

other body. As the debate on the bill and the report that accompany the bill shows: One, that we want AID to make at least half of its micro credit in amounts below \$300, and two, that we want AID to make most initial loans at the \$150 level to reach the poorest of the poor. Following the hoped for enactment of this bill, we can reexamine the situation next year to assess how successfully AID is reaching the poor with micro credits.

I commend this bill to the House and urge its adoption.

Mr. ENGEL. Mr. Speaker, I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and pass the bill, H.R. 3846.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3846, the bill just passed.

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

There was no objection.

#### AUTHORIZING VOLUNTARY SEPARATION INCENTIVE PAYMENTS TO EMPLOYEES OF AID

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3870) to authorize the Agency for International Development to offer voluntary separation incentive payments to employees of that agency, as amended.

The Clerk read as follows:

H.R. 3870

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

(a) DEFINITIONS.—For the purposes of this Act—

(1) the term “agency” means the Agency for International Development;

(2) the term “Administrator” means the Administrator, Agency for International Development; and

(3) the term “employee” means an employee (as defined by section 2105 of title 5, United States Code) who is employed by the agency, is serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 12 months, but does not include—

(A) any employee who, upon separation and application, would then be eligible for an immediate annuity under subchapter III of chapter 83 (except for section 8336(d)(2)) or chapter 84 (except for section 8414(b)(1)(B)) of

title 5, United States Code, or corresponding provisions of another retirement system for employees of the agency;

(B) a reemployed annuitant under subchapter III of chapter 83 of chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(C) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A);

(D) an employee who is to be separated involuntarily for misconduct or unacceptable performance, and to whom specific notice has been given with respect to that separation;

(E) an employee who, upon completing an additional period of service, as referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such Act;

(F) an employee who has previously received any voluntary separation incentive payment by the Government of the United States under this Act or any other authority and has not repaid such payment;

(G) an employee covered by statutory re-employment rights who is on transfer to another organization; or

(H) any employee who, during the 24-month period preceding the date of separation, received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the 12-month period preceding the date of separation, received a retention allowance under section 5754 of such title 5.

(b) IN GENERAL.—The Administrator, before obligating any resources for voluntary separation incentive payments under this Act, shall submit to the House and Senate Committees on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency’s plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level; and

(B) the number and amounts of voluntary separation incentive payments to be offered; and

(C) a description of how the agency will operate without the eliminated positions and functions.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this Act may be paid by the agency to not more than 100 employees of such agency and only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment under this Act—

(A) shall be paid in a lump sum after the employee’s separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section; or

(ii) an amount determined by the agency head not to exceed \$25,000;

(D) may not be made except in the case of any employee who voluntarily separates (whether by retirement or resignation) before February 1, 1997;

(E) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this Act.

(2) DEFINITION.—For the purpose of paragraph (1), the term “final basic pay”, with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee’s final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(c) EFFECT ON SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this Act and accepts any employment for compensation with the Government of the United States, or who works for any agency of the Government of the United States through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual’s first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in the agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this Act. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirements of this subsection are met.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from New York [Mr. ENGEL] each will control 20 minutes.

The Chairman recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, the Agency for International Development requested this legislation to help them downsize. The Agency for International Development, AID, has already trimmed 3,000 positions, from 11,000 to

8,000. Unfortunately, AID must reduce its staff at a faster pace and institutes a layoff, or reduction in force, of 200 people to meet its personnel targets. Rather than lay off all 200 employees, AID would like to offer up to 100 employees severance payments, up to \$25,000 each, that they would have been able to receive if laid off. It gives AID the flexibility to find volunteers rather than lay off all 200 people.

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This bill has the support of our Subcommittee on Civil Service chairman, the gentleman from Florida, Mr. MICA and his counterpart in the other body, Mr. STEVENS of Alaska. I urge adoption by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I yield myself such a time as I may consume.

Mr. Speaker, I support this bill. As has been explained by the gentleman from Nebraska [Mr. BEREUTER], this bill represents an effort to help the Agency for International Development to minimize the reductions in force required by budgetary constraints.

I must say that I regret the budgetary constraints which require the reductions in force. I have had occasion, of course, to see the good work that AID has done in many countries around the world. I can tell you that it is well worth the money and the effort that we put into it. But we have to be realists and we understand the budgetary problems and constraints. This simply helps AID minimize these reductions. It is something that we understand needs to be done. It has bipartisan support. Therefore, I urge adoption of this bill.

Mr. GILMAN. Mr. Speaker, I joined with the chairman of the Government Reform Committee's Civil Service Subcommittee, Chairman MICA, to support H.R. 3870, a bill written at the request of the administration to allow AID to offer up to 100 employees, who voluntarily resign, severance payments up to a cap of \$25,000. As you know, in the Foreign Service employees are entitled 1 month severance per year of service. Civil Service employees are entitled to 1 week severance per year of service.

Over the past few years, AID's personnel reduced in size from approximately 11,000 to 8,000 employees, mainly using hiring freezes that cause AID to lose approximately 120 employees per year. While the Appropriations Committee provided AID with an operating expense appropriation level they were assured would prevent layoffs, further cuts in the President's own fiscal year 1997 budget request caused AID to accelerate personnel reductions. AID is currently in the process of laying off 200 employees by conducting a formal reduction in force [RIF] of 97 Foreign Service and 103 Civil Service employees.

Rather than lay off all 200 employees, AID would like to offer up to 100 employees who voluntarily resign, and are not already eligible to retire, the opportunity to receive the severance payment they would have received if they had been laid off, up to a cap of \$25,000. In this way, AID hopes to have 100 volunteers

take the place of at least half of those people scheduled to be laid off. CBO has stated that this bill would cause the Government to collect an additional \$1 million in mandatory receipts due to payments to Government retirement accounts required under the bill—thereby making it a net positive debt reduction measure for the purposes of the "pay-go" rules. In an advisory note, CBO also estimated the bill would cost \$3 million in discretionary spending, all within the already appropriated level of the AID operating expense account.

This bill is supported by the administration, the American Foreign Service Association, Mr. HAMILTON, Chairman MICA, and his counterpart, the chairman of the Government Affairs Committee, the senior Senator from Alaska, Mr. STEVENS. Other versions of this language have been attached to appropriations bills. We now expect that this free standing measure may be enacted as early as possible to allow AID to make the best of a bad situation.

We all support AID becoming a smaller, more efficient operation. This bill will help AID achieve that goal, using volunteers instead of draftees. I commend the bill to the House and urge its adoption.

Mr. ENGEL. Mr. Speaker, I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CALVERT). The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and pass the bill, H.R. 3870, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3870.

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

There was no objection.

#### RECOGNIZING AND HONORING THE FILIPINO WORLD WAR II VETERANS

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 191) to recognize and honor the Filipino World War II veterans for their defense of democratic ideals and their important contribution to the outcome of World War II.

The Clerk read as follows:

H. CON. RES. 191

Whereas the Commonwealth of the Philippines was strategically located and thus vital to the defense of the United States during World War II;

Whereas the military forces of the Commonwealth of the Philippines were called into the United States Armed Forces during

World War II by Executive order and were put under the command of General Douglas MacArthur;

Whereas the participation of the military forces of the Commonwealth of the Philippines in the battles of Bataan and Corregidor and in other smaller skirmishes delayed and disrupted the initial Japanese effort to conquer the Western Pacific;

Whereas that delay and disruption allowed the United States the vital time to prepare the forces which were needed to drive the Japanese from the Western Pacific and to defeat Japan;

Whereas after the recovery of the Philippine Islands from Japan, the United States was able to use the strategically located Commonwealth of the Philippines as a base from which to launch the final efforts to defeat Japan;

Whereas every American deserves to know the important contribution that the military forces of the Commonwealth of the Philippines made to the outcome of World War II; and

Whereas the Filipino World War II veterans deserve recognition and honor for their important contribution to the outcome of World War II: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring).* That the Congress recognizes and honors the Filipino World War II veterans for their defense of democratic ideals and their important contribution to the outcome of World War II.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from New York [Mr. ENGEL] each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, this resolution provides long-delayed recognition to persons considered to be members of the Philippine Commonwealth Army veterans and members of the Special Philippine Scouts—by reason of service with the allied Armed Forces during World War II.

On July 26, 1941, President Roosevelt issued a military order, pursuant to the Philippines Independence Act of 1934, calling members of the Philippine Commonwealth Army into the service of the United States forces of the Far East, under the command of Lt. Gen. Douglas MacArthur.

For almost 4 years, over 100,000 Filipinos, of the Philippine Commonwealth Army fought alongside the allies to reclaim the Philippine Islands from Japan. Unfortunately, Congress rewarded this service by enacting the Rescission Act of 1946. This measure denied the members of the Philippine Commonwealth Army the honor of being recognized as veterans of the United States Armed Forces.

A second group, the Special Philippine Scouts called "New scouts" who enlisted in the United States Armed Forces after October 6, 1945, primarily to perform occupation duty in the Pacific, have also never received official recognition.

It is time to correct this injustice and to provide the official recognition