

in the budget, and a \$99 billion Social Security trust fund surplus. Politicians who wanted to make the numbers seem better than they were ignored those numbers and focused on the "unified" budget surplus of \$70 billion, misleading the American people into thinking that we had extra money in our budget.

The Honesty in Budgeting Act does several things to help remedy that problem. First of all, it simply expresses the sense of the House that all of us in Congress and those in the White House should stop misleading the public and instead talk about the real budget numbers—the on-budget numbers. Second, it reinforces Social Security's off-budget status. Finally, it directs the official budgeting agencies of the government, the Congressional Budget Office and the Office of Management and Budget, to stop including Social Security trust funds in its report to Congress and the American public. This is important because while we have previously taken Social Security off-budget, too many elected officials still talk and act like nothing's changed. Eliminating the trust funds figures from the official reports of the CBO and OMB will force Congress to focus on the real budget numbers and stop masking budget deficits with the Social Security trust fund.

I believe that the Honesty in Budgeting Act is particularly important as we now enter an era of surpluses. Latest economic projections indicate substantial budget surpluses as early as this year. These surpluses are non-Social Security surpluses, which is great news. But as we start talking about how to use those surpluses, whether it is to cut taxes, increase investment in education or defense or to pay down the national debt, we must start the debate with honesty. We must set aside all of the Social Security trust fund surpluses for what it is obligated—Social Security—and then have a national discussion about what we should do with any additional surpluses.

PERSONAL EXPLANATION

HON. BILL LUTHER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 3, 1999

Mr. LUTHER. Mr. Speaker, due to a family commitment I missed rollcall votes Nos. 7 and 8. Please let the RECORD show that on House Vote 7, H.R. 68, the Small Business Investment Company Technical Corrections Act, I would have voted "aye." On House Vote 8, H.R. 432, the Dante B. Fascell North-South Center, I would have voted "aye."

INTRODUCTION OF THE AMERICAN FINANCIAL INSTITUTIONS' PRIVACY ACT OF 1999

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 3, 1999

Mr. BARR of Georgia. Mr. Speaker, I rise today to introduce the American Financial Institutions' Privacy Act of 1999.

This legislation delays the "Know Your Customer" regulations proposed by the federal banking agencies until authorized by Congress, thereby protecting the privacy rights of American citizens which would otherwise be infringed by these regulations.

In addition, this bill requires agencies to complete a comprehensive study on various economic and privacy issues, which would be submitted to the United States Congress for its review and consent. Only by congressional authorization, will additional "Know Your Customer" regulations be permitted to go into effect.

America's strength has always derived from economic freedom; yet modern America is replete with proposed laws and regulations designed to make this country anything but free.

One such plan proposed by the federal banking agencies would seek to expand provisions included in the Bank Secrecy Act of 1970, called "Know Your Customer." Under current law, all cash transactions over \$10,000, or over \$5,000 if "suspicious" activity is suspected, must be reported to the appropriate banking regulator. In addition, the banks must maintain a record of basic information about each customer (Social Security Number, birth date, occupation, and home and work telephone numbers) in which to identify and track each customer's banking activity. These regulations are designed to attack money laundering.

But, alas, this is not enough. The regulators want your bank to have in its database even more intimate and personal information about every banking customer. They want your bank to become "private detective agencies"—creating a profile on each and every customer. In your "new" profile will be information on where you obtained your funds, what the bank considers to be normal and expected transactions for you, and a mechanism by which the banks monitor activity for transactions that differ from this "profile". Any activity that falls outside the parameters of a customer's "profile" would trigger an alert to law enforcement.

The bank regulators want to sell this program to the American people as an initiative to battle the evils of terrorism, drug trafficking, and other criminal activity. But, Mr. Speaker, these proposed "Know Your Customer" regulations are a blatant infringement on American citizen's civil liberties. These proposed regulations are nothing but intrusive, forceful, and unnecessary.

This is another example of the federal government invoking "Big Brother" to reduce American citizen's private and personal lives. Under authority of present law, the government has compiled over 177 million currency transaction reports (CTRs) filed in less than ten years. These laws have met with very little success.

It is not the role of these agencies to seize the individual rights of citizens. That is why I have introduced the American Financial Institutions' Privacy Act of 1999, to allow the regulators the opportunity to re-think the ramifications these "Know Your Customer" regulations will have on the economy and the privacy of the American people. This legislation is narrowly crafted, precisely focused, and does not repeal existing tools for identifying true money launderers.

Mr. Speaker, Majority Whip TOM DELAY, Chairman RICHARD BAKER, of the Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises, Congressmen SAXBY CHAMBLISS, and TOM CAMPBELL have all decided to be original cosponsors. I urge my colleagues to join me in stopping yet another abuse of power by the Federal Government and simultaneously helping to better understand the loopholes in our current law that allow money launderers to continue their deceptive practices.

I call on my colleagues to support the American Financial Institutions' Privacy Act of 1999.

THE LINCOLN JOURNAL STAR ON THE PRESIDENT'S SHELL GAME

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 3, 1999

Mr. BEREUTER. Mr. Speaker, this Member commends to his colleagues an excellent editorial which appeared in the Lincoln (Nebraska) Journal Star, on February 1, 1999.

[From the Lincoln Journal Star, Feb. 1, 1999]
SHELL GAME DOESN'T BELONG IN WASHINGTON

On the carnival midway, it's called the shell game. A fast-talking barker with quick hands flicks the nutshells around while the rubes try to guess which one hides the money.

Inside the Beltway, they play the shell game with taxpayers' money.

One of the best writers at following the game is Allan Sloan, who writes for Newsweek. In the Feb. 1 issue of the magazine Sloan takes a look at "Washington's Math Problem."

In the article Sloan explains how President Clinton could promise in his State of the Union address to save Social Security, help Medicare AND reduce the national debt.

Sloan's answer is that the president's commitments add up to 151 percent of the federal budget surpluses he's projecting for the next 15 years.

Clinton would spend the surplus between the amount taken in for Social Security and the amount paid out. First Clinton would take the \$2.3 trillion already committed to the Social Security Trust Fund and spend it for other purposes. Then Clinton would take \$2.8 trillion he allegedly is committing to "save Social Security and Medicare" and spend that for other things.

Sloan carefully notes that the Clinton administration says his characterization of the numbers game is unfair. Clinton economics advisor Gene Sperling says "The president is responsibly advocating 100 percent of the surplus under the rules of the unified budget."

Well, that's the way they talk inside the Beltway.

Out here in the Flyover Zone we call it bogus.

It helps us to think of America's huge national budget the same way we do a family budget.

In our comparison, Uncle Bill just got a new sales job. He's really hauling in the loot. Now he's boasting about how he's paying off credit card debts, AND squirreling away money in the kid's college accounts.

Part of what that rascally Bill is doing is actually good. He really is paying off debts.

But he's just stuffing worthless IOUs in the kid's college accounts.

Uncle Bill's credit card debts are like the \$5.5 trillion national debt. President Clinton's plan would pay down \$3 trillion of that debt. Uncle Bill's college savings are like Social Security. His IOUs are like the worthless treasury notes that President Clinton would put in the Social Security Trust Fund.

Those treasury notes actually do exist. They are pieces of paper held in a Beltway vault. They even must be repaid with interest. But they are not investments; they are debts. They must be paid with taxes.

The most positive aspect of Clinton's plan is that it would be easier to borrow money for Social Security when Baby Boomers begin retiring in 2010 if the national debt is smaller.

It would be a hilarious charade if so many intelligent and perceptive people didn't believe it. Clinton didn't invent it. It's been played that way for years.

It's time for a change. Taxpayers should insist that the nation's budget figures be presented accurately and straightforwardly.

Anyone who runs their household budget like Uncle Bill is going to have a day of reckoning. So will Uncle Sam, especially if the nation adopts the scheme proposed by President Clinton.

SMALL BUSINESS INVESTMENT COMPANY TECHNICAL CORRECTIONS ACT OF 1999

SPEECH OF

HON. JUANITA MILLENDER-McDONALD
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 2, 1999

Ms. MILLENDER-McDONALD. Mr. Speaker, I am very proud of the legislation the Small Business Committee has brought to the floor today. Through bipartisan efforts, we were able to unanimously pass this bill in the Committee, which will help small business entrepreneurs, particularly in urban communities, obtain the necessary capital to succeed.

As a member of the Committee and an original co-sponsor of H.R. 68, I would like to briefly explain why this bill is so important to small business owners in the 37th district of California and throughout the country. This bill will help give small businesses increased access to capital by streamlining the operation of the Small Business Investment Company program. Access to capital is one of the biggest challenges facing small businesses today. It is particularly difficult for women business owners who have just 2% of all venture capital.

This measure will allow SBICs, which are a critical public-private partnership helping thousands of small businesses, more flexibility in offering loans, a higher amount of available funding, and lower interest rates. SBICs have invested nearly \$15 billion in long-term debt and equity capital to over 90,000 small businesses. As a result, companies such as Intel, FedEx, AOL and Staples were able to succeed, causing millions of jobs to be created and billions of dollars contributed to our economy. Most important to me and my district, are the ways in which SBICs have helped small businesses in urban areas access the capital they need to grow.

In 1997, we witnessed several innovative creations as a result of the SBIC program—two women owned SBICs and the first Hispanic owned SBIC. This growth and expansion will be accelerated with the passage of H.R. 68. I urge my colleagues to join me in passing this bill and being a part of our ongoing efforts to provide more opportunities to serve small, minority and women owned businesses and entrepreneurs.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, February 4, 1999 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 5

8:30 a.m.
YEAR 2000 TECHNOLOGY PROBLEM
To hold hearings to examine information technology as it applies to the food sector in the Year 2000. SD-192

9 a.m.
Small Business
Business meeting to consider pending committee business; S. 314, to provide for a loan guarantee program to address the Year 2000 computer problems of small business concerns; the proposed Small Business Investment Company Technical Corrections Act of 1999; and the nomination of Phyllis K. Fong, of Maryland, to be Inspector General, Small Business Administration. SR-428A

FEBRUARY 9

9:30 a.m.
Budget
To resume hearings on the President's proposed budget request for fiscal year 2000. SD-608
Health, Education, Labor, and Pensions
To hold hearings on proposed legislation authorizing funds for elementary and secondary education programs. SD-430

Armed Services
To resume hearings on proposed legislation authorizing funds for fiscal year 2000 for the Department of Defense, and the future years defense program. SH-216

Commerce, Science, and Transportation
To hold hearings on the nomination of Wayne O. Burkes, of Mississippi, to be a Member of the Surface Transportation Board, Department of Transportation; to be followed by a hearing on S. 96, to regulate commerce between and among the several States by providing for the orderly resolution of disputes arising out of computer-based problems related to processing data that includes a 2-digit expression of that year's date. SR-253

FEBRUARY 10

9:30 a.m.
Energy and Natural Resources
Business meeting to consider pending calendar business. SD-366
Health, Education, Labor, and Pensions
To hold hearings on Department of Labor budget initiatives. SD-430
Commerce, Science, and Transportation
Business Meeting to markup S. 82, to authorize appropriations for Federal Aviation Administration. SR-253

FEBRUARY 11

8:30 a.m.
YEAR 2000 TECHNOLOGY PROBLEM
To hold hearings to examine information technology as it applies to the food sector in the Year 2000. SD-192
9:30 a.m.
Environment and Public Works
To hold hearings to examine the President's proposed budget request for fiscal year 2000 for the Environmental Protection Agency. SD-406

Banking, Housing, and Urban Affairs
Business Meeting to markup S. 313, to repeal the Public Utility Holding Company Act of 1935, and to enact the Public Utility Holding Company Act of 1999, and the proposed Financial Regulatory Relief and Economic Efficiency Act of 1999. SD-538
Health, Education, Labor, and Pensions
To hold hearings on the proposed budget request for the Department of Education. SD-430
Armed Services
To resume hearings on proposed legislation authorizing funds for fiscal year 2000 for the Department of Defense, and the future years defense program. SH-216

1 p.m.
Budget
To resume hearings on the President's proposed budget request for fiscal year 2000. SD-608

FEBRUARY 12

9:30 a.m.
Budget
To hold hearings on national defense budget issues. SD-608