United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 108th CONGRESS, SECOND SESSION

Vol. 150 WASHINGTON, MONDAY, DECEMBER 20, 2004 No. 140

Senate

OFFSHORE OUTSOURCING

Mr. LIEBERMAN. Mr. President, on December 15, 2004, my office released a white paper entitled ''Data Dearth in Offshore Outsourcing: Policymaking Requires Facts.'' This white paper is closely linked to a previous white paper entitled ''Offshore Outsourcing and America's Competitive Edge: Losing Out in the High Technology R&D and Services Sectors.'' The latter was released by my office in May 2004. A summary of that report appeared in the RECORD on May 21, 2004.

A key conclusion of the May paper was the absence of reliable data to measure and assess the offshore outsourcing phenomenon. We do not have good data on the offshoring problem, and the data we have are general in nature. Estimates vary widely on the number of jobs moving overseas, and the lack of reliable data contributes to incorrect conclusions about the impacts of offshore outsourcing, which can result in flawed policy responses. We need data to understand what we are facing so we can chart a sure and steady course for the future. There is enough anecdotal data about job losses to spark debate and, in some cases, result in policies which may provide a short-term fix but which do not produce longer term solutions to preserve U.S. innovation and ensure U.S. competitiveness. Comprehensive and balanced data on both job gains and job losses resulting from offshore outsourcing are essential. This data must be assembled by U.S. Federal Government agencies, including the Department of Commerce and the Department of Labor, where data-gathering capabilities are extensive and research methodologies are transparent.

The lack of data is critical because the issues raised in the May white paper are so important. The white paper was designed to stimulate a deeper review of the long-term implications for our policy responses and to change the terms of the debate on offshore outsourcing. The paper looked at rising global competition and the challenges posed to America's competitive advantage. Globalization is our current and future reality; there is no escaping it. The U.S. economy is inextricably linked to the rest of the world; our fortunes rise and fall depending on our performance with our trading partners and our competitors. Our strength and success with China, India, and other emerging markets is as important to future U.S. economic and national security as the competition with Japan and Europe was to U.S. growth over the last 50 years. The offshore outsourcing phenomenon is one of the challenging manifestations of globalization.

The May white paper found that it was not just manufacturing jobs that are subject to global outsourcing—where 2.7 million jobs have disappeared since 2000—but service sector and high-end R&D jobs are also being hit by offshore outsourcing. And it is not just call centers, data entry facilities, and other entry-level service jobs that are impacted by offshore outsourcing. Higher skill professional jobs—from engineering, computer chip design to nanotechnology R&D—are beginning to go overseas, and with these jobs, we may be losing key parts of the talent and technology which fueled the record growth and prosperity of the 1990s. Fundamental changes are facing us, as key components of our innovation infrastructure—knowledge, capital, labor, technology and facilities—are increasingly mobile. Offshore outsourcing of labor, capital, and technology not only hurts workers but threatens our knowledge-based economy. If engineering, design, R&D, and services follow manufacturing abroad, U.S. competitiveness is weakened, and our economic prosperity and national security are threatened.

What is at stake is the ability of the United States to remain a global leader in innovation, to maintain good-paying jobs, and to expand our global market share. We must rethink long-term strategies on competitiveness, innovation, R&D, trade policy, and enforcement, as well as education and investments in human capital. However, we cannot begin to develop effective solutions until we have an understanding of the scope of the offshore outsourcing phenomenon. The need for data on offshore outsourcing is paramount.

Lord Kelvin, the 19th century Belfast-born physicist said:

> When you can measure what you are speaking about and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of the meager and unsatisfactory kind.

That was in a May 3, 1883 lecture to the Institute of Civil Engineers.

By improving U.S. Government data collection, we can ensure that our knowledge of offshore outsourcing is neither meager nor unsatisfactory, but informed and balanced. With improved data and analysis, we will build constructive and lasting solutions to address the challenges posed by offshore outsourcing.

I would like to thank Sara E. Hagigh of my staff and Mary Jane Bolle of the Congressional Research Service for their hard work in researching and preparing this report.

Mr. President, I ask unanimous consent to have excerpts from the white paper printed in the CONGRESSIONAL RECORD.

The material follows:

EXCERPT 1, SUMMARY OF WHITE PAPER

The issue of offshore outsourcing has been at the center of many key political and public debates over the last few years. The term ''outsourcing'' has become part of our everyday lexicon, gracing the covers of news magazines, television broadcasts, and playing a central role in Congressional debates during an election year. Most Americans are aware of the issue of offshore outsourcing, but few of us have an understanding of the full dimensions of the problem.

To develop a better understanding of offshore outsourcing, my office released a white paper in May 2004 entitled ''Offshore

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Outsourcing and America's Competitive Edge: Losing Out in the High Technology R&D and Services Sectors.'' The white paper found that it is not only manufacturing jobs that are being outsourced overseas, where 2.7 million jobs have disappeared since 2000. Offshore outsourcing has also begun to hit high-end services and R&D jobs, and there is evidence that it is not just call centers, data entry and other entry-level service jobs that are impacted by offshoring. We are beginning to send higher skill professional jobs overseas—including engineering, computer chip design and nanotechnology R&D, and with these jobs, we may be losing the talent and technology that created the growth of the 1990s. The white paper concluded that offshore outsourcing of high-end services and R&D jobs could threaten our innovation infrastructure, and therefore our economic prosperity, and our national security.

A key conclusion of the white paper was the absence of reliable data to measure and assess the offshore outsourcing phenomenon. Estimates vary widely on the number of jobs moving overseas, and the lack of reliable data contributes to incorrect conclusions about the impacts of offshore outsourcing. The result is flawed and ineffective policy responses. In order to develop effective policies to address the many facets of the offshore outsourcing challenge—including investments in education and human capital, greater investments in Federal, industrial, and services R&D, and better enforcement of our trade agreements—we must have better, more reliable data.

This paper provides a review and assessment of Federal data on offshore outsourcing:

1. It begins by identifying a series of questions that would produce useful data to measure offshore outsourcing. These questions address information about job ''losses'' as well as job ''gains'' from offshore outsourcing so we can arrive at a balanced assessment of the impacts of offshore outsourcing.

2. The report then surveys ten existing U.S. government data sets, from the Departments of Labor and Commerce, measuring aspects of offshore outsourcing. The report enumerates strengths and weaknesses of each of the ten data sets in measuring offshore outsourcing and identifies which federal agency data best answer the questions posed in Table 1 of the report—Useful Data to Measure Offshore Outsourcing. The report also contains Table 2 (Aspects of Offshore Outsourcing Potentially Measurable with Existing Data), Table 3 (Legislative Recommendations for Improving Federal Agency Data on Offshore Outsourcing), Appendix A (Federal Agency Data's Strengths and Weaknesses for Measuring Offshore Outsourcing) and Appendix B (Major U.S. trading partners).

3. Finally, the report makes five legislative recommendations for improving Federal agency data to provide a more useful measure of offshore outsourcing. The five recommendations (summarized in Table 3, Legislative Recommendations for Improving Federal Agency Data on Offshore Outsourcing) are:

a. Extend the Trade Adjustment Assistance Program;

b. Require the Office of Trade Adjustment Assistance to report data;

c. Require Bureau of Labor Statistics to make changes to Mass Layoff data program;

d. Require the Commerce Department to publish annual multipliers; and

e. Link Bureau of Economic Analysis and Bureau of Labor Statistics data sets.

This report represents a beginning, not the end. We must develop reliable and comprehensive data-gathering capabilities at U.S. government agencies to measure employment and economic effects of offshore outsourcing. Without a better understanding of the scope of the problem, effective policy solutions to offshore outsourcing cannot be developed.

This is the fifth major white paper in a recent series on U.S. economic growth my office has released. The four previous papers are:

1. ''Offshore Outsourcing and America's Competitive Edge: Losing Out in the High Technology R&D and Services Sectors,'' May 11, 2004.

2. ''Making America Stronger: A Report with Legislative Recommendations on Restoration of U.S. Manufacturing,'' September 2003.

3. ''National Security Aspects of the Global Migration of the U.S. Semiconductor Industry,'' June 2003.

4. ''Broadband: A 21st Century Technology and Productivity Strategy,'' May 2002.

EXCERPT 2, DATA WE WOULD LIKE TO HAVE: USEFUL DATA TO MEASURE OFFSHORE OUTSOURCING

In a perfect world, data on offshore outsourcing and its impact on the U.S. economy would be available to answer questions about job losses from offshore outsourcing and counterbalancing job gains. An assessment of the impact of offshore outsourcing on U.S. employment levels and the overall economy must balance both job gains and job losses. Table 1 on p. 12 sets out these questions together with short-hand answers on where the data can be found to respond to each question. This report will then analyze and assess all Federal agency data on offshore outsourcing.

In prioritizing data needs, it would be most important to have data to answer the questions in Part A and Part B of Table 1—a total of 10 questions. Part A includes 6 questions on job losses from offshore outsourcing and Part B poses 4 questions on counterbalancing job gains. If data were available to answer all of the questions in Parts A and B in Table 1, the result would be a reasonably good picture of the positive and negative effects of offshore outsourcing on the U.S. economy, as well as on industries, States, and localities, and their workers. After data in Parts A and B are gathered, it would be useful to have the data in Part C of Table 1, which address 7 specific questions including the role of visa programs in offshoring operations and the impact of offshore outsourcing on career choices of U.S. students.

Table 1 shows that almost no data are being made available at this time to provide answers to any of the questions in Table 1. Much of the data is either unpublished or not being collected. Some data relating to U.S. exports and U.S. foreign direct investment (both foreign and domestic) are gathered by the Department of Commerce, but for the more detailed questions relating to offshore outsourcing (listed in Part C of Table 1), no U.S. government agency collects the data. The unavailability of basic data to answer the questions in Parts A and B (job losses and job gains from offshore outsourcing) is in sharp contrast to the comprehensive data that were available to answer similar questions related to Mexico and Canada under the North American Free Trade Agreement (NAFTA). These data were available between 1994 and 2003 but are no longer being published.

EXCERPT 3, RECOMMENDATIONS

The next section outlines five legislative recommendations that might be taken to produce data that would offer some estimates of the extent and nature of offshore outsourcing. These recommendations range from amending existing legislation to increasing Federal agency reporting requirements.

RECOMMENDATION 1: EXTEND THE TRADE ADJUSTMENT ASSISTANCE (TAA) PROGRAM

One recommendation is to extend the TAA program to cover two groups of workers not presently covered who lose their jobs to offshore outsourcing: a) all service sector workers; and b) workers producing ''articles'' who are currently not covered under Sec. 113 of Title I of the Trade Act of 2002 (P.L. 107–210). Sec. 113 provides TAA benefits to workers if they lose their jobs due to shifts in production to certain countries, primarily countries with which the United States has a trade agreement or a trade preference program (see footnote 29 for a list of these 72 countries).

On the first issue of covering all displaced service sector workers, there are a number of benefits in making this change to the legislation authorizing the TAA program. Aside from issues of equality in having the Trade Adjustment Assistance Program cover all workers who lose their jobs to offshore outsourcing, extending the program would result in data covering virtually the complete range of jobs lost to offshore outsourcing. From these data, analysts could estimate the effects of offshore outsourcing on the Nation as a whole, on individual industries, and on States and localities. One drawback of expanding the TAA program to provide benefits to services workers whose jobs are lost to offshore outsourcing is that the program would cost more. No estimate has been made on additional costs to the TAA program resulting from covering services workers who lose their jobs due to offshore outsourcing.

Legislation has been introduced in the 108th Congress to extend the TAA program to cover service sector workers. Senator Lieberman co-sponsored ''The Services Workers Fairness Act'' (S. 2143), introduced by Senator Durbin, to ensure that services workers losing their jobs to offshoring are eligible for TAA benefits. Senator Lieberman also supported an amendment to the Senate version of the Foreign Sales Corporation-Extraterritorial Income Act bill (S. 1637) introduced by Senators Wyden, Coleman, and Rockefeller to extend the TAA program to cover services workers. While the amendment failed to pass, Congress must continue efforts to extend TAA benefits to all Americans who lose their jobs due to offshoring, including services workers.

The second change to the TAA program would extend the TAA program to cover workers producing articles whose job relocates to any country. This provision was included in the Senate-passed version of the TAA reauthorization, included in the Trade Act of 2002, however it was yielded in the Conference committee [See Trade Act of 2002, Conference Report 107–624, July 26, 2002, p. 122.]. Under existing law, TAA benefits go to workers who lose jobs when their firms have shifted production to a country which: a) has a free trade agreement with the United States; b) is a beneficiary country under the Andean Trade Preference Act, the African Growth and Opportunity Act, or the Caribbean Basin Economic Recovery Act; or c) is likely to be an increase in imports to the United States of articles like or directly competitive with those the job loser produced. (Sec. 113, P.L. 107–210).

A review of the Department of Labor-Employment and Training Agency's website on the TAA program shows that there are 72 countries that meet these requirements for shifts in production (see footnote 29 of this report for the list of countries). Yet, there are 148 members of the World Trade Organization, and important trading partners and

key outsourcing destinations—like China and India—are not on the list for shifts in production. This is a significant limitation in the TAA program. At a minimum, the list of eligible countries for production shifts should be expanded to include all WTO members—currently 148 countries.

RECOMMENDATION 2: REQUIRE THE OFFICE OF TRADE ADJUSTMENT ASSISTANCE TO REPORT DATA

A second recommendation is to require the Office of Trade Adjustment Assistance to report data which it is already collecting on applications for TAA certification. A database for such reported data could include the following categories of information for certified workers: Name of company, location of business, products produced and North American Industry Classification System (NAICS) industry code, place to which production has shifted, or from which new imports are being sourced, reason for the offshore outsourcing (imports or production shift) and number of workers affected.

Publishing data of this type would not be new for the TAA Office. Under the NAFTA-TAA program the office made available data on certifications: a) By number of workers affected; b) by industry code; c) by State and locality of the job losers; and d) by country source of the job loss (i.e., the country which was the source of imports or the target of the production shift). These data are potentially the best, most complete data available because: a) They are a direct count of the estimated number of workers potentially affected by the various offshore outsourcing events; and b) they are required, not voluntary, on the part of applicants for certification.

Despite these benefits, TAA data are an imperfect measure of the total jobs lost to offshore outsourcing. They do not measure service-producing jobs outsourced offshore (with a few minor exceptions), and they do not measure all goods-producing jobs outsourced offshore. Other imperfections are that: a) They measure potential, not actual job loss, some of which may not actually have occurred; and b) they fail to measure tertiary jobs lost (e.g., independent service sector jobs which support goods-production operations outsourced offshore, such as those in stores in areas hit by closures).

RECOMMENDATION 3: REQUIRE BLS TO MAKE CHANGES IN MASS LAYOFF DATA PROGRAM

Three requirements could improve data being reported by the Bureau of Labor Statistics on the Extended Mass Layoffs Associated with Domestic and Overseas Relocations Survey: 1) Reduce survey size to businesses with 25 layoffs; 2) disaggregate (separate into component parts) data on movement of work; and 3) report data annually instead of quarterly.

(1) Reduce Survey Size to Businesses With 25 Layoffs. The Extended Mass Layoff Survey, which contains a question on movement of work, could be conducted on businesses which lay off 25 or more workers instead of businesses which lay off 50 or more workers as is currently the case. A reduction in the size of the companies surveyed would capture more layoff events and increase the share of offshore outsourcing instances reported.

BLS officials estimate that expanding the Mass Layoff Survey to layoffs of 25 workers or more would allow the program to identify more than double the number of potential layoff events requiring a telephone interview. BLS officials estimate that such an expansion in the MLS survey program will require $3.3 million in additional funds, including 3 full time equivalent employees. Of this total, $2.7 million would go to States for the MLS employer interview and related activity. The remaining $600,000 would support BLS data collection, analysis, and publication activities.

Reducing the size of the business surveyed in the Extended Mass Layoff Survey does not alter the weaknesses of such data and survey methods, namely that the survey is voluntary and the quality of results depends on who in the organization responds to the survey and their knowledge of the causes of jobs going offshore. BLS officials also raised concerns about extra reporting burdens by reducing the size of business surveyed.

(2) Disaggregate Data on Movement of Work. BLS could be required to disaggregate (separate into component parts) and report separately detailed data on the two categories of ''movement of work''—movement of work to another location inside the United States versus movement of work to another location outside the United States. Detailed data to be reported could include distribution of layoffs by industry or region of the country affected by the layoff.

Many believe that disaggregating the data is the only way to make the data on movement of work useful. In its current form, data on offshore outsourcing are imbedded in data on movement of work within the United States, thus the data are not useful for measuring offshore outsourcing except for a few summary numbers.

Even with greater data disaggregation, the Extended Mass Layoff Survey remains voluntary. It is widely believed that companies are reluctant to reveal data on offshore outsourcing, although BLS reports a better than 90 percent response rate in the Extended Mass Layoff Survey in each of the first three quarters of 2004. As previously noted, the quality of survey responses depends on the company contact person who may not readily have answers about whether the ''movement of work'' is to an offshore location or to another location in the United States. Companies will likely argue that providing this level of detail presents additional burdens, both from a personnel and a financial point of view.

(3) Report Data Annually. The Department of Labor-Bureau of Labor Statistics could be required to report the Extended Mass Layoff Survey data annually instead of quarterly. Annual reporting would enable more detail to be published, since privacy rules prohibit the reporting of survey data which represents a sample size of fewer than three businesses.

Annual reporting of data would not solve the survey's limitations, namely that reporting is voluntary, results depend on who responds to the survey, and the additional reporting burdens placed on businesses. However, we could gain very helpful data if this recommendation was implemented.

RECOMMENDATION 4: REQUIRE DOC TO PUBLISH ANNUAL MULTIPLIERS

The Department of Commerce should be required to publish annual ''multipliers'' showing for goods and services separately and combined, the number of jobs supporting a billion dollars worth of exports in each category. The product of the multipliers and the value of exports can then yield an estimate of the total number of U.S. jobs producing for export. Comparing the number of workers producing for export across years yields an estimate of job ''gains'' from exports over time. These job gain estimates could provide an important context for estimates of job losses and are necessary to provide a full assessment of the effects of offshore outsourcing.

Some updating of the model used to prepare the job gains from trade estimates would likely be required in order to produce these data on an annual basis.

RECOMMENDATION 5: LINK BEA AND BLS DATA SETS

The Department of Commerce-Bureau of Economic Analysis and the Department of Labor-Bureau of Labor Statistics should be required to link their data sets, which could provide synergies. BEA could link its data on multinational corporations with relevant BLS data—including occupational data and movement of work data in the Extended Mass Layoff Survey. Both BEA and BLS would be required to be transparent regarding their data collection methodologies. While there may be some value in sharing data and identifying greater detail on wages, occupation and skill level of jobs going overseas, there is no certainty that providing these data links will improve the quality of data on offshore outsourcing. Such data linkages may be more valuable after BEA and BLS improve their individual agency's data collection on offshore outsourcing, by implementing the recommendations in this report and any other suggestions to be developed. However, data linkages could provide important additional perspectives.

EXCERPT 4, CONCLUSION

If all of these legislative recommendations are followed, Congress would have available more accurate data on the phenomenon of offshore outsourcing. This could include better estimates of how many jobs—both goods-producing jobs and services producing jobs—are being outsourced to other countries. From the Trade Adjustment Assistance database, that would be equivalent to the data available between 1994 and 2002 under NAFTA. Data would be available for the United States as a whole and by State, on how many jobs were being ''lost'' by industry, by city, by cause (imports or production shifts), and by country to which jobs were being transferred. Congress would also have available estimates on U.S. jobs ''created'' to balance jobs lost to offshore outsourcing. These new jobs would represent U.S. jobs supporting new exports and U.S. jobs supported by new foreign direct investment in the United States.

These data, providing U.S. government estimates of the magnitude of job ''losses'' from offshore outsourcing and counterbalancing job ''gains'' from new exports and foreign direct investment in the United States, could assist Congress in making a variety of informed policy decisions. In a narrower sense, these policy decisions would help displaced workers become employed in new jobs or help critical U.S. industries maintain a presence in the United States. In a broader sense, the data would help Congress make more informed decisions which could affect both the short-range and long-term economic health and welfare of the United States, its industries, and its citizens.

TABLE 1.—USEFUL DATA TO MEASURE OFFSHORE OUTSOURCING

[Table prepared by Congressional Research Service]

Question	Location where answers can be found
A. Questions about job ''losses'' from offshore outsourcing:	
1. How many business operations are moving offshore?	Unpublished Trade Adjustment Assistance (TAA) data for covered countries; minimal data available in Bureau of Labor Statistics (BLS) Mass Layoff Survey.
2. What industries are affected?	Unpublished TAA data.
3. From what states and localities are they moving?	Unpublished TAA data.
4. To which countries are businesses shifting production?	Unpublished TAA data.
5. How many workers are affected, by state, by industry, by cause (imports vs. production shift) and by country to which the plant is relocating or from which imports are arriving?.	Unpublished TAA data.
6. What is the re-employment experience of those workers displaced by offshore outsourcing (level and new wages and type of new jobs)?.	BLS worker displacement surveys (some useful estimates).
B. Questions about counterbalancing job ''gains'' from offshore outsourcing:	
1. How much are exports increasing?	Available Department of Commerce export data; Census & BEA data.
2. What is the extent of job gains associated with increased exports?	Unpublished DOC jobs multiplier.
3. What is the extent of new foreign direct investment in the United States?	Available DOC–BEA data.
4. What is the extent of job ''gains'' from foreign direct investment in the United States?	Available BEA data.
C. Additional questions for which data on offshore outsourcing would be useful include:	
[The first six questions on the list, plus the question on re-employment prospects of dislocated workers (Pt. A, question 6), were developed by Dr. Ron Hira, P.E., Assistant Professor, Public Policy, Rochester Institute of Technology]	
1. What are the number and types of jobs moving offshore by occupation, skill level, and wages?	No data are available.
2. What are the number and types of jobs created overseas by U.S.-owned companies for the purpose of exporting to U.S. markets compared to those created to serve foreign markets?.	Some BEA data are available by affiliates, employment data are not.
3. What are the numbers and types of jobs created in the United States by foreign-owned companies for the purpose of selling in the U.S. market compared to those created to produce exports for overseas market?.	Some BEA data are available by affiliates, employment data are not.
4. What are the companies' near-term and long-range plans for relocating facilities and transferring jobs to overseas locations?	No data are available.
5. What is the impact of offshore outsourcing on academic and career choices by American students?	No data are available.
6. What is the role of H–1B and L–1 temporary visa programs on offshore operations by U.S. and foreign companies?	No data are available.
7. How many and what types of research and development jobs are being sent offshore?	No data are available.

STANLEY KIMMITT—HONORED PUBLIC SERVANT AND LOYAL MONTANAN

Mr. BAUCUS. Last week the Senate lost one of its most dedicated public servants. Stan Kimmitt was deeply devoted to this great body and to his beloved country. He never forgot his humble beginnings and strong Montana roots. Stan devoted his life to public service, always defending democracy and decency whether it was on the dangerous battlefields of War World II Europe or in the Halls of the U.S. Capitol, he always held true to his core values.

Born James Stanley Kimmitt on April 5, 1918, to wheat farmers in Lewistown, MT, the 1920s drought forced the family to move to Great Falls where he was raised. After graduating from the University of Montana in Missoula in 1940, Stan immediately enlisted to serve his country in World War II. He fought as a tireless combat commander often volunteering to lead the most dangerous missions. Stan was eventually part of the first U.S. division to occupy Berlin and he was honored for his service by receiving the Silver and Bronze Stars. Stan would later heroically fight in the Korean war and his accomplishments were recognized when he was inducted into the Field Artillery Officer Candidate School Hall of Fame. Stan's exemplary military career served as a great building block for what lay ahead for his career.

When he returned to the States, Stan sought other ways to serve his country. One presented itself when Mike Mansfield was elected to the U.S. Senate from Montana. As Senator Mansfield's chief of staff, Stan was able to honor his roots and work on the issues important to his beloved home State. When Senator Mansfield became majority leader, his right-hand man, Stan Kimmitt, became his secretary of the majority. For 11 years, Mike and Stan worked quietly behind the scenes reaching across party lines to provide support to move the country forward. Kimmitt's long tenure represented a deep desire to work behind the scenes with both sides to provide support to move the country forward. It is clear that both sides respected this commitment.

Stan's leadership and ability to move opposing forces forward made him the perfect choice to become Secretary of the Senate, which he served as from 1977 to 1981. In this role Stan became a very influential member of the Senate. He was never elected but many Senators used to affectionately refer to him as the 101st Senator or the third Senator from Montana.

After Stan left the Secretary of the Senate position, he continued to be involved in governmental affairs. He sat on the board for the Democratic Leadership Council in 1985. The DLC was instrumental in introducing then-Governor Bill Clinton in 1985 to a wider public. Stan represented the same ideals that Bill Clinton ran on in 1992. He wanted to find politicians that would represent a new energetic vitality in the Democratic Party as Bill Clinton promised to do.

In spite of Stan's own notoriety, he continued to value his Montana roots. In 1983, he founded the Maureen and Mike Mansfield Foundation. The Maureen and Mike Mansfield Foundation was a tribute to his former boss but to Montana as well. The foundation is part of Mansfield's legacy and the causes he advocated during his time in the Senate. The foundation sponsors exchanges, dialogues, and publications to create networks or partnerships between U.S. and Asian leaders. The foundation provides excellent educational opportunities through fellowships to Japan for government employees.

Throughout the early 1990s Stan continued political activism that had been the trademark of his life. In 1991, Stan founded a political consulting firm now known as Kimmitt, Senter, Coates and Weinfurter.

Stan brought to politics and his time in the Senate a strong sense of deep moral principles and convictions. He believed that government could and should be a force for good. Stan was very much the idealist and did not see bitter division in the Senate only as ideological disagreements. To Stan, the Senate was one big family with all the characteristics of a family.

Stan lived his political life by three principles: First was to hold true to your conviction; second, be grateful for what is given to you and the opportunities you are given; and third, never give up unless you can make it better. The other value Stan saw as important in his political life was ''to thine own self be true.''

Stan started his professional life as a public servant. It seems only fitting that the last day of his life he started the morning in the Senate cloakroom on the Democratic side talking with former colleagues and friends. That night he attended an event honoring retiring Louisiana Democratic Senator JOHN BREAUX. Stan died honoring a fellow colleague who shared his beliefs and deeply felt convictions. He died doing what he loved best, which was very appropriate, very fitting.

Stan, you will be deeply missed in the Senate, but you will not soon be forgotten.

HONORING J. STANLEY KIMMITT

Mr. DASCHLE. Mr. President, as the Senate family knows, one of our former Secretaries of the Senate, J. Stanley Kimmitt, passed away suddenly on December 6, 2004. I recently received a note from William F. Hildenbrand, another former Secretary of the Senate, concerning Mr. Kimmitt, and I would like to have its contents printed in the CONGRESSIONAL RECORD. On a historical note, Mr. Hildenbrand had succeeded Mr. Kimmitt as Secretary. This was occasioned by the Democrats losing the majority of the Senate in the elections of 1980. It is clear that admiration of Mr. Kimmitt extends across the aisle.

The material follows: