As home to 41 percent of all endangered birds in the nation, Hawaii has a lot to lose. The state imposes fines as high as $25,000 for importing or owning snakes of any type—a penalty that has not stopped people from smuggling in pythons and other snakes for pets. But the brown tree snake threat is different.

''Never in history has a snake done as much ecological damage as this snake,'' says Mike Pitzler, a biologist with the U.S. Department of Agriculture in Guam. Pitzler leads a team of federal, state, military and private individuals struggling to keep snakes from leaving Guam aboard outgoing flights and ships. The team maintains 1,400 snake traps in airports and other targeted sites around the island. It also relies on 14 Jack Russell terriers, which work in shifts around the clock, sniffing aircraft and cargo for snakes before departure.

Pitzler's staff captures 3,000 to 5,000 snakes per year, but he acknowledges his program's limitations. ''Our canine teams are not 100 percent effective all the time,'' he says. ''There are also cargo items that are difficult to inspect.''

On the Hawaiian island of Oahu, meanwhile, five beagles put their noses to work sniffing out snakes on arriving commercial and military flights from Guam. For most flights, one of the dogs and an inspector are waiting at the gate to examine the aircraft. The pair then hurries to a nearby warehouse to inspect cargo from the flight. But because of a shortage of funds for the program, not all military flights are inspected and that worries state authorities.

''Is there an acceptable risk? The answer for Hawaii is no,'' says Mike Wilson, chairperson of Hawaii's Department of Land and Natural Resources. ''Every brown tree snake that we don't stop now will turn into tens of thousands of snakes over the next 10 or 20 years.'' The species has a clutch size of 4 to 12 young and females may produce more than one clutch per year.

Newly hatched snakes immediately begin to forage for food. On Guam, small skinks are readily available prey for the young snakes. An introduced alien initially thought to be harmless, one skink species is largely responsible for the population explosion of brown tree snakes on the island by allowing greater numbers of the snakes to survive into adulthood. ''The relationship between skinks and the brown tree snake's population is an example of what happens when you introduce nonnative plants and animals to a place,'' says Kraus. ''You can get a synergistic effect, things that you never expected.''

If one of the reptiles should slither off into Hawaii's landscape, Kraus usually oversees efforts to find the reptile. ''In some habitats in Hawaii,'' he notes, ''you could be standing right next to a snake and not know it.'' To search for the snake that chased off the boy in the suburban Honolulu ravine, Kraus brought in eight volunteers. The reptile was never found, though he concluded that it was not a brown tree snake because it was sighted during daylight.

While Kraus continues his exhaustive searches, other experts are pursuing new methods to eradicate the reptile. But so far no such method has been found. ''We continue looking for solutions,'' says Thomas Fritts. ''We're not ready to give up.''

SUPPORT A BILL TO PROTECT KIDS AGAINST TOBACCO USE WHILE PRESERVING THE ADULT RIGHT TO CHOOSE

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 21, 1998

Mr. BISHOP. Mr. Speaker, I have introduced the Tobacco Use by Minors Deterrence Act, which, if enacted, would actually address and stop access by children to tobacco.

It is a model law tying health funds for States to their efforts to keep tobacco away from our kids.

It outlaws the sale to or possession by kids of tobacco products.

It requires parental notification of violations by kids.

It provides civil fines and loss of driver's license for kids who are caught.

It requires a license to sell tobacco products similar to those for sale of alcohol.

It provides loss of license to sell by retail outlets for repeated infractions.

It requires training of employees, posting of notices, and lock-out devices for vending machines.

In short, it provides for a shared responsibility by kids, families, law enforcement, and retailers to protect the health, safety, and welfare of our kids against tobacco use while protecting the right of informed adults to make a choice.

Mr. Speaker, I urge my colleagues to consider supporting this bill before even thinking about enacting a huge regressive tax on our constituents.

My bill protects our kids against tobacco, but at the same time it keeps a legal business viable, which is crucial to my Congressional District, and allows adults to make their own choice.

FINANCIAL SERVICES COMPETITION ACT OF 1997

SPEECH OF

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 13, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 10) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes:

Mrs. ROUKEMA. Mr. Chairman, I rise today to express my strong support for H.R. 10, the Financial Services Act of 1998. This bill will modernize our Depression era banking and securities laws to permit U.S. companies to provide new products and services to their customers. The bill will permit banks, securities firms and insurance companies to freely affiliate, something which is not permitted today due to the Glass-Steagall Act, the Bank Holding Company Act and other provisions of federal and state law.

One of the most important provisions in H.R. 10 is the ''commercial basket'' provision. This provision will permit financial holding companies to derive a modest amount of their aggregate annual gross revenue from commercial activities. It is important because it will permit securities firms and insurance companies which want to acquire banks to retain some of their commercial investment activities. In addition, the commercial basket will grant U.S. financial services companies some of the same investment flexibility which their foreign rivals currently enjoy. I was the sponsor of the 15% commercial basket amendment which was adopted by the Banking Committee on June 17, 1997 by a 35–19 vote. While the Commerce Committee chose to cut back on the commercial basket provision, they nonetheless approved a bill which included a commercial basket for financial holding companies.

Mr. Chairman, under the version of H.R. 10 we are considering today, financial holding companies would be permitted to make investments in commercial entities and derive a modest amount of their annual gross revenue from commercial activities. I would like to stress that only the holding company, and not its subsidiary banks or savings associations, would be permitted to make commercial investments. There are two commercial baskets in the bill—a general 5% basket for new financial holding companies which don't have any commercial activities and a 15% ''grandfather'' basket for those entities with commercial activities which become financial holding companies. I, along with Mr. VENTO, BAKER, LAFALCE and MCCOLLUM, will be offering an amendment later today which would provide parity for all market participants. Our amendment would permit all market participants to have a commercial basket of 10% of annual gross revenues. A financial holding company could apply to the Federal Reserve Board for authority to receive up to an additional 5% revenue from commercial activities in excess of the 10% cap. Mr. LEACH will be offering an amendment which will eliminate the commercial basket and provide a 10 year sunset for the grandfathered commercial activities.

Regardless of the outcome on the amendments on the commercial basket, I would like to clarify two aspects of how the commercial basket is supposed to be calculated. The commercial basket test focuses on the ''activity'' as opposed to the ''entity''. The reason for this approach is that companies can engage in both financial and commercial activities. Therefore, a financial holding company shall only count the revenue it receives from nonfinancial activities—regardless of whether the commercial activity is engaged in directly by the holding company or indirectly through a subsidiary or is the pro rata commercial activity share of revenue received by the holding company from an investment. The result will be that only those revenues related to nonfinancial activities that are held pursuant to the commercial basket provisions will be counted towards the commercial basket revenue limit.

The other aspect I would like to clarify is the treatment of revenue received from the sale, exchange or disposition of a nonfinancial investment or activity. Non-routine revenues—such as one time gains—are not to be included in the commercial basket revenue test, while revenue from ongoing operations would be counted.

Take for example the following situation. In December of 1997 a financial holding company sells a subsidiary for $25 million. The

subsidiary, which is engaged in nonfinancial activities, produced $1 million in aggregate gross annual revenues for the financial holding company in 1997. The sale revenue of $25 million will not be counted towards the commercial basket revenue test, while the $1 million in revenues from ongoing operations would be counted. The reason for excluding sale revenue is that it would have the effect of overstating a financial holding company's involvement in nonfinancial activities on an ongoing basis, which is the focus of the commercial basket revenue limit. The $1 million in revenues from the routine, ongoing operations of the subsidiary would be included, however. Accordingly, to the extent a financial holding company realizes revenues from a non-routine sale, exchange or other disposition of assets, or stock, or other interest in companies which engage in nonfinancial activities, the sales revenues will be disregarded for purposes of determining compliance with the commercial basket revenue test.

BESTEA PROJECTS IN THE 24TH DISTRICT OF CALIFORNIA

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 21, 1998

Mr. SHERMAN. Mr. Speaker, I rise today to discuss for the record the projects located in my district which I anticipate will be included in the impending Conference Report on H.R. 2400, the Building Efficient Surface Transportation and Equity Act, or BESTEA as we commonly refer to it in the House. The House-passed bill contains several worthy projects which I requested the Transportation and Infrastructure Committee include in the legislation and which will benefit the residents of the 24th Congressional District of California. I urge the Conferees to include as many of these projects as possible in the Conference Report, to even increase the spending for some of them, and to make certain changes in the project descriptions which I have furnished to members of the Conference Committee. I thank Chairmen SHUSTER and PETRI, Mr. OBERSTAR and Mr. RAHALL for their important work on this legislation so critical to our nation's infrastructure needs.

I put these explanations in the CONGRESSIONAL RECORD today so that all members of Congress are aware of these details before they vote on the Conference Report on H.R. 2400. I am confident that these explanations will be satisfactory to the Congress and that no Member will seek to delay, amend, recommit or defeat the Conference Report because they disagree with the intended expenditures described below.

I will identify these projects with the numbers as they appear in the House-passed version of H.R. 2400, as the Conference Report is not yet available.

In general, for high priority projects which the House Committee agreed to primarily at my request—Numbers 29, 38, 100, 110, 254, 279, 338, 366, 374, 471, 528, 593, 697, 706 in Section 127 and Numbers 67 and 145 in Section 333 the following rules apply: If the project is located within an unincorporated area of Los Angeles County or Ventura County, then the relevant county transportation agency should be considered the lead agency, unless otherwise identified below. If the project is located within an incorporated city of these counties, then the city agency which deals with transportation should be considered the lead agency. Many of these projects are deliberately described in the statute in a manner which gives the lead agency considerable discretion.

Project 29 provides funds to the City of Thousand Oaks for those of the following uses considered of highest priority by the City: general street improvements, repairs and resurfacing; construction of sound walls along SR23 in accordance with the priorities of the City's sound wall prioritization list; or contributions by the City to be used along with other available State or Federal funds to widen SR23, but only if funds otherwise available for that purpose are insufficient.

Projects 100, 338, 593, and 697 will provide for street improvements, repairs and resurfacing, and/or for the construction or improvement of bicycle paths, in Oak Park, CA, Westlake Village, CA, Calabasas, CA and Agoura Hills, CA, respectively. The individual projects will be selected by the applicable lead agency.

For Project 110 the lead agency is the City of Los Angeles. These funds are to be used in conjunction with the ongoing efforts to improve the business climates of the Canoga Park and Reseda communities of the City of Los Angeles.

For project 254 the lead agency is the Los Angeles City Department of Transportation. This project consists of the construction of a bikepath mostly along the Los Angeles County Metropolitan Transit Authority's right-of-way, commonly known as the Burbank-Chandler right-of-way. The bike path will connect the Sepulveda Basin Recreation Area with Pierce Community College.

For Project 366 the lead agency is the National Park Service (NPS). Funds are to be used for the creation of recreational trails (including the acquisition of parcels necessary for the right-of-way of each trail, and the physical construction of the trails themselves) in the Santa Monica Mountains National Recreation Area according to priorities established by the NPS, with the highest priority being the Backbone Trail. Funds to acquire the right-of-way for the Backbone Trail are included in a list presented by the Administration to the Appropriations Committees for the anticipated expenditure of $699 million appropriated in FY98 for high priority land acquisitions, etc. by the NPS and other federal agencies. In the extremely unlikely and unfortunate event that the funds ultimately provided from FY98 appropriations for purchasing the right-of-way of the Backbone Trail are insufficient, funds provided by Project 366 would be used for that purpose. In the expected circumstance that funds sufficient to purchase the right-of-way of the Backbone Trail are made available from funds appropriated for FY98 in the Interior Appropriation Bill, then $200,000 of the funds provided in Project 366 are available for the physical construction of the Backbone Trail on such right-of-way. In any event, after all necessary funding is secured for the completion of the Backbone Trail, the remaining funds provided for Project 366 are to be used for the creation of other recreational trails in the Santa Monica Mountains National Recreation Area selected by the NPS. Such trails could include the Upper Mulholland Trail, the Fering Trail, the Nicholas Flats-Charmlee Connector Trail, and the Stone Ridge Trail.

It is my hope that in addition to Project 366, additional funds for recreational trails in the Santa Monica Mountains will be included in the Conference Report, perhaps in a separate section detailing priority projects primarily authored by Senators. The cost of completing the important and worthy Recreational Trail projects (including right-of-way acquisitions) mentioned in the preceding paragraph exceeds $20 million. Accordingly, any and all funds provided from FY98 appropriations, and from the funds provided in H.R. 2400 for Project 366, and any funds provided in other provisions of H.R. 2400 for the creation of Recreational Trails in the Santa Monica Mountains, are not surplus or duplicative. Rather, all such moneys will be used by the NPS to create as many Recreational Trails in the Santa Monica Mountains National Recreation Area as funding from all sources will allow. The NPS is quite qualified to determine how the various other Recreational Trail Projects should be prioritized behind the #1 priority—the Backbone Trail. Finally it should be noted that most or all of the other trails the NPS would like to create in the Santa Monica Mountains National Recreation Area branch-off of, or connect with, the Backbone Trail.

For Project 528 the lead agency is the City of Malibu. Of the amount allocated for this project, $50,000 is to be used to construct a low frequency traffic alert radio station to serve those traveling in the Malibu area, particularly on the Pacific Coast Highway. The remaining funds are made available to plan, engineer and implement safety improvements, especially median barriers, on the Pacific Coast Highway in Malibu.

I also want to take this opportunity to urge the Conference Committee to fully fund the projects in other parts of Ventura County, particularly Project 1048 to widen SR23.

HONORING ARTHUR JOHNSON

HON. JOHN ELIAS BALDACCI

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 21, 1998

Mr. BALDACCI. Mr. Speaker, I am deeply disappointed that legislative business in Washington prevents me from attending today's Maine Council on Economic Education Spring Symposium, and from having the opportunity to personally offer my appreciation for Arthur Johnson.

As a student at the University of Maine, I was privileged to get to know Professor Arthur Johnson, and his wife Emily. They were simply wonderful people, and I enjoyed spending time with them whenever possible.

I was fortunate to take a class with Professor Johnson on the History of Economics. It was an outstanding course, and I learned much. We all know the adage that those who do not learn from the past are doomed to repeat it. I assure you, in Professor Johnson's class, I learned.

Since being elected to Congress, I have put the lessons I learned in Arthur's classroom to good use. I am pleased to report that the Federal budget is now balanced, and in fact, we are anticipating a sizable surplus this year. I