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House of Representatives

The House met at 10 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God of Heaven and Earth, Your Word charges our human actions so that they may have lasting value. Your spirit transforms human words so that hearts and attitudes change and You alter the course of human events.

Be with us today as we are drawn into the inauguration of George W. Bush as the 43rd President of the United States of America. By Your grace, may the peaceful transition of government today so touch the soul of this Nation that all Your people may stand with confidence, grateful for all the blessings You have brought upon this Nation.

May all of us, from the highest office in this Nation to the weakest hidden in our midst, prove responsible and be renewed in life, liberty and the pursuit of happiness as our Constitution promises. May You choose us as Your peaceful and powerful instrument in this world because we choose You to be our Lord and God now and forever. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Michigan (Mr. KILDEE) come forward and lead the House in the Pledge of Allegiance.

Mr. KILDEE led the Pledge of Allegiance, as follows:

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

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. HANSEN. Mr. Speaker, by direction of the Republican Conference, I offer a privileged resolution (H. Res. 21) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 21

Resolved, That the following named Members be, and are hereby, elected to the following standing committees of the House of Representatives:

Budget: Mr. Sununu to rank after Mr. Nussle.

House Administration: Mr. Ney, Chairman.

Standards of Official Conduct: Mr. Hefley, Chairman.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. FROST. Mr. Speaker, by direction of the Democratic Caucus, I offer a privileged resolution (H. Res. 22) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 22

Resolved, That the following named Members be, and are hereby, elected to the following standing Committees of the House of Representatives:

Committee on House Administration: Mr. Hoyer of Maryland;

Committee on Standards of Official Conduct: Mr. Berman of California.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the President of the United States:

THE WHITE HOUSE,

Washington, DC, January 16, 2001.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to 31 U.S.C. 1105, attached is the Budget of the United States Government for Fiscal Year 2002.

Sincerely,

WILLIAM J. CLINTON.

FY 2002 ECONOMIC OUTLOOK—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107-4)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed.

To the Congress of the United States:

I am pleased to submit my FY 2002 Economic Outlook, Highlights from FY 1994 to FY 2001, FY 2002 Baseline Projections. For the benefit of the new Administration and the public, this document includes an economic overview, a technical presentation of current services projections, a programmatic review of the Federal Government that details my Administration's actions over the last eight years, and pending policy proposals that I believe should be the starting point for a new Administration.

THE OUTLOOK IN 1993

To appreciate what we have accomplished in the past eight years, we must take stock of where we were in 1993. When I took office in 1993, economic growth had averaged only 1.7 percent in the four previous years. In

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

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



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1992, unemployment surged to 7.8 percent. In 1992, the budget deficit was \$290 billion, the largest in the history of our Nation. The debt held by the public quadrupled between 1980 and 1992 and threatened to keep mounting. The deficit was projected to reach \$390 billion by 1998 and \$639 billion by 2003.

I believed that by exercising fiscal responsibility and making strategic investments in our future, we could reverse this trend and spur the economy to robust growth. Eight years later, with deficits turned to surplus, with the mountain of debt receding, and with sustained economic growth at record level, we can say that we were able to achieve this goal through a steadfast commitment to fiscal discipline.

THE CLINTON-GORE RECORD

Over the eight years of my Administration, our total deficit reduction totals \$1.2 trillion, more than double our original estimates. We have experienced four straight years of surplus, a stretch of prosperity last seen following World War I. For three years in a row, we have actually been able to pay off \$363 billion of this debt and expect to pay off \$600 billion by the end of this year. With a sustained commitment to fiscal discipline by continuing to use the surplus to pay down the debt, this Nation can be fully debt-free in this decade for the first time since 1835. We can eliminate the publicly held debt by the end of the decade and, by doing so, we can strengthen our economy and our Nation's prospects for the future.

FY 2002 Economic Outlook, Highlights from FY 1994 to FY 2001, FY 2002 Baseline Projections continue to project that the Federal budget will remain in surplus for many decades to come, if a responsible fiscal policy prevails and realistic assumptions and projections are used.

The Federal Government must continue to meet the needs of the American people in a Nation with a growing economy and a growing population. We take for granted the need to maintain critical functions like air traffic safety, law enforcement, the administration of Social Security and Medicare, and national security—both defense and diplomacy. Because I firmly believe that the American people demand and deserve a Government that meets their needs, this document reflects the progress we have made in serving the American people. These accomplishments include:

- Improving education, with initiatives focusing on accountability and school-system reforms; increased funding for Pell Grants and Work-Study Programs; and, initiatives to reduce class size, establish after-school programs, improve reading ability, expand mentoring and education technology, and renovate crumbling schools. The results are significant. For example, 29,000 teachers have been hired, on our way to the goal of hiring 100,000 new teachers to reduce class size, and there has been a six-fold increase in the num-

ber of title I elementary schools with after-school programs. We have doubled funding for Head Start, and increased funding for higher education programs—the biggest increase since the G.I. Bill.

- Rewarding work and “ending welfare as we know it,” with incentives to States for moving welfare recipients into jobs, encouraging businesses to hire people from welfare rolls, expanding the Earned Income Tax Credit, tripling funding for dislocated worker training, and increasing funding for child care. Since January 1993, the welfare rolls have decreased from 14.1 million to 6.3 million, the fewest number of people on welfare since 1968.

- Making Social Security solvency a national priority, with the challenge to “save Social Security first,” ensuring that Social Security funds are used to pay for Social Security and strengthen our economic health.

- Achieving the longest Medicare Trust Fund solvency in a quarter century while improving Medicare's benefits.

- Reversing the increase in the number of uninsured Americans through the Children's Health Insurance Program (CHIP) and other policies. Over 3.3 million children have received health insurance through the CHIP.

- Setting the highest level of environmental standards ever. More land in the lower 48 States has been protected under the Antiquities Act than by any other Administration; 58.5 million acres of national forest will be protected from road building and logging; unprecedented legislation will provide \$12 billion over six years in dedicated funding for the conservation of America's land and coastal resources; climate change and clean water funding was increased; and, efforts to fight budget riders that would have sacrificed hard-won environmental safeguards to special-interests succeeded.

- Increasing investments in science and technology, as the keys to economic growth. Funding for medical research at the National Institutes of Health doubled, allowing for breakthroughs such as the complete sequencing of the human genome and new therapies to prevent breast cancer.

- Securing funding to hire over 100,000 additional community police officers, making our streets safer. My Administration's initiatives to reduce crime contributed to the lowest annual serious crime count since 1985.

- Giving Americans confidence that when natural disasters occur, such as the Northridge Earthquake, Hurricane Floyd, and the Midwest Floods, their Government will help them return to prosperity.

- Implementing the Uruguay Round, the North American Free Trade Agreement, and other major agreements, to liberalize trade and financial markets, aid construction of a new global economic architecture, and promote growth.

- Fighting transnational threats, such as HIV/AIDS, terrorism, and envi-

ronmental destruction, as well as securing historic debt relief for countries in crisis and resources to fight child abuse at home and abroad.

- Improving the security of Americans at home and abroad, through increased funding for embassy security.

- Strengthening our national security by promoting stability in responding to natural disasters in Central America and Africa, as well as man-made crises in Kosovo, Bosnia, and Indonesia.

- Maintaining the Nation's security, with the best-equipped, best-trained, and best-prepared military in the world.

This document also highlights the dramatic improvements in the management of the Federal Government we have made over the last eight years. We have used information technology to create a Government that is more accessible and responsive to citizens. The Federal Government has reinvented the way it buys goods and services, focusing on customer satisfaction and results. We have transformed the Federal financial management system. Eight years ago, only a few agencies routinely prepared and issued audited financial statements. Now virtually all agencies issue annual audited financial statements. More than half of the 24 largest agencies received clean audits in 1999. In addition, significant strides have been made to advance the transparency and underpinnings of the regulatory process and improve the Nation's statistics. These management functions are the essentials of governmental operations. Doing them very well rarely garners attention. Failing to do them can undermine program and policy effectiveness as certainly as bad policy decisions or inadequate program implementation.

As the Nation looks to the future, there are several important areas where additional work is needed. Examples include:

- Providing prescription drug coverage for Medicare beneficiaries;

- Passing legislation to stiffen penalties for hate crimes;

- Ensuring equity for legal immigrants;

- Increasing the minimum wage to support millions of working families;

- Providing a Medicaid buy-in option for children with disabilities in working families;

- Ensuring stability in the Middle East peace process;

- Increasing our embassy security;

- Funding diplomacy as an alternative to crises and violence;

- Striving to hire 100,000 new teachers to reduce class size;

- Helping school districts to obtain financing to construct and modernize schools; and,

- Expanding and improving the quality of the Head Start program.

MY HOPES FOR THE NATION

This is a rare moment in American history. Never before has our Nation enjoyed so much prosperity, at a time

when social progress continues to advance and our position as the global leader is secure. Today, we are well prepared to make the choices that will shape the future of our Nation for decades to come.

By reversing the earlier trend of fiscal irresponsibility, using conservative economic estimates, balancing the budget, and producing an historic surplus, we have helped restore our national spirit and produced the resources to help opportunity and prosperity reach all corners of this Nation. We have it within our reach today, by making the right choices, to offer the promise of prosperity to generations of Americans to come. If we keep to the path of fiscal discipline, we can build a foundation of prosperity for the future of the Nation.

Over the last eight years, I have sought to provide the fiscal discipline necessary to ensure the continuing growth of our economy while making essential investments in the future of our people—especially those who are less fortunate. The results are evident. I present this document with pride in our accomplishments, and the hope that this progress will continue and grow for all Americans.

In the past eight years, we have enjoyed extraordinary economic performance because our fiscal policy was responsible and sound. To continue the Nation's strong economic performance, we must maintain our commitment to a sound fiscal policy. Experience over the last twenty years clearly shows how perilous it is to create conditions for budgetary problems. We are now enjoying the benefits of a virtuous cycle of surplus and debt reduction and must not return to the vicious cycle of red ink.

The challenge now, in this era of surplus, is to make balanced choices to use our resources to meet both the evident, pressing needs of today, and the more distant, but no less crucial, needs of generations to come.

WILLIAM J. CLINTON.
January 16, 2001.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HYDE). The Chair desires to announce that sitting Members are being delivered their official pins in order to be seated on the platform. There are no extra seats available, so former Members cannot join the procession. The same holds true for children. They can neither go with the procession nor be seated on the platform.

The area where Members of the House are to be seated is not covered. Members should keep this fact in mind in deciding whether to wear overcoats and hats.

The Sergeant at Arms will precede the procession bearing the mace. The Clerk will escort the Members to the west front of the Capitol. The procession will be led by the dean of the

House, followed by the House leadership, committee chairmen, ranking minority Members, and then other Members in order of seniority.

The House leadership, committee chairmen, and ranking minority Members shall retire to H-208 upon leaving the Chamber.

The Chair would encourage Members, as they gather in order of seniority, to congregate by classes in the well.

PERMISSION FOR MEMBER TO REVISE AND EXTEND REMARKS

Mr. LINDER. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois (Mr. HASTERT) be allowed to revise and extend his remarks today.

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

There was no objection.

MEMORANDUM OF UNDER- STANDING BETWEEN ENERGY AND COMMERCE COMMITTEE AND FINANCIAL SERVICES COM- MITTEE

Mr. HASTERT. Mr. Speaker, I am inserting in the CONGRESSIONAL RECORD the following memorandum of understanding:

JANUARY 20, 2001.

On January 3, 2001, the House agreed to H.Res. 5, establishing the rules of the House for the 107th Congress. Section 2(d) of H.Res. 5 contained a provision renaming the Banking Committee as the Financial Services Committee and transferring jurisdiction over securities and exchanges and insurance from the Commerce Committee to the Financial Services Committee. The Commerce Committee was also renamed the Energy and Commerce Committee.

The Committee on Energy and Commerce and the Committee on Financial Services jointly acknowledge as the authoritative source of legislative history concerning section 2(d) of H.Res. 5 the following statement of Rules Committee Chairman David Dreier during floor consideration of the resolution:

"In what is obviously one of our most significant changes, Mr. Speaker, section 2(d) of the resolution establishes a new Committee on Financial Services, which will have jurisdiction over the following matters:

- (1) banks and banking, including deposit insurance and Federal monetary policy;
- (2) economic stabilization, defense production, renegotiation, and control of the price of commodities, rents, and services;
- (3) financial aid to commerce and industry (other than transportation);
- (4) insurance generally;
- (5) international finance;
- (6) international financial and monetary organizations;
- (7) money and credit, including currency and the issuance of notes and redemption thereof; gold and silver, including the coinage thereof; valuation and revaluation of the dollar;
- (8) public and private housing;
- (9) securities and exchanges; and
- (10) urban development.

"Mr. Speaker, jurisdiction over matters relating to securities and exchanges is transferred in its entirety from the Committee on Commerce, which will be redesignated under this rules change to the Committee on Energy and Commerce, and it will not be transferred from the new Committee on Energy

and Commerce to this new Committee on Financial Services. This transfer is not intended to convey to the Committee on Financial Services jurisdiction currently in the Committee on Agriculture regarding commodity exchanges.

"Furthermore, this change is not intended to convey to the Committee on Financial Services jurisdiction over matters relating to regulation and SEC oversight of multi-state public utility holding companies and their subsidiaries, which remain essentially matters of energy policy.

"Mr. Speaker, as a result of the transfer of jurisdiction over matters relating to securities and exchanges, redundant jurisdiction over matters relating to bank capital markets activities generally and depository institutions securities activities, which were formerly matters in the jurisdiction of the Committee on Banking and Financial Services, have been removed from clause 1 of rule X.

"Matters relating to insurance generally, formerly within the jurisdiction of the redesignated Committee on Energy and Commerce, are transferred to the jurisdiction of the Committee on Financial Services.

"The transfer of any jurisdiction to the Committee on Financial Services is not intended to limit the Committee on Energy and Commerce's jurisdiction over consumer affairs and consumer protection matters.

"Likewise, existing health insurance jurisdiction is not transferred as a result of this change.

"Furthermore, the existing jurisdictions of other committees with respect to matters relating to crop insurance, Workers' Compensation, insurance anti-trust matters, disaster insurance, veterans' life and health insurance, and national social security policy are not affected by this change.

"Finally, Mr. Speaker, the changes and legislative history involving the Committee on Financial Services and the Committee on Energy and Commerce do not preclude future memorandum of understanding between the chairmen of these respective committees."

By this memorandum the two committees undertake to record their further mutual understandings in this matter, which will supplement the statement quoted above.

It is agreed that the Committee on Energy and Commerce will retain jurisdiction over bills dealing broadly with electronic commerce, including electronic communications networks (ECNs). However, a bill amending the securities laws to address the specific type of electronic securities transaction currently governed by a special SEC regulation as an Alternative Trading System (ATS) would be referred to the Committee on Financial Services.

While it is agreed that the jurisdiction of the Committee on Financial Services over securities and exchanges includes anti-fraud authorities under the securities laws, the Committee on Energy and Commerce will retain jurisdiction only over the issue of setting of accounting standards by the Financial Accounting Standards Board.

W.J. "BILLY" TAUZIN,
Chairman, Committee on
Energy and Commerce.
MICHAEL G. OXLEY,
Chairman, Committee on
Financial Services.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10:15 a.m.

Accordingly (at 10 o'clock and 8 minutes a.m.), the House stood in recess until 10:15 a.m.