

mushers and dog teams were thus divided into shorter sprint segments to quicken the trip.

Edgar Nollner was scheduled to run the 10th leg of the relay, 42 miles, but his younger brother, George, begged him to let him drive the last 18 miles of his leg. Edgar ran at night, covering the 24 miles from Whiskey Point to Galena in 3 hours. He reported that winds were so fierce, causing so much blowing snow, that he could not see his dogs or anything around him. His lead sled dog and trusted friend, Dixie, knew the trail and never faltered.

The frozen serum arrived safely in Nome on February 2, 1925, in a mere 5 days and 7 hours; the epidemic was soon over. The brave men and scores of dogs were all hailed heroes. But for all the acclaim it received, the serum run marked the end of an era. With the increase of better airplanes, better schedules, and the insurgence of snow machines, the need for dog sleds was no longer essential. If the fear of diphtheria now seems antiquated, it is only because the Serum Run brought an end to the disease as a serious health threat in the United States.

Edgar Nollner was just 20 years old when he left his trapper and fisherman lifestyle to selflessly join the others on the Serum Run. He was the son of a Missouri man who came to Alaska for the 1890's Gold Rush, and an Athabaskan mother, who made their home along the Yukon River in Galena. As the last surviving member of the serum-run relay mushers who risked their lives so that others may live, Edgar Nollner was truly a twentieth century hero.

The townspeople in Galena are mourning Edgar's passing but his legacy remains. Records show that Mr. Nollner married twice, fathered 24 children and has more than 200 grandchildren and great grandchildren. Mr. President, I believe there can be no greater gift.

To honor these brave men, the famous Serum Run Relay was reenacted in 1973, in an event now known as the Iditarod Trail Sled Dog Race. The modern-day Iditarod covers more than 1,000 miles of frozen tundra from Anchorage to Nome and is now run annually in March.

Edgar Nollner was both a hero and legend. I salute this rugged Alaskan who risked his life so that others could live—he epitomizes the true spirit of all Alaskans. His spirit, along with the 19 other brave Serum Run mushers will continue to run strong in every Iditarod. The final chapter of this dramatic saga is closed, but not forgotten.●

#### PROHIBITION OF THE IMPLEMENTATION OF THE "KNOW YOUR CUSTOMER" REGULATIONS

● Mr. BROWNBACK. Mr. President, I wish to make a few remarks in support

of Senator ALLARD's bill that would prohibit the implementation of the "Know Your Customer" (KYC) regulations by the four federal banking agencies (Office of Comptroller of the Currency, Office of Thrift Supervision, the Federal Reserve, and the Federal Deposit Insurance Corporation). As a co-sponsor of this legislation, I am concerned that this proposal would bring a regulatory imbalance to banks and their competitors, increase regulatory burdens on the banking industry and potentially violate the privacy of consumers. Once again the federal government has prescribed regulations that are costly to businesses and intrusive to citizens.

These regulations would put the banking industry at a disadvantage with their nonbank financial service competitors because many of them are not required to develop and maintain "Know Your Customer" programs under the proposal. Many bank customers would correctly view this as an intrusion of their privacy and might elect to conduct their banking business at other financial institutions.

Current criminal reporting requirements already mandate that financial institutions report violations of federal law to the Treasury Department after uncovering potential money laundering, insider abuse, or any violation of federal law. Ironically, under the proposed regulations by the federal banking agencies, a financial institution would not be required to report a violation after it has occurred. The proposed regulations create more burdensome and invasive regulations by requiring banks to investigate all customers activity to see if any violation of federal law has taken place, not just those suspected of criminal activity. This could be time consuming and extremely costly for banks.

The proposed regulations have generated many concerns from both consumers and the banking industry. A proposal that requires bankers to analyze all customer transactions would violate the public's trust and confidence in the banking industry. The financial service sector has been very effective in reporting possible violations of the law, while at the same time protecting customer information. The proposed regulations do little to increase the ability to curtail illegal activity and would severely harm America's financial institutions and the customers they serve. I encourage the four federal banking agencies to reconsider their proposed regulations and withdraw them.●

#### ELECTRIC UTILITY RESTRUCTURING

● Mr. KERREY. Mr. President, last year, Senator GORTON and I introduced a bill that addressed a growing problem faced by local governments in the new

era of state electric utility restructuring. That bill had the bipartisan co-sponsorship of almost a dozen Senators.

On February 6, we reintroduced this legislation as the Bond Fairness and Protection Act. This bill will ensure Nebraskans continue to benefit from the publicly-owned power they currently receive. Nebraska has 154 not-for-profit community-based public power systems. It is the only state which relies entirely on public power for electricity. This system has served my state well as Nebraskans enjoy some of the lowest rates in the nation.

Approximately 18 states have already moved toward permitting new competition in the electric industry. However, the federal tax rules governing municipal bond financing did not anticipate the new era of electric utility restructuring when they were crafted more than a decade ago. If Congress does not act, public power systems that open their transmission lines to privately owned utilities can jeopardize the status of their outstanding tax-exempt bonds. The legislation my colleagues and I introduced is an equitable solution to the problem.

Under this legislation, local governments determine how their future municipal power debt will be treated. According to the US Department of Energy, my own state had over \$2.2 billion in outstanding municipal power bond debt in 1996. Our bill protects local governments that issued public power bond debt in the past, yet gives them the flexibility to issue new, but fully taxable debt if they choose to build any new power generation facilities in the future.

Specifically, our legislation provides them with an option: they may either choose to operate under current, so called "private use" rules in our tax code. Or if they prefer, they can choose to make a one-time irrevocable election that will allow them to build new power generation facilities if they want, but only using fully taxable bonds instead of tax-exempt financing.

It is important we recognize and respect local governments may face unique situations in public power financing issues as the electricity market changes, and we give them reasonable and fair choices.

Congress may or may not choose to move forward this year on the larger and more complex issues involved in restructuring the electricity marketplace. But I feel we must act to solve this special problem this year. Our local governments should not face unfair retroactive bond taxation triggered by old federal tax rules in conflict with the new state-mandated laws or regulations.

This legislation weighs the interests of local governments, bondholders, consumers, and public and private utilities. It will enable Nebraska public