 230,000 current civil service positions will have been studied for possible outsourcing. The department estimates that they will have saved some \$11.2 billion and achieved a steady savings rate beginning in fiscal year 2005 of approximately \$3.4 billion annually. These estimates are sheer mathematical conjuring. The Pentagon is assuming these savings. Indeed, the individual services often do not even account for the cost of performing this study, which in most cases comes from operation and maintenance accounts. These costs can include the paying of the cost comparison study itself as well as associated costs for voluntary sepa-

ration, incentive pay, early retirement benefits and general reductions in force or RIFs. The military often risks savings at the expense of long-term readiness and I make this statement based on several notions. In the world of the Pentagon, those of us who are on the House Committee on Armed Services and who have the responsibility of overseeing the activities of the Department of Defense, there is on one side the warfighters and there is on the other side the force builders. The warfighters are the folks that will have to put their neck on the line and fight our Nation's battles and win. The force builders are the folks that provide the tools to the warfighters. Congress has oversight over both.

The problems that we have generally lie with the force builders. These people are the facilities and infrastructure specialists. More and more of these cadre have MBAs or are CPAs. They get promoted based on how much money they can save in a given cycle. In some instances, military officers are rated for promotion based on achieving certain fiscal goals or in exceeding outsourcing benchmarks. Let me be clear, I am not opposed to savings or more efficiency. I recognize that there are times there is colossal waste in the Pentagon and opportunities to improve the methods of operating and maintaining our infrastructure need improvement. What I am opposed to is when readiness and strategic forethought takes a back seat to fiscal aggressiveness. We need to think hard when many of our people in uniform, the military's rising stars, earn meritorious service medals or legions of merits because they were able to save \$300 million by laying off a thousand employees. And that is the state to which much of the activity inside the Department of Defense is now occurring. They are so focused on this strategy to save money and to conduct their business in what they call a more businesslike way, that they are actually getting rewarded, not because they are a more effective fighting force or not because they have done something in the warfighting, they have not improved methods, but they are getting awarded because they are able to save money by laying off people.

I will remind my colleagues over in the Pentagon that their first duty is to plan and to prepare and to fight and to win our Nation's wars. The military is not a business, and thus you will not always have a balanced spread sheet. The department's accountants cannot place a dollar figure on readiness. That is a political and strategic decision which I know every Member of Congress is willing to pay for.

Congress recognized that outsourcing may have a dramatic impact on our communities. This is why they require the Pentagon, in law, to report to Congress on the potential impact that an outsourcing process will have on the community's economy. Sadly for my home island of Guam, this requirement

was introduced after the Navy commenced its study. If the Department of Defense was required to submit an economic impact study for Guam, it would show that Guam was really a poor model for the DOD to conduct the study on a big base/small base comparison, which was their original rationale.

Indeed, even the Navy abandoned this so-called comparison study model in favor of just continuing forward with Guam's solitary A-76 commercial study. Guam will face job losses of a unique proportion. Essentially, it is an erosion of its middle class. It is important to understand that Guam is a small place, 150,000 people with a workforce of about 60,000. Any kind of movement in one sector of the economy has enormous ramifications in the other sectors.

For those workers, civil service workers, who will choose the priority placement program, they will have to leave the island. Unlike other jurisdictions, there are not Federal jobs over in the next county. The next county is 3,500 miles away. In fact, in this whole process already almost 60 people have been placed in Utah, and some of the most tragic circumstances I have had to deal with in terms of my constituents is to deal with young men who looked forward to having a successful career in the civil service doing important work for the defense of the nation and its forward presence in Guam now having to face the possibility of working here in Virginia or in the State of Washington or some other community where they are now divorced from their family network, where their kids are now not going to see their grandparents, where they are not going to be able to attend the family functions which are such a critical and sensitive part of our island way of life.

An island has a unique economy in that it is very sensitive to slight movements in the labor market. The Navy completely disregarded this consideration because there is no legal mandate for them to do so. The exodus of these skilled workers from Guam represents a serious brain drain. It can also depress real estate markets as hundreds of homes are sold off.

□ 2015

Finally, the local tax base suffers as there is a decline in the local working population.

For those workers who choose to stay on island and leave the Federal service for a contractor job, they are offered meager salaries. This is the right of first refusal. These wages are calculated by a so-called prevailing wage calculator. This measures a wage rate for a particular job common in the community, but does not account for the price of consumer goods that are available on island.

When one works for the Federal Government, one has a tension on the local economy, but one also has what is

called a COLA, cost of living allowance. Usually that makes up the difference. The private contractor is not required to pay this.

So as a consequence, the contract on Guam, which is scheduled to commence next Monday morning, has a number of serious differences in the wages that the people used to make and the wages that they are now being offered in terms of the right of first refusal.

In most cases, a Federal worker of the Public Work Center Guam will be paid a decent wage this Friday. But on Monday, he will be paid a dismal wage to do the same work. For example, an air conditioning mechanic making \$18.37 an hour this week will be offered \$8.05 next week. An industrial equipment mechanic making \$18.37 this week will be offered \$12.13 next week. An electrician making \$18.37 an hour this week will be offered \$10.78 next week. An office clerk who is making \$12 an hour this week will be offered \$8.36 next week. A general clerk who is making \$11.60 an hour this week will be offered \$5.87 an hour next week, no matter how many years of service you have.

Furthermore, to add insult to injury to this offer, these salaries are being offered, not on a 40-hour workweek, but Raytheon is offering the workers a 32-hour workweek. They are considering that full time. So on top of these salary cuts, there is an additional cut of 20 percent by offering a 32-hour workweek. This rubric will be devastating for these wage earners. Even at the previous base salary, the cola was everything.

As a small isolated community, the prices on Guam for food stuffs and dry goods and clothing and mortgages and utilities and loans are usually very high. We all know how important health care is to America's families these days, and we equally recognize all the quality of Federal health insurance programs. The civil service employees were part of this system and were able to support their families with it.

The health benefits rate that is going to be paid under this contract, under the RFP issued by the Navy, is \$1.63 an hour. This is going to be too little to support even the wage earner. How is the worker going to take care of his or her family?

As a result of these dismal salaries and the 32-hour workweek, many of Guam's workers are simply not taking the jobs, preferring unemployment insurance, which will pay higher benefit, or simply will choose to leave the island.

The island has a limited population that cannot accommodate a war time surge in work if most of its skilled labor force leaves. This has grave implications for readiness, because in the case of a national emergency or something happening in Korea or Taiwan or some part of Asia, Guam is the major logistical node. Where are they going to find the workers then? Well, they

are going to have to bring them in from off island at great cost.

An adequate economic study would have flushed out this. A realistic look at the readiness requirements and the war time requirements of our defense forces, and an objective look at the world situation in East Asia would have flushed all of this out.

The employees who choose to stay on island and leave the civil service are permitted a right of first refusal for the private sector jobs. But how meaningful can this right be when the positions being offered are far below what they were previously earning.

The A-76 rules and procedures were applied haphazardly by Navy's PACDIV in Hawaii with little regard to the human toll or the impact on Guam's economy. PACDIV's desire to save money was so egregious that they misinterpreted what should be the trade-off between military security, forward presence, strength in Asia, and bottom line savings. I believe we could have had both, but it would have taken a great deal more planning and thought than PACDIV apparently gave to this project.

Mr. Speaker, in light of these fallacies and problems that have occurred on Guam in the Navy's A-76 study, I am calling for several things. First of all, I am calling for the Navy to explore halting the implementation of this contract until many of these grievances and miscalculations can be redressed.

Last Friday, I sent a letter to Secretary De Leon, a joint letter from 28 Members of Congress, calling for a halt to the implementation of this contract until the Congress and the Inspector General of the Department of Defense can audit the way the outsourcing study was dealt with on Guam balanced against strategic circumstances.

Secondly, I am calling for the U.S. General Accounting Office to conduct an audit into the way the Navy organized, planned, and conducted this outsourcing study on Guam with seeming little regard to the impact on the small isolated community that, relative to its population, has a significant role had the readiness and the strength of the U.S. military in the Western Pacific.

Third, I am calling on the House Subcommittee on Military Readiness to conduct a hearing on the methods of the Department of Defense privatization efforts on Guam as well as the Pentagon's aggressive plans towards outright privatization without using the A-76 rules.

Finally, I am going to introduce into the defense authorization bill for fiscal year 2001 an amendment to extend COLA benefits for those civil service employees who exercised the right of first refusal on Guam. This will, I believe, assist these families financially and perhaps stem the flight of skilled workers from Guam.

Another aspect of this amendment is to provide a mortgage assistance pro-

gram for all affected civil service workers. For all their years of dedicated Federal civil service, this is the least that the government can do.

Mr. Speaker, I have said it before and I will say it again, outsourcing from a small island economy does not make any sense. There is no readiness benefit to do it. In fact, there is more likely the case that this privatization endeavor will jeopardize both long-term and short-term readiness.

Of course there is no benefit to the local economy. Since Guam's firms are not large enough to be the prime contractor, most of the contract's profits will be sent off island or remain in the hands of big corporations.

There is no benefit to the laborer. Their salaries have been sliced and diced, so they will not even be able to afford the costly consumables that are sold locally. Whatever happened to an honest day's wage for honest skilled labor.

All in all, the Navy's conduct in this commercial study appears to have been a rather shallow display of gratitude and neighborliness for all of Guam's years of service as the Nation's most strategic forward located area. Furthermore, their decisions represent an utter lack of forethought with regard to the future defense needs in the region.

It is my hope to bring some relief to these dedicated civil service employees and alert other communities to the pitfalls that were encountered by my island community of Guam during the Navy's outsourcing.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GONZALEZ (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. STUPAK (at the request of Mr. GEPHARDT) for today on account of family matters.

Mr. ORTIZ (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Ms. CARSON (at the request of Mr. GEPHARDT) for today on account of official business.

Ms. KILPATRICK (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Mr. DIAZ-BALART (at the request of Mr. ARMEY) for today on account of official business.

Mr. WATTS of Oklahoma (at the request of Mr. ARMEY) for today on account of family medical reasons.

Mr. SCARBOROUGH (at the request of Mr. ARMEY) for today on account of delayed arrival due to bad weather.

Mr. MANZULLO (at the request of Mr. ARMEY) for today on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to: