

Des Moines Rotary and two-thirds of the 200 people there had lost money in Enron either directly or through their mutual funds.

The personal toll has been enormous! There has even been a suicide by one of Enron's former executives who left the company with millions but could not deal with the collapse of the company.

The bankruptcy of Enron is the country's largest business failure. Its demise is rippling across our economy at a time when investor confidence was already shaky. What makes the Enron scandal so serious is that it is not an isolated case of corporate greed and fraud. Global Crossing and Elan also gave the money to someone else, took some of it back and counted the income as revenue without counting the outgo as expense. Amazon also resorted to "pro forma" accounting when it didn't like GAAP. Shares in Tyco International dropped 50 percent on questions about its accounting.

My congressional committee, the Energy and Commerce Committee, is holding hearings into how this "Enron implosion" happened and how can we avoid future collapses. The committee exposed the shredding of documents by both Enron managers and Arthur Andersen accountants. We have discovered the "smoking gun" memo in which Enron vice-president, Sherry Watkins, warned Enron President Ken Lay of sham transactions with partnerships controlled by its own employees that were designed to accomplish favorable financial statements results in order to conceal large losses resulting from Enron's merchant investments. She warned Mr. Lay of "impending implosion."

Mr. Lay, and others, sold millions of dollars of Enron stock even through insiders are prohibited from selling if they have material non-public information. Ken Lay and Chief Financial Officer Andrew Fastow have now taken "the fifth" before Congress and Enron CEO Jeffrey Skilling very well may have committed perjury before my committee. Arthur Andersen accounting company is in deep financial trouble, too. Its Enron accountant's actions are under investigation, as well as activities at Andersen headquarters. The Justice Department is investigating whether crimes were committed and these people may go to jail.

But that is small consolation to people who have lost their life savings. They want to know who is to blame for corporate America's largest bankruptcy?

My committee is holding wide-ranging hearings. There is much blame to go around: executives with no ethics, conflicts of interest on Enron's board, auditors who don't ask tough questions, investment banks that kept high-risk leverage off the books, stock analysts without the vaguest understanding of Enron's schemes, the failure of the Securities Exchange Commission (SEC) and Financial Accounting Standards Board (FASB) on rules for subsidiaries.

Maybe even Congress shares blame for failing to support stricter rules. A couple years ago, then-SEC Chairman Arthur Levitt pushed for stronger rules to separate accounting from consulting by the same firms. I am thankful now that I supported his efforts.

The public outrage over this economic tragedy is real and that is why I am hopeful Congress will act. Congress is considering the multifaceted nature of this problem.

The 1929 stock market crash prompted legislation to force publicly traded companies to

submit regular reports that met certain standards. Former Treasury Secretary Larry Summers has said that no innovation has been more important to the success of U.S. capital markets than "generally accepted accounting principles (GAAP)." The transparency and accuracy of corporate reports inspired investor confidence.

Unfortunately, with compensation more closely tied to stock prices the incentives for corporate managers to distort the information they provide investors has grown.

It seems to me that accounting firms must raise their standards and adopt new rules requiring that subsidiaries be included in a company's financial statements, that those standards should be enforceable by FASB, and that the funding of this regulatory board be independent from the accounting firms it oversees.

Investors rely on stock analysts. Do the analysts, or their firms, have a personal stake in seeing a stock do well? The National Association of Securities Dealers and the SEC should require Wall Street analysts to disclose whether they own stock they recommend and whether their pay is based on the investment banking work their firms provide.

For several years I have recommended increased funding for the SEC.

Corporate executives should disclose more quickly when they buy and sell their company's stock. Boards should be strengthened and limits should be put on stock options for board members.

Congress should consider reasonable limits on exposure to single stocks in employee pensions. I know several Iowa corporations that put limits on how much of their company's stock accounts for an employee's pension because they are concerned about their employees having all their investment eggs in one basket. Peoples' pensions should be vested in a reasonable time and diversified. Executives and employees should operate under the same rules on 410k "lock-outs" against selling stock.

These are just a few of the ideas being floated in Congress. I believe there is some urgency for Congress to act. This crisis needs to be resolved before investors lose faith in the integrity of the markets. We can already see investors skittish about a stock if there is even a hint of accounting shenanigans.

Last week Paul Volcker, Jr., the former Chairman of the Federal Reserve said, "Accounting and auditing in this country is in a state of crisis." To the millions of Americans who are depending on their investments for their retirement or their children's college education, Mr. Volcker's statement isn't hyperbole!

The SPEAKER pro tempore (Mr. CANTOR). Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

(Mr. GEORGE MILLER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### LITHUANIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. SHIMKUS) is recognized for 5 minutes.

Mr. SHIMKUS. Mr. Speaker, as an American of Lithuanian descent, I always come down to the floor around this time of year to commemorate Lithuanian Independence Day.

The 16th of February is the most important national holiday for Lithuanians. Eighty-four years ago Lithuania declared their independence from Germany. At this time its government held two main principles, restore statehood and the right to national self-determination.

Even after 50 plus years of Soviet occupation, these principles still hold true for Lithuania today. As soon as they established their independence in 1991, they have been working towards their goal towards NATO, the North Atlantic Treaty Organization.

I am pleased that Lithuania has shown as much tenacity and discipline in its membership action plan program as it did towards achieving freedom. All indications show it will be a significant contributor towards the Alliance.

Since 1994, over 1,000 Lithuania troops have served in NATO-led missions in the Balkans. Lithuania has expressed strong political and diplomatic support for the U.S. antiterrorist campaign, and it is ready to contribute its military and medical unit as part of the Czech hospital to the operation in Afghanistan and a military security unit within the Danish contingent to Kyrgyzstan as its practical contribution to the "Enduring Peace" operation.

Moreover, Lithuania's current experience and positive relations with its neighbor, Russia, are poised to only get better once Lithuania receives an invitation to join NATO.

I congratulate the people of Lithuania on their Independence Day for their hard work and perseverance, and I extend these greetings to all Americans of Lithuanian descent.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

(Mr. DAVIS of Illinois addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### AMERICAN HEART MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, I know how proud the residents of the Old Dominion, Richmond, Virginia, are to see you in this chair leading this great Congress today. I also want to wish a happy Valentine's Day to all of the employees of our Capitol complex and their families.

As we continue to work on issues that are important to America, I wanted to talk about, since today is Valentine's Day, some issues we are identifying by the Congressional Heart and

Stroke Coalition for American Heart Month.

The heart, of course, represents Valentine's Day, and it is more important to the body than anybody can ever imagine.

Let me give you a little background. About 62 million Americans suffer from some form of cardiovascular disease. One million die from such conditions each year. One American every 33 seconds dies of cardiovascular disease. Heart disease is the number one killer in the United States, followed by cancer, Alzheimer's and HIV and AIDS.

For women heart disease is the number one killer of American women. Heart disease and stroke kill more American women than men, and one in five women have some form of cardiovascular disease.

Economic burden: Heart disease and stroke are expected to cost the U.S. \$392.2 billion in 2002.

Though heart disease was once considered an inevitable consequence, if you will, of aging, today these diseases can be treated aggressively with a variety of procedures. Treatment options include medicines for high blood pressure, a leading risk factor of heart disease and stroke; medicines that lower cholesterol; clot-buster medicines that can save the lives of heart attack patients; and drugs that can prevent second heart attacks from occurring.

Education of the American public is still necessary. Over 61 percent of the American public is considered overweight by the U.S. Surgeon General. We must enforce the idea of including diet and exercise into daily living.

I would like to talk about a few things I cosponsored along with Senator BOB GRAHAM of Florida, and one is House Resolution 2508, which is the Medicare Wellness Act of 2001. Congress added, due to our legislation, the first preventative benefits to Medicare in the Balanced Budget Act of 1997. Medicare Wellness Act of 2001 seeks to add more benefits. Among other things, the bill provides for Medicare coverage of cholesterol screening and medical nutrition therapy for those with cardiovascular disease. The bill has been referred to the Committee on Ways and Means, and I will work with the gentleman from Michigan (Mr. LEVIN) and, of course, the gentleman from California (Mr. THOMAS) and the House leadership to try to move that bill forward this year.

The greatest challenge will be the cost of the bill, but let me suggest that cost of doing nothing is enormous, as I mentioned that \$300-plus billion tab that we are paying one way or the other.

Another bill we have filed is H.R. 630, which is the Teaching Children to Save Lives Act, and that authorizes the Secretary of Education to make grants to State agencies to award grants to local agencies in targeted schools or school districts for cardiopulmonary resuscitation, CPR, training in targeted localities; requires such training to use

nationally recognized training courses and to be in the public schools which includes students of any age between the ages of grades 6 through 12. Grants must be to ensure in conjunction with local efforts that training sites have the ability to start up and foster community partnership among public and private agencies to help provide such training.

I work with the gentlewoman from California (Mrs. CAPPS), my cochairman of the caucus, in which to see this legislation come to fruition.

Health care is probably the number one domestic issue facing Congress this year. The President articulated it in his State of the Union message, and he also spoke about it while he was in Wisconsin, and he continues to remind the public of the importance of health care as we deliberate the important issues of the day.

We must continue to provide funding for research to stop the number one killer of Americans this year. And I will continue to work as cochair of the Congressional Heart and Stroke Coalition to increase awareness of heart disease and stroke among the Members of Congress and the administration.

#### SUPPORTING PAKISTAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, at Congress the highs are very high, and the depths can be very low. We certainly ended the session last night on a high note. It was 2:30 in the morning with you, but we finally passed a campaign finance reform, a piece of legislation that is likely to survive in concert with the other body. And also I think that there is a rumor the President may sign it. So I think the American people have a lot to applaud along with the Members of this House for our work this week.

We go into Valentine's Day, a day of love of all kinds. I hope everybody feels many different forms, kind of love and is willing to exhibit that love and compassion. Unfortunately we sank to a new low on Valentine's Day by refusing to pass a stimulus package which addressed the sufferings of working families in America. It would have been so easy for us to celebrate this day by addressing the immediate problem of the unemployed workers. Whether they are unemployed because of the fact of the tragedy on September 11, or they were unemployed because of the creeping recession that was on the way before, we still should have addressed those problems.

We should have addressed those proposals that were made by the Progressive Caucus that were made for some 3 or 4 months that not only should we have increased the amounts of weeks that unemployed workers can receive

unemployment insurance, but we should also increase the amounts of money available, because in many States they have reduced the amount of money available in the unemployment insurance payments. We also suggested that, pushed hard for a combination of health benefits to go along with the unemployment insurance benefits so that workers losing their jobs temporarily, we hope it is temporary, would be able to maintain for 6 months a health care plan which would carry their families during that period.

These are very compassionate and humane considerations, and it is a pity that on Valentine's Day, in the process of playing games with a stimulus package, what we call a stimulus package, we would not address the needs of working families in America.

It might be noted that we still have not addressed the needs of the immediate airline workers who were laid off as a result of a constrictions within the airline industry. We addressed the industry and the executives and their needs. We appropriated billions of dollars for immediate cash to make up for any losses they might have experienced as a result of the September 11 tragedy, and we also set up an \$11 billion low-interest loan fund.

We did a great deal for the airline industry, and the executives will profit a great deal, and the shareholders will profit a great deal. We made a promise that we will come back and take care of the airline industry workers who were laid off, the estimated number being about 100,000. We have not made good on that promise either. It would have been great if on Valentine's Day it could have been made good on that promise.

I want to talk today about the matter of failing to show compassion and sympathy to the Americans who need it most, those people who now need a safety net, that failure of compassion and where it fits into a number of different issues and problems that we are considering now in the country as a whole. I want to talk about a conversion of issues, and this issue of compassion for those who were on the bottom, compassion for those who need safety nets is a key at the heart of the discussion of all of these other items that I want to mention.

I want to include the fact that in this conversion of issues, that it is important that we have here on the Hill today the President of Pakistan, President Musharraf. President Musharraf was here as a major ally in the war against terrorism, a country which certainly had to think for a long time and think hard before joining the alliance against terrorism because it had a great deal at stake has come down firmly on the side of those of us who care about democracy, those of us who care about liberties and freedom, those of us who care about women being treated equally. They have come down on the side of a coalition which was proposed by President Bush.