

York showroom when it opened in 1962. He often told a story of how ashamed he was on his first trip to Germany in 1953. At a restaurant, he ordered ice cream, and it was served with a small paper parasol stuck in it. "This is from your country," the waiter said.

HAILING THE SUCCESS OF THE JAPANESE WAY

In the 1980's, when Japan seemed on top of the world, Mr. Morita was among the most vocal of the Japanese executives in criticizing American business and hailing the success of the Japanese model.

He said American managers were financial paper shufflers who "can see only 10 minutes ahead" and were not interested in building for the long term. And he said that because American companies were losing interest in manufacturing, the United States was "abandoning its status as an industrial power." Those factors, he said, and not trade barriers, were the reason for America's trade deficit with Japan.

"There are few things in the United States that Japanese want to buy, but there are a lot of things in Japan that Americans want to buy," he wrote in 1989. "This is at the root of the trade imbalance. The problem arises in that American politicians fail to understand this simple fact."

In 1989, Mr. Morita was the co-author, along with a nationalist politician, Shintaro Ishihara, of "The Japan That Can Say No," a book that urged Japan to stand up to American trade demands, which it said were motivated partly by racism. The book also said Japan had the power to change the world balance of power by selling its advanced computer chips to the Soviet Union instead of the United States.

Even though those strident remarks were generally in the chapters Mr. Ishihara wrote, the book created a stir when an unauthorized translation made its way around Washington. Mr. Morita frantically backpedaled, saying the book had not been intended for an American audience. And he refused to authorize an English translation.

\$3.2 BILLION LOST IN HOLLYWOOD VENTURE

It was later that year that Sony paid \$3.4 billion to buy Columbia Pictures, a purchase driven largely by Mr. Morita, who thought that if Sony had owned a studio issuing movies in the Beta format, it would not have lost the VCR wars.

Although Sony prided itself on being more Americanized than its Japanese rivals, the purchase became a lightning rod for American concern about a wave of Japanese acquisitions of American companies and real estate. "Japan Invades Hollywood" read the cover of Newsweek. In Japan as well, Sony came in for criticism for stirring up anti-Japanese feeling in the United States.

Mr. Morita had a simple answer. "If you don't want Japan to buy it, don't sell it," he told New York Times reporter shortly after the purchase. Nevertheless, sensitive to concerns, he promised that the studio would be run by Americans and would be free even to make a movie critical of Japan's emperor. Worse than misjudging the political reaction, however, the seemingly sophisticated Sony proved to be a babe in the woods in Hollywood.

Sony is generally considered to have overpaid for the studio, and it paid several hundred million dollars more to hire managers away from Warner Brothers—provoking a costly fight with that studio. Those managers, in turn, spent money extravagantly and produced a sting of box office bombs. Mr. Morita and his successor as Sony chief executive, Norio Ohga, perhaps because they

were worried about stirring up anti-Japanese sentiment, exercised little oversight.

In late 1994, in one of the most embarrassing moments in its history, Sony announced that it would suffer a loss of \$3.2 billion from its investment in Hollywood. But it has stuck with the studio, now called Sony Pictures Entertainment, and appears to be turning it around.

The Morita name will live on at Sony because many members of Mr. Morita's family are involved in the company.

Besides his wife, Mr. Morita is survived by his wife, Yoshiko; his eldest son, Hideo, who now runs the sake brewery and other family businesses; a younger son, Masao, an executive with Sony Music Entertainment in Japan; and a daughter, Naoko Okada, who also lives in Japan. He is also survived by his brother Kazuaki, who volunteered to take over the family sake brewery in Mr. Morita's stead; another brother, Masaaki, a long-time Sony executive, and a sister, Kikuko Iwama, who was married to the late Kazuo Iwama, a former president of Sony.

A LONGTIME OUTSIDER IS EMBRACED AT LAST

In the 1990's, corporate Japan, worried about escalating trade tensions, turned to Mr. Morita, whom it once considered an arrogant maverick, to be its official leader. Mr. Morita was slated to become chairman of Keidanren, Japan's most powerful business lobbying organization, a post that had always gone to the head of a company in an old-line heavy industry like steel.

But on Nov. 30, 1993, while playing his usual 7 A.M. Tuesday tennis game, Mr. Morita suffered a cerebral hemorrhage. A year later, just days after Sony announced its huge Hollywood loss, Mr. Morita, in a wheelchair, attended a Sony board meeting in Tokyo and resigned as chairman.

He had spent much of his time since then undergoing rehabilitation at his beachfront home near Diamond Head on the Hawaiian island of Oahu. At first, Mr. Morita was able to speak a little, shake hands and hit back tennis balls spit out by a machine, according to Mr. Wada, the retired Sony government relations manager.

But more recently, Mr. Wada said, Mr. Morita had lost the ability to speak and communicated mainly through eye contact with his wife. The couple's Christmas greeting card last year had a message from Mrs. Morita saying her husband rose at 6 A.M., retired at 9 P.M. and spent much of the day in rehabilitation. "He may be overeating," she said, mentioning his fondness for eel.

Until he was taken to the hospital in Tokyo in August, Mr. Morita had not returned to Japan for more than two years because of concerns that flying would further damage his health. He did not attend the 1997 funeral of Mr. Ibuka.

But Sony officials still visited him in Hawaii to keep him up to date on the business and show him new products. In January 1998, some 200 executives, friends and dignitaries came to Hawaii to attend a party for Mr. Morita's 77th birthday, considered a lucky age in Japan. ●

TRIBUTE TO SISTER ELIZABETH CANDON

● Mr. JEFFORDS. Mr. President, it is with great pleasure that I rise today in honor of an extraordinary Vermont woman, Sister Elizabeth Candon. On January 1, 2000, Sister Elizabeth will retire from her post as Professor of

English at Trinity College, and from a long career in public service. Whether in the role of teacher, college President, or public official, Sister Elizabeth has been a steadfast leader for women and a true advocate for those in need. She is and will remain a stunning example of how one person can positively affect so many.

In 1939, Sister Elizabeth Candon began her life of public service when she became a Religious Sister of Mercy. Educated at Trinity College and Fordham University, Sister Elizabeth started her career in 1954, when she returned to her alma mater as an Associate Professor of English and Director of Admissions. In 1966, she became a full Professor of English and Trinity College's President, a post she would hold until 1976.

In 1977, Sister Elizabeth left the world of academia to try her hand at state government. At the request of Vermont's Governor, Richard Snelling, Sister Elizabeth took the helm of Vermont's largest agency as Secretary of Human Services. As the first woman in Vermont history to serve as Secretary and the only woman in the Governor's cabinet, Sister Elizabeth quickly became a role model for Vermont women. Her tenure as Secretary also provided her with an opportunity to effect change and help those in need. Under her leadership, community based programs were developed and as a result, the Windsor State Prison and Vergennes' Week's School were both closed. This restructuring allowed the beneficial programs administered at these sites to be relocated throughout the state.

Sister Elizabeth was and continues to be tireless in her efforts to institute programs on behalf of those in need of mental health and developmental disabilities services. To this day she is remembered for her motto, "anything is possible if it matters not who gets the credit." Consequently, this legacy has woven its way into the mission of the Agency of Human Services.

Since returning to teaching at Trinity as Professor of English in 1983, Sister Elizabeth has continued to bring the beauty and inspiration of Shakespeare and Chaucer to her students. During this time, her steadfast leadership in community and public service has continued.

I should also acknowledge that throughout her career, Sister Elizabeth has served on many boards and Councils, further extending her influence on the issues important to her and to Vermonters. She sat on the Vermont Council on the Humanities and Public Issues, the Board of Directors for the United Community Service of Chittenden County, and the Board of Directors of Howard Mental Health Services. She also served as Trustee of Middlebury College and as Chairperson of the State Task Force on Funding for

Special Education. She remains a trustee at the Richard A. Snelling Center for Government and a Director of the Vermont Ethics Network.

As we celebrate Sister Elizabeth's 46 year career of service to the people of Vermont, I know she will continue to contribute in the years to come. As a Sister of Mercy, she brings honor to her religious community and touches the lives of those around her. While she is retiring at the end of this millennium, her legacy will live on well into the next. ●

ELECTRONIC BENEFIT TRANSFER INTEROPERABILITY AND PORTABILITY ACT OF 1999

S. 1733, passed during today's session, follows:

S. 1733

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Electronic Benefit Transfer Interoperability and Portability Act of 1999".

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to protect the integrity of the food stamp program;

(2) to ensure cost-effective portability of food stamp benefits across State borders without imposing additional administrative expenses for special equipment to address problems relating to the portability;

(3) to enhance the flow of interstate commerce involving electronic transactions involving food stamp benefits under a uniform national standard of interoperability and portability; and

(4) to eliminate the inefficiencies resulting from a patchwork of State-administered systems and regulations established to carry out the food stamp program

SEC. 3. INTEROPERABILITY AND PORTABILITY OF FOOD STAMP TRANSACTIONS.

Section 7 of the Food Stamp Act of 1977 (7 U.S.C. 2016) is amended by adding at the end the following:

"(k) INTEROPERABILITY AND PORTABILITY OF ELECTRONIC BENEFIT TRANSFER TRANSACTIONS.—

"(1) DEFINITIONS.—In this subsection:

"(A) ELECTRONIC BENEFIT TRANSFER CARD.—The term 'electronic benefit transfer card' means a card that provides benefits under this Act through an electronic benefit transfer service (as defined in subsection (i)(11)(A)).

"(B) ELECTRONIC BENEFIT TRANSFER CONTRACT.—The term 'electronic benefit transfer contract' means a contract that provides for the issuance, use, or redemption of coupons in the form of electronic benefit transfer cards.

"(C) INTEROPERABILITY.—The term 'interoperability' means a system that enables a coupon issued in any State.

"(D) INTERSTATE TRANSACTION.—The term 'interstate transaction' means a transaction that is initiated in 1 State by the use of an electronic benefit transfer card that is issued in another State.

"(E) PORTABILITY.—The term 'portability' means a system that enables a coupon issued

in the form of an electronic benefit transfer card to be used in any State by a household to purchase food at a retail food store or wholesale food concern approved under this Act.

"(F) SETTLING.—The term 'settling' means movement, and reporting such movement, of funds from an electronic benefit transfer card issuer that is located in 1 State to a retail food store, or wholesale food concern, that is located in another State, to accomplish an interstate transaction.

"(G) SMART CARD.—The term 'smart card' means an intelligent benefit card described in section 17(f).

"(H) SWITCHING.—The term 'switching' means the routing of an interstate transaction that consists of transmitting the details of a transaction electronically recorded through the use of an electronic benefit transfer card in 1 State to the issuer of the card that is in another State.

"(2) REQUIREMENT.—Not later than October 1, 2002, the Secretary shall ensure that systems that provide for the electronic issuance, use, and redemption of coupons in the form of electronic benefit transfer cards are interoperable, and food stamp benefits are portable, among all States.

"(3) COST.—The cost of achieving the interoperability and portability required under paragraph (2) shall not be imposed on any food stamp retail store, or any wholesale food concern, approved to participate in the food stamp program.

"(4) STANDARDS.—Not later than 210 days after the date of enactment of this subsection, the Secretary shall promulgate regulations that—

"(A) adopt a uniform national standard of interoperability and portability required under paragraph (2) that is based on the standard of interoperability and portability used by a majority of State agencies; and

"(B) require that any electronic benefit transfer contract that is entered into 30 days or more after the regulations are promulgated, by or on behalf of a State agency, provide for the interoperability and portability required under paragraph (2) in accordance with the national standard.

"(5) EXEMPTIONS.—

"(A) CONTRACTS.—The requirements of paragraph (2) shall not apply to the transfer of benefits under an electronic benefit transfer contract before the expiration of the term of the contract if the contract—

"(i) is entered into before the date that is 30 days after the regulations are promulgated under paragraph (4); and

"(ii) expires after October 1, 2002.

"(B) WAIVER.—At the request of a State agency, the Secretary may provide 1 waiver to temporarily exempt, for a period ending on or before the date specified under clause (iii), the State agency from complying with the requirements of paragraph (2), if the State agency—

"(i) establishes to the satisfaction of the Secretary that the State agency faces unusual technological barriers to achieving by October 1, 2002, the interoperability and portability required under paragraph (2);

"(ii) demonstrates that the best interest of the food stamp program would be served by granting the waiver with respect to the electronic benefit transfer system used by the State agency to administer the food stamp program; and

"(iii) specifies a date by which the State agency will achieve the interoperability and portability required under paragraph (2).

"(C) SMART CARD SYSTEMS.—The Secretary shall allow a State agency that is using

smart cards for the delivery of food stamp program benefits to comply with the requirements of paragraph (2) at such time after October 1, 2002, as the Secretary determines that a practicable technological method is available for interoperability with electronic benefit transfer cards.

"(6) FUNDING.—

"(A) IN GENERAL.—In accordance with regulations promulgated by the Secretary, the Secretary shall pay 100 percent of the costs incurred by a State agency under this Act for switching and settling interstate transactions—

"(i) incurred after the date of enactment of this subsection and before October 1, 2002, if the State agency uses the standard of interoperability and portability adopted by a majority of State agencies; and

"(ii) incurred after September 30, 2002, if the State agency uses the uniform national standard of interoperability and portability adopted under paragraph (4)(A).

"(B) LIMITATION.—The total amount paid to State agencies for each fiscal year under subparagraph (A) shall not exceed \$500,000."

SEC. 4. STUDY OF ALTERNATIVES FOR HANDLING ELECTRONIC BENEFIT TRANSACTIONS INVOLVING FOOD STAMP BENEFITS.

Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall study and report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on alternatives for handling interstate electronic benefit transactions involving food stamp benefits provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), including the feasibility and desirability of a single hub for switching (as defined in section 7(k)(1) of that Act (as added by section 3)).

MILLENNIUM DIGITAL COMMERCE ACT

S. 761, passed during today's session, follows:

S. 761

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Millennium Digital Commerce Act".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The growth of electronic commerce and electronic government transactions represent a powerful force for economic growth, consumer choice, improved civic participation and wealth creation.

(2) The promotion of growth in private sector electronic commerce through Federal legislation is in the national interest because that market is globally important to the United States.

(3) A consistent legal foundation, across multiple jurisdictions, for electronic commerce will promote the growth of such transactions, and that such a foundation should be based upon a simple, technology neutral, nonregulatory, and market-based approach.

(4) The Nation and the world stand at the beginning of a large scale transition to an information society which will require innovative legal and policy approaches, and therefore, States can serve the national interest by continuing their proven role as laboratories of innovation for quickly evolving areas of public policy, provided that States