which blacks were disenfranchised,'' he wrote.

Sounds familiar, does it not. The Hayes-Tilden deal of 1876 sold out blacks and signaled that the Federal rights to protect the former slaves would yield to States rights, which would put blacks at the mercy of hostile State governments. That deal nullified the 15th Amendment and restored exclusive political controls to whites.

The ingenuity of opponents of the franchise for black Americans is what prompted the United States Supreme Court, in a series of voting rights cases, to remind the Nation that ''The 15th Amendment nullified sophisticated as well as simple-minded modes of discrimination.'' Nonetheless, efforts at disenfranchisement continued throughout the first half of the century necessitating Congress to enact the 1957 Voting Rights Act and the 1965 Voting Rights Act. Those laws aimed at protecting the voting rights of African Americans were passed after a long and shameful orgy of lynchings, capped by the assassinations of Harry T. Moore in Florida, Medger Evers, Michael Schwerner, James E. Chaney, Andrew Goodman and Viola Liuzzo in Mississippi.

□ 2115

There is one major difference, however, between past disenfranchisements and what we saw in Florida. Traditionally, we could generally count on the Federal Government, particularly the Supreme Court, to step in and stop the rampant violations of minority voting rights in this country. Sadly, that is no longer the case.

In our last election, our U.S. Supreme Court not only failed and refused to protect voting rights, it used a ludicrous constitutional argument to actively thwart voting rights, and in so doing validated the obnoxious tactics we watched with such horror. Knowing this, why are people so surprised that so many of us look at the Florida situation not as a fluke but as a continuation of a pattern of disenfranchisement? Anyone looking at this in the context of the history of voting rights in this country would understand why we will not just get over it. We will not just get over it. We will not just get over it.

I thank my colleagues for listening and participating in this Special Order on black history and voter reform and the history of voting in our country.

SOCIAL SECURITY REFORM

The SPEAKER pro tempore (Mr. CULBERSON). Under the Speaker's announced policy of January 3, 2001, the gentleman from Michigan (Mr. SMITH) is recognized for 60 minutes.

Mr. SMITH of Michigan. Mr. Speaker, what is facing the United States Congress right now is a decision of where do we go to help make sure that the economy keeps growing. What do we do in terms of President Bush's suggestion on tax cuts? How far should we go on those tax reductions to achieve tax fairness? How do we make sure that what we do is going to help make the economy stronger in the long run?

I would like to start with a chart that represents how the Federal Government spends money. This chart represents the spending of the Federal Government. And as we see from this pie, the largest expenditure is Social Security. So Social Security takes 20 percent of what the Federal Government spends. The next largest, of course, is the domestic discretionary budget. That is what this Congress, this body, the House and the Senate, with the White House, debate and argue on every year in 13 appropriation bills is the discretionary spending, in addition to defense. Defense spending is 17 percent; interest is 13 percent. That is why paying down the debt and continuing to do that is very important.

Today, this House made a decision that we were not going to spend any of the surplus coming in from Social Security taxes or Medicare taxes. I think that is a good start. Our goal has got to be to try to reduce the increase in spending of the Federal Government because the question that everybody in this Chamber needs to ask, the question that America needs to ask is how high should taxes be. Is there a point where taxes are so high that it discourages some people from going out and working, starting a new business and hiring more people? Is it possible that taxes become so high that people do not go get that second job to try to do well for their family because government takes most of the money?

Mr. Speaker, I ask everybody that might be listening to make an estimate of how many cents out of every dollar the average American taxpayer earns goes to pay for government. The answer is a little over 41 percent. Forty one cents out of every dollar that an individual earns goes for local, State, and Federal Government. And it would be my suggestion that we lower that. So I support President Bush's suggestion that we have greater tax fairness; that we leave a little more money in the pockets of those individuals that earn it.

One of the challenges, probably two of the biggest challenges that face this Congress, that face this country in terms of government programs, is Social Security and Medicare. When Social Security started, Franklin Roosevelt said, coming out of the Depression, that we need some alternatives except going over the hill to the poor house. So we started a Social Security system.

Social Security was supposed to be one leg of a three-legged stool to support retirees. It was supposed to go hand in hand with personal savings accounts and pension plans. One-third. Today, a lot of people depend, over 90 percent, on just their Social Security check. So it is understandable during this last Presidential election that some seniors became concerned when Vice President Gore suggested that they might be losing benefits if we hired this other Governor Bush to be our next President.

I think the challenge much greater than that is not doing anything on Social Security. So I would encourage this administration to move ahead as aggressively as possible to try to make sure that we do not just talk about putting Social Security first but we move ahead to make the kind of changes that are not going to leave a huge debt for our kids and our grandkids and will make sure that Social Security is solvent, and to do that without cutting benefits and without increasing taxes on American workers.

The Social Security system right now is stretched to its limit. Seventy-eight million baby boomers begin retiring in 2008. Social Security spending exceeds tax revenues starting around 2015, maybe a little sooner. And Social Security trust funds go broke in 2037, although the crisis arrives much sooner than technically when the trust fund goes broke.

Let me try to give my impression of what the Social Security trust fund is. Starting in 1983, when we had the Greenspan commission to change Social Security to make sure it kept solvent for the next 75 years, we passed into law a bill that the experts said would keep Social Security solvent. And the action that was taken at that time was to dramatically increase the taxes that American workers paid and to reduce benefits. And that has happened several times throughout history. So I suggest that it is very important that we not delay or neglect making the changes in Social Security now so that it will keep solvent without lowering benefits or increasing taxes.

Insolvency is certain, and that is because we know how many people there are and we know when they are going to retire. We know that people will live longer in retirement. We know how much they will pay in and how much they will take out, and payroll taxes will not cover benefits starting in 2015, and the shortfall will add up to $120 trillion between 2015 and 2075. The shortfall. In other words, there will be $120 trillion less coming in from the Social Security taxes than is needed to pay the benefits that are now promised.

Right now Social Security gives a wage earner, on average, a 1.7 percent return on the money they and their employer put in. So in 10 years we are looking at a situation where retirees will be receiving someplace maybe even closer to a 1 percent return because of Social Security taxes continually increasing, and the suggestion of expanding benefits is ever on the minds of this body. So the challenge before us certainly is how are we going to keep Social Security solvent. What are the changes that can be made? How do we get better than a 1.1 percent return on that particular money?

And of course we know that a CD at the local bank will do much better than that. The question before the United States, before the American people, is should some of this money go into the stock market. Should some of the money be put into bonds? And how risky is it if some of this money went into equities? And I think that is what I sort of want to discuss, what the history of equities is.

First, let me say, to make it absolutely clear, that Social Security is not solvent. We can say it is going bankrupt or broke, but the fact is that there is going to be less money coming in than we need. So then we look at the Social Security trust fund and we say to the House and the Senate and the President, look, we borrowed this money for other spending for the last 40 years, now it is time to pay it back.

So what does Congress do to pay back the money that it has borrowed? What does Congress do to pay back the funds in the so-called Social Security trust fund? Probably one of three things: they either say, look, so that we do not have to pay back so much, we are going to again lower benefits; or we reduce spending on other programs to come up with the money for Social Security; or we increase taxes. Those are the three options.

If there was no such thing as a trust fund, but we have a law that says these are benefits, what would government do to come up with the money to keep its promise to pay those benefits? Same three things: we either reduce other spending, or we reduce the benefits going out to retirees, or we increase taxes on current American workers. So in reality we should not look to the trust fund as the savior of Social Security.

What is happening is on two fronts with Social Security. It is a pay-as-you-go program. Since 1934, when we started Social Security, it was current workers paying in their taxes that went immediately out to current retirees. So a pay-as-you-go program, but what is happening is fewer and fewer workers in relation to the number of retirees. Our pay-as-you-go retirement system will not meet the challenge of demographic change.

In 1940, there were 17 workers for every one retiree. By 2000, there were only 3 workers. Today, there are only three workers paying in their tax that immediately goes out to pay a retiree's benefits. And the estimate is that by 2025 there will be two workers paying in their Social Security tax. So a tremendous extra burden on those two workers, and the threat of increasing the tax on those two workers is even greater if we do not step up to the plate and make some changes now.

So now is the time. We have surpluses coming in. We have a surplus this year of $236 billion. We have a total surplus in next year, the budget that we are now working on, of $281 billion. The following year the surplus is $303 billion, and we have heard $5.6 trillion surplus over the next 10 years. So I suggest, Mr. Speaker, I suggest that we take some of that surplus now and we fix Social Security and we fix it in such a way that it can stay solvent, that our kids are not burdened with the threat and the probability of those higher taxes.

This chart represents the short-term good times over on the top left in blue, and then when we hit 2012, with less money coming in than is needed to pay benefits. We have a huge challenge of future deficits. And, like I mentioned, in today's dollars it is an unfunded liability of $9 trillion. If we take it in tomorrow's dollars, as we need the extra money over the years, in those future years up till 2075, it is going to take $120 trillion. But if we can fix the problem today with a couple trillion dollars of that surplus and start getting a better return on the money that is invested, then we can keep Social Security solvent.

□ 2130

A lot of people I talk to around the country on Social Security have the feeling that somehow there is a Social Security account with their name on it. I quote from the Office of Management and Budget. ''These trust fund balances are available to finance future benefit payments and other trust fund expenditures but only in a bookkeeping sense.'' They are claims on the Treasury that when redeemed will have to be financed, like I said, either raising taxes, borrowing from the public, or reducing benefits or reducing some other expenditures.

It is interesting to note that the Supreme Court, now on two decisions, has said there is no entitlement to Social Security, that simply because you paid in taxes all of your working life and your employer paid in those taxes, there is no entitlement to Social Security, it is simply another tax that Government has imposed on workers of America, and the benefits are simply additional legislation that can benefit retirees. So no promise that you are going to get any benefits.

So I think there is some good justification for putting some of that money in accounts of individuals, to put it into the safe kind of investments where we can guarantee that it will earn more than what Social Security will pay under the current program, where we can guarantee, if you will, that individuals that decide that they want to stay with the old system will have that option, or they can have the option to have the kind of, what in Federal Government we call a thrift savings account where there are limited, if you will, safe investments that everybody that works for the Federal Government can choose the different investments that they think will give them the maximum return on their investment.

Now is a difficult time to maybe convince some people that they should have part of that investment in equities, in the stock market. Yet, if we just look at last month, last month there was almost a 3½ percent increase in the money invested in the stock market.

Since the 1890s, there has never been a 12-year period where there has been a loss of money invested in equities in the stock market.

I want to make mention of the public debt versus Social Security shortfall. Right now we are talking about paying down the debt held by the public. We have a debt in this country of $5.7 trillion. Of that 5.7 trillion, about 3.4 trillion is what I call the Wall Street debt, or the debt that is lent out by the Treasury in Treasury paper, Treasury bills, U.S. Government bonds.

That totals 3.4 trillion. But over the next 75 years, we are looking at a Social Security shortfall in today's dollars, not in tomorrow's dollars, of $46 trillion. So it is just in that time period we are looking at $46 trillion needed up until 2057.

Economic growth will not fix Social Security. Some people have suggested, well, if we can make the economy strong enough, if we can keep growing like we have been, that will help Social Security. Not so, because of the fact that Social Security benefits are indexed to wage growth, in other words, they are indexed to how strong the economy is. So the stronger the economy is, the higher the wages. The higher the wages, the more benefits that are paid out. When the economy grows, workers pay more in taxes but also will earn more in benefits when they retire.

So, in the short-term, a strong economy helps out the problem because individual workers are paying more money in, but when they retire, because there is a direct relationship between what the benefits they are going to get and the money that they paid in in taxes, in the long-run, it is not going to solve the problem.

Growth makes the numbers look better now but leaves a larger hole to fill later. I think the past administration did a lot for us when President Clinton said, we have got to put Social Security first. At least it brought it to the consciousness of the American people that it was important.

I am disappointed that we have not done anything on Social Security for the 8 years that I have been in Congress. I urge this administration to move ahead with the Social Security proposal that will keep Social Security solvent, because the biggest risk is doing nothing at all.

Social Security has a total unfunded liability of $9 trillion. The Social Security trust fund contains nothing but IOU's. To keep paying promised Social Security benefits, the payroll tax will have to be increased by nearly 50 percent or benefits will have to be cut by 30 percent. Neither one, Mr. Speaker, is acceptable to the American people.

So again, it is important we move ahead with solving Social Security.

This chart that I made represents the diminishing return of your Social Security investment. The real return of Social Security is less than 2 percent for most workers and shows a negative return for some compared to over 7 percent return in the marketplace for any period over a 15-year period.

Social Security's real rate of return, this is Black History Month, minorities, because a young black worker dies at an earlier age, receives a negative return on the money that they pay into Social Security.

We need changes there. If they are average, then they get about a 1.7 percent return. But that is going down to just a little over one percent within the next 15 years. And the market is showing a return of 7 percent. So are there some safe investments?

Insurance companies testified before the Social Security Task Force that I chaired for the last couple years and said we can guarantee a return because we are selling it to the public now. We can guarantee you a return of 4.8 percent, or different companies have different percentages.

So it seems reasonable that if we are comparing a system that has a return of around 1 percent to something that we could invest the money in CDs or Government bonds or many other investments that would have a guaranteed return much greater than that, then at least part of the option that American people would choose would say, well, what is going to make me better off when I retire? And, obviously, as we are going to show in a minute, it is going to be some of those private investments.

And the private investments are not only a greater return, but it is the security of knowing it is your money, not having politicians in the future reach into that pot and say, well, times are tough in America. We are going to have to reduce benefits or we are going to have to increase taxes on American workers.

This is a chart I made up on the years that it is going to take to get back your Social Security tax. If you happen to retire in 1940, then it took 2 months to get back everything that you and your employer paid into Social Security. By 1980, it took 4 years to get it back.

Look what it takes to get it back today. Today you have got to live 23 years after you retire to break even to get back the money you and your employer paid into Social Security.

I have been trying to preach that increasing payroll taxes again is not the answer. And everybody in this Chamber agrees. They said, right, we cannot increase taxes on those American workers. Too many American workers already pay more in the Social Security tax, the FICA tax, the payroll deduction than they do in the income tax.

However, that is not the history in this country. Even though past Congresses have said the same kind of promises, what we have done over the years is continue to increase the tax on Social Security.

In 1940, the tax was one percent on the employee, one percent on the employer for the first $3,000. That made a maximum tax every year of $60 per worker. By 1960, it got up to a 6 percent rate, and the base went up also to $4,800 for a total annual tax maximum of $288.

By 1980, the tax got up to 10.16 percent and the base was increased also to $25,900. That made an annual tax a maximum of $2,631. Today we have increased the tax to 12.4 percent. We did that in the 1984 legislation. And we increased the base and indexed it to inflation.

So this year it is approximately $80,000 that you pay the 12.4 percent on, or approximately this year $10,000 for those workers that make that $79,000 a year.

So, again, I suggest that it is not out of reach, that if push comes to shove, if we keep putting off the solution to this problem, we are going to end up with some people saying, well, there is no other way, we need more revenues, let us increase taxes on our kids and grandkids and great-grandkids so that we have enough money to pay benefits.

What is interesting is that we think the senior population is strong politically today. When the baby boomers start retiring in 2008, we are going to have such a huge retirement population and they are living longer and the political power of that retired population is apt to demand that their benefits be increased, not reduced; and so, the only alternative, if we do not fix it today, is the threat of tremendously increasing taxes on our kids.

In an earlier chart, I showed that taxes would have to increase up to 50 percent, an increase in taxes of 50 percent, if we are going to continue to pay those benefits if we do not do anything to try to fix Social Security.

Seventy-eight percent of families now pay more in the payroll tax than they do in the income tax.

The six principles of saving Social Security. One, protect current and future beneficiaries. Two, allow freedom of choice. So you can either stay in the current system or you can have flexibility if you are sure you can get more than that 1.1 percent return on the money that is going in. Should part of that, at least part of that, be allowed for you as individual workers to have it in your own name, in your own account, and preserve the safety net.

Look, this is a country where we are not going to allow anybody to go hungry or to go without clothing or without lodging. So we do have a safety net to make sure in essentially every proposal that has been introduced in Congress on fixing Social Security, and most of those have some private investment aspect, in every case, there is a safety net. We make Americans better off, not worse off. We create a fully-funded system and no tax increases.

Personal retirement accounts. They do not come out of Social Security. They become part of your Social Security retirement benefits. I suggest that, if it is necessary to reach into the surplus over and beyond the surplus that is coming in from Social Security, to make sure that we save Social Security, now is the time to do that, that we use some of these surpluses to make sure that we keep the program solvent and we do that by getting a better return on the investment than the 1.1 to 1.7 percent the average retiree is going to make.

A worker will own his or her own retirement account, and it is going to be limited to safe investments that will earn more than this says, 1.9 percent paid by Social Security. 1.9 percent is the high rate of return that you can make on your Social Security investment. And as we saw by that other chart, a lot of individuals have a negative return from what they put into Social Security.

□ 2145

Personal retirement accounts offer more retirement security. If John Doe makes an average of $36,000 a year, he can expect monthly payments in Social Security of $1,280. If it is in a PRA, a personal retirement account, the way they have performed for the last 50 years, then it would be $6,514.

Choosing personal accounts. When we passed the Social Security law, we left the discretion that State and county government employees could have an option of being in Social Security or in a retirement pension plan of their own with their own investments. Galveston County, Texas chose that option, to not pay into Social Security but to pay, in the same percentage, into their own pension retirement plan. Employees of Galveston County, Texas, are now making $75,000 in death benefits compared to Social Security's $253 in death benefits. The retirees from the Galveston plan have disability benefits of $2,749. Social Security would pay $1,280. The retirement benefits, Galveston County plan, $4,790 per month, compared to Social Security's $1,280 a month.

I am showing these because some parts of the country have opted to go into some kind of private investment plans. Many of the State governments have private investment plans. Half of the people in the United States now have some investments in equities, in 401(k)s or other retirement efforts. San Diego enjoys PRAs as well. A 30-year-old employee who earns a salary of $30,000 for 35 years and contributes 6 percent to his PRA would receive $3,000 a month in retirement. Under the current system, he or she would contribute twice as much but receive only $1,077 from Social Security.

I thought this was interesting: even those who oppose PRAs agree that they offer more retirement security. This is a quote from a letter that Senators BARBARA BOXER and DIANNE FEINSTEIN and TED KENNEDY sent to President Clinton. They said, ''Millions of our constituents will receive higher retirement benefits from their current public pensions than they would under Social Security.'' That is the truth.

The U.S. trails other countries in saving its retirement system. In the 18 years since Chile offered PRAs, 95 percent of Chilean workers have created accounts. Their average rate of return has been 11.3 percent per year. Among others, Australia, Britain and Switzerland offer workers PRAs. Many of the industrial countries of the world and many of the developing countries are now ahead of the United States in allowing individuals to have their own passbook that increases every year to give greater assurance in their retirement.

British workers choose PRAs. Ten percent returns on British workers. Two out of three British workers are enrolled in the second-tier Social Security system and now are getting a 10 percent return. The pool of PRAs in Britain exceeds nearly $1.4 trillion, larger than their entire economy.

This is the real rate of return in stocks from 1901 to 1999. So you see the ups and downs. But the fact is if you keep it longer term, if you keep it in for over 12 years, then there is not a loss. The average gain has been 6.7 percent. Again I compare that to the current 1.7 percent in Social Security, soon to be 1.1 percent return, with some parts of our population actually getting shortchanged and getting a negative return. This is the rate of return for the last 100 years, 6.7 percent.

Based on a family income of $58,475, the return on a PRA of course is better. I separated this to putting in 2 percent of your salary or 6 percent of your salary or 10 percent of your salary. Of course Social Security is 12.4 percent of your salary. If it was just for 20 years and you put it in at the 6 percent level, it would equal $165,000 at the end of 20 years. At the end of 30 years, at 10 percent it would be over $800,000. In 40 years, and I guess that is how long most of us are probably planning to work, that is 25 to 65, if you were investing this money over 40 years, even at the low 2 percent rate, it would still equal over a quarter of a million, almost a million if you put in 6 percent of your salary; and if you were tithing and putting in 10 percent of your salary into an average indexed investment, it would be worth almost $1.4 million at the end of that time period, $1,389,000.

I have introduced a Social Security bill since I first got here. When I was in the Michigan legislature, I was chairman of the Senate tax committee, and I was concerned to see that our productivity in comparison to other countries was going down. But what concerned me even more is our rate of savings compared to other countries was embarrassing. The United States that used to save 12 to 15 percent of every dollar they made back in the 1940s and 1950s now end up with an average savings rate in this country of about 4 percent.

That compares to countries like Japan where they are saving about 19 percent and Korea where they are saving about 35 percent of every dollar they make. And because saving and investment is so important to the economic strength of our country, because that is where companies get money to do the research, to buy the tools and machines that are going to increase productivity, increase efficiency and therefore increase wages, it is important that somehow we encourage increased savings. We have done this over the last several years, because what we have done in the United States Congress is we have said, look, we are going to have an IRA that encourages through our tax system more savings. If President Bush has his way, we are going to increase the allowable amount that individuals can save and still have a tax break. We developed the Roth IRA that says if you save the money now, when you take it out in 20, 30, 40 years, whatever that increased value is, you do not have to pay tax on it. So increasing savings is key.

One way to increase savings, of course, in this country is to encourage people to invest in their own personal retirement savings account. My proposal does not increase taxes. It repeals the Social Security earnings limit. It gives workers the choice to retire as early as 59½ years old and as late as 70. In my proposal if you delayed retirement between 65 and 70, you could receive an additional 8 percent increase in your retirement benefits for every year that you delayed retirement. What is interesting is that it is actuarially sound. It does not cost any money to do that, so we should be encouraging people to put off that retirement if they know that they can have that much extra return on their retirement benefits.

It gives each spouse equal shares of PRSAs and increases widow and widower benefits to 110 percent. Right now if one spouse works and makes good income and the other does not, there are provisions where the lower-income spouse if there is not enough to equal at least 50 percent of the higher-income spouse's Social Security benefits, that 50 percent will be promised as a minimum benefit for that second spouse.

What this does, in terms of the personal retirement savings account, if just one spouse is working, let us say it is the husband and the wife is staying home for the time being with the kids, everything that spouse makes will be divided in half, half going into the name of the stay-at-home mom and half going into the man's name or if the man stays home, just vice versa. It passes the Social Security Administration's 75-year solvency test and protects the trust fund with special lockbox provisions. That is what we did in this Chamber today. The lockbox simply says that we are not going to do what has been done for almost the last 42 years and, that is, when you have a surplus from Social Security, use that money for other government spending. So it is a good start.

What we also did in that legislation today is we said, we are not going to spend any of the Medicare trust fund. Social Security and Medicare are the two big trust funds. There are approximately 116 trust funds of the Federal Government. What we have been doing is we have been, if you will, overcharging those particular people that are paying into those trust funds so that there is a surplus into the trust fund. So when we say in the past year, for example, that there was a surplus, there was no surplus except for the surplus coming into the trust fund.

This next year, in 2002, we will have a surplus over and above the trust funds. And so it seems to me that another, almost a synonym, another definition for surplus is overtaxation, is we are overtaxing somebody, and that is why there is more coming in than we know what to do with. The danger, of course, is that this body finds it to their political advantage, most Members find it to their political advantage to come up with new programs, to take home pork-barrel projects where they get their picture cutting a ribbon on the new library or the new jogging trail or whatever. So the tendency has been over the years to increase spending. That is the challenge: How do we discipline ourselves to hold the line on increased spending?

I am encouraged by what I have seen this new President do in terms of his aggressive enthusiasm to search out and find out where the weaknesses are in Federal spending, to find out where the abuse is, where the fraud is, where the inefficiencies are. It is extremely important we do that. We have got a very inefficient Federal Government. If we divide $1.9 trillion out by every Member of this Congress, it still is such a huge amount of dollars that it is difficult to keep track of.

The Social Security Solvency Act for 2000 takes a portion of the on-budget surpluses over the next 10 years; it uses capital market investments to increase the Social Security rate of return above the 1.8 percent workers are now receiving and over time PRSAs grow and the Social Security fixed benefit is reduced. It indexes future benefit increases to the cost-of-living increases instead of wage growth.

There are only two ways to fix Social Security, either bring in more revenues or you reduce the amount going out. What we are suggesting is one way to bring in more revenues is real investments. It could be a CD at your local bank, or it could be a United States savings bond. Or it could be the kind of investments that are indexed to maximize safety over the long run in those investments. Everybody should start thinking, is there a way that I could invest money better than what the government is doing in terms of what they give me back in Social Security?

Can I get a better rate of return on some of that money that would exceed the 1.1 percent return that we are expecting in the future on Social Security benefits? I think the answer is yes.

Mr. Speaker, I am encouraged and excited about a President that is suggesting that we hold the line on spending, a President that is suggesting that we pay down the debt, a President that is suggesting giving back some of this surplus and letting it stay in the pockets of the people that earned it.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ACKERMAN (at the request of Mr. GEPHARDT) for today and February 14 on account of medical reasons.

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

Mr. ORTIZ (at the request of Mr. GEPHARDT) for today on account of travel problems.

SPECIAL ORDERS GRANTED

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

(The following Members (at the request of Mr. SCHIFF) to revise and extend their remarks and include extraneous material:)

Mr. UNDERWOOD, for 5 minutes, today.

Mr. SKELTON, for 5 minutes, today.

Mrs. MALONEY of New York, for 5 minutes, today.

Ms. HOOLEY of Oregon, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. SHOWS, for 5 minutes, today.

Mr. GREEN of Texas, for 5 minutes, today.

(The following Member (at the request of Ms. JACKSON-LEE of Texas) to revise and extend her remarks and include extraneous material:)

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. DAVIS of Illinois, for 5 minutes, today.

(The following Members (at the request of Mrs. BIGGERT) to revise and extend their remarks and include extraneous material:)

Mr. GREEN of Wisconsin, for 5 minutes, February 14.

Mrs. BIGGERT, for 5 minutes, today.

Mr. PAUL, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes, today.

Mr. TAUZIN, for 5 minutes, today.

Mr. YOUNG of Alaska, for 5 minutes, today.

(The following Member (at the request of Mr. MCINNIS) to revise and extend his remarks and include extraneous material:)

Mr. STUMP, for 5 minutes, today.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 235. An act to provide for enhanced safety, public awareness, and environmental protection in pipeline transportation, and for other purposes; to the Committee on Transportation and Infrastructure, in addition to the Committee on Energy and Commerce for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ADJOURNMENT

Mr. SMITH of Michigan. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 58 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 14, 2001, at 10 a.m.

OFFICE OF COMPLIANCE REPORT

As required by the Congressional Accountability Act of 1995, the following report is submitted:

U.S. CONGRESS,
OFFICE OF COMPLIANCE,
Washington, DC, January 24, 2001.

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

DEAR MR. SPEAKER: Section 102(b) of the Congressional Accountability Act of 1995 (CAA) mandates a review and report on the applicability to the legislative branch of federal law relating to terms and conditions of employment and access to public services and accommodations.

Pursuant to section 102(b)(2) of the CAA, which provides that the presiding officers of the House of Representatives and the Senate shall cause each such report to be printed in the Congressional Record and each report shall be referred to the committees of the House of Representatives and the Senate with jurisdiction, the Board of Directors of the Office of Compliance is pleased to transmit the enclosed report.

Sincerely yours,

SUSAN S. ROBFOGEL,
Chair of the Board of Directors.

Enclosures.

OFFICE OF COMPLIANCE

Section 102(b) Report: Review and Report on the Applicability to the Legislative Branch of Federal Laws Relating to Terms and Conditions of Employment and Access to Public Services and Public Accommodations. Prepared by the Board of Directors of the Office of Compliance pursuant to section 102(b) of the Congressional Accountability Act of 1995, 2 U.S.C. §1302(b), December 31, 2000.

SECTION 102(B) REPORT

Section 102(a) of the Congressional Accountability Act (CAA) lists the eleven laws that, "shall apply, as prescribed by this Act, to the legislative branch of the Federal Government."[1] Section 102(b) directs the Board of Directors (Board) of the Office of Compliance (Office) to: "review provisions of Federal law (including regulations) relating to (A) the terms and conditions of employment (including hiring, promotion, demotion, termination, salary, wages, overtime compensation, benefits, work assignments or reassignments, grievance and disciplinary procedures, protection from discrimination in personnel actions, occupational health and safety, and family and medical and other leave) of employees, and (B) access to public services and accommodations."

And, on the basis of this review, "[b]eginning on December 31, 1996, and every 2 years thereafter, the board shall report on (A) whether or to what degree the provisions described in paragraph (1) are applicable or inapplicable to the legislative branch, and (B) with respect to provisions inapplicable to the legislative branch, whether such provisions should be made applicable to the legislative branch."

I. Background

In December of 1996, the Board completed its first biennial report mandated under section 102(b) of the CAA (1996 Section 102(b) Report or 1996 Report).[2] In that Report the Board reviewed and analyzed the universe of federal law relating to labor, employment and public access, made initial recommendations, and set priorities for future reports. To conduct its analysis, the Board organized the provisions of federal law according to the kinds of entities to which they applied, and systematically analyzed whether and to what extent they were already applied to the legislative branch or whether the legislative branch was already covered by other comparable legislation. This analysis generated four comprehensive tables of laws which were categorized as: (1) provisions of law generally applicable in the private sector and/or in state and local government that also are already applicable to entities in the legislative branch, a category which included nine of the laws made applicable by the CAA; (2) provisions of law that apply only in the federal sector, a category which included the two exclusively federal-sector laws applied to the legislative branch by the CAA; (3) private-sector and/or state- and local-government provisions of law that do not apply in the legislative branch, but govern areas in which Congress has already applied to itself other, comparable provisions of law and; (4) private-sector laws which do not apply or have only very limited application in the legislative branch.

The Board then turned to its task of recommending which statutes should be applied to the legislative branch. In light of the large body of statutes that the Board had identified and reviewed, the Board determined that it could not make recommendations concerning every possible change in

[1] The nine private-sector laws made applicable by the CAA are: the Fair Labor Standards Act of 1938 (29 U.S.C. §201 et seq.) (FLSA), Title VII of the Civil Rights Act of 1964 (42 U.S.C. §2000e et seq.) (Title VII), the Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) (ADA), the Age Discrimination in Employment Act of 1967 (29 U.S.C. §621 et seq.) (ADEA), the Family and Medical Leave Act of 1993 (29 U.S.C. §2611 et seq.) (FMLA), the Occupational Safety and Health Act of 1970 (29 U.S.C. §651 et seq.) (OSHAct), the Employee Polygraph Protection Act of 1988 (29 U.S.C. §2001 et seq.) (EPPA), the Worker Adjustment and Retraining Notification Act (29 U.S.C. §2101 et seq.) (WARN Act), and section 2 of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). The two federal-sector laws made applicable by the CAA are: Chapter 71 of title 5, United States Code (relating to federal service labor-management relations) (Chapter 71), and the Rehabilitation Act of 1973 (29 U.S.C. §701 et seq.). This report uses the term "CAA laws" to refer to these eleven laws.

[2] Section 102(b) Report: Review and Report of the Applicability to the Legislative Branch of Federal Law Relating to Terms and Conditions of Employment and Access to Public Services and Accommodations (Dec. 31, 1996).