

This chart shows an example of an average home price of \$115,000, so actually in today's market that is probably below average in a lot of areas. This shows what you can save on a home mortgage if you have a monthly payment of \$844 at the 8 percent interest rate.

If we can reduce that interest rate by just 2 percent we can save as much as \$155 a month, which is almost \$2,000 a year out of our personal family budget. All that is by reducing the amount of money that the government gobbles up for its own debt. That can help make that money more available for people who want to borrow money for home mortgages, and also for businesses, for farms, for a variety of other interests. We can reduce that debt.

We face a lot of challenges in the next few years, but this is one of the biggest. The economy is strong right now. We have unemployment of 4.3 percent, we have low inflation, we have relatively low interest rates. Now is the time to save the money and pay down the debt, because that economy will not always be this robust.

When the time comes and the economy slows, that is when we might need to help the economy, maybe borrow money to help get the economy back up.

□ 1245

While we are in such a strong economic situation is the wrong time to be running debt the size of our current debt. There needs to be a constituency out there for reducing our Federal debt, help reduce interest rates and recognize the amount of money that the government is borrowing and also pays on interest each year in the budget.

As a Democrat, I want to make this a very important issue. I think for too long Democrats have been accused of not being fiscally responsible. I think we can and should be. And for my part, as a Democrat, I am going to argue we need to save some money, begin paying down that debt to reduce interest rates and reduce the amount of money that government spends on interest every year. It is the fiscally responsible and prudent thing to do when the economy is strong. If we wait, we are in no position to do it when the economy is weak.

Now is the time to step up our fiscal responsibility. We can all be proud. We can finally see someplace in the future where we will have a surplus. But let's take it one step further, let's pay down the debt.

#### INTRODUCTION OF THRIFT SAVINGS PLAN ENHANCEMENT ACT AND FEDERAL EMPLOYEE CHILD CARE AFFORDABILITY ACT

The SPEAKER pro tempore (Mr. SWEENEY). Under the Speaker's announced policy of January 19, 1999, the gentlewoman from Maryland (Mrs. MORELLA) is recognized during morning hour debates for 5 minutes.

Mrs. MORELLA. Mr. Speaker, I rise today to announce the recent introduction of two important pieces of legislation to enhance the quality of life of Federal employees and to invite my colleagues to join in cosponsoring this legislation.

Federal employees play vital roles in ensuring that the many important services offered by the Federal Government are provided to citizens of the United States when they are needed. All too often, instead of being rewarded for their work on behalf of all Americans, Federal employees find themselves facing many arbitrary barriers restricting their ability to enjoy many of the privileges that other Americans enjoy.

In a recent column in the Washington Post, Mike Causey pointed out the unfair situation under current law prohibiting Federal employees from saving for their retirement in the same manner as private sector employees with 401(k) plans. To address this, and other inequities affecting Federal employees' retirement savings, I have introduced H.R. 483, the Federal Thrift Savings Plan Enhancement Act. This legislation will provide Federal employees with tools essential to ensure that the Thrift Savings Plan meets their retirement needs.

The bill will allow employees to invest up to the IRS limit of \$10,000 to the Thrift Savings Plan without changing the government contribution. Currently, FERS employees can put up to 10 percent of their salary into their TSP accounts. CSRS employees can only invest up to 5 percent of their salary into these accounts. This arbitrary percentage limitation works to the clear detriment of Federal employees.

For instance, a FERS employee at a GS-10 level earning \$35,498 per year, may only contribute 10 percent, or \$3,550 annually, into his or her TSP account. However, someone in the private sector earning the same amount may contribute as much as \$10,000 annually into his or her 401(k) account, which is \$6,450 more than the similarly situated Federal employee may invest.

My legislation is a sensible way to encourage Federal employees to increase their savings for retirement. At a time when we are encouraging Americans of all age to save and invest more for their retirements, it is absolutely inequitable to arbitrarily restrict the ability of these employees to invest in their retirements in the same manner as private sector employees with 401(k) plans.

In addition to remedying this inequity, my bill will eliminate all waiting periods for employee contributions to the TSP for new hires and rehires, making these employees eligible to contribute their own funds to the TSP immediately. President Clinton declared, during his State of the Union address, that "We must help all Americans from their first day on the job to save, to invest, to create wealth." Well, this bill will enable Federal employees

to do just that, to begin investing for their retirement from day one.

Finally, this legislation ensures the portability of retirement savings by authorizing employees to roll in money from a private sector 401(k) to their TSP accounts. That really does make sense. Doing this gives employees entering the Federal work force the ability to continue managing their retirement account and maximize the wealth that these accounts create.

America has one of the lowest savings rates among industrialized countries. It has fallen steadily over the last 20 years, seriously jeopardizing Americans' security during what should be their golden years. While Americans recognize they should be saving more, half of all family heads in their late 50s possess less than \$10,000 in net financial assets. With the retirement of America's baby boomers approaching, Congress must encourage Americans to save more, and this legislation is an important tool in empowering Federal employees to do precisely that.

I also want to point out that I am also working on child care needs. Critically important. I have introduced H.R. 206, the Federal Employee Child Care Affordability Act. It is a bipartisan bill. It will allow Federal agencies to use their salary and expense accounts to help executive agency employees pay for child care. Surprisingly enough, under current law, they cannot do that. So they need the authorization which would come from this bill, and the Federal agencies want it.

This bill, developed with the help of OPM, would allow agencies to pay a portion of the providers' operating costs, thus enabling child care centers to reduce the fees charged to lower income Federal employees. And, frankly, Mr. Speaker, it does not require any additional appropriations.

I do hope that all of my colleagues will join in cosponsoring these two important pieces of legislation.

#### TRIBUTE TO NATION'S LAW ENFORCEMENT OFFICERS AND REQUEST FOR SUPPORT OF 21ST CENTURY POLICING INITIATIVE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentlewoman from California (Ms. SANCHEZ) is recognized during morning hour debates for 5 minutes.

Ms. SANCHEZ. Mr. Speaker, I rise today to pay tribute to our Nation's law enforcement officers; to thank them for risking their lives every single day to keep my family and my community safe.

I have had the fortunate experience of meeting many of my local officers, because they are spending more and more time in our neighborhoods, and it is through the success of Community Oriented Policing that we have helped thousands of local police departments getting their cops out on the beat and away from their desks.