

because of its position towards homosexuality. That is his right. So I do not blame him for that. I know he wishes he had not said that, but these are debates that belonged in the D.C. council. These are debates and issues that should be settled, should be settled by the D.C. government.

The Catholic institutions within the D.C. government have plenty of access. They are well respected, deservedly so. They contribute tremendous benefits to D.C. government and its society. They will be fully reflected in the legislation that becomes law, and that is the way it ought to be. We have no business getting involved in this issue, particularly when we have no legitimate role to play.

The gentlewoman from the District of Columbia (Ms. NORTON) is absolutely right. The mayor is going to take care of that situation. Let him take care of the situation. He will be held accountable. He should be held accountable. He is elected. He understands it. He has a solution for it, and that is the way it should be, and what we are doing on this floor is not what should be done by this Congress. Madam Chairman, I gather we are going to continue this debate tomorrow.

Ms. NORTON. Madam Chairman, I reserve the balance of my time.

Mr. ISTOOK. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, although I think everyone wants to continue the debate tomorrow, I do find it necessary to take at least 30 seconds, because I think a couple of things need to be said.

I certainly would not endorse and extend the attacks on the Catholic Church or any other church, whether the gentleman from Virginia (Mr. MORAN) wishes to do so is his free speech right. I fear that he has added fuel to the fire rather than trying to suppress it.

In response to the gentlewoman from the District (Ms. NORTON), I said clearly, and I will repeat it, the mayor said in writing to me that he intends to do the pocket veto of the bill, and I believe him. That does not change the fact that it has not been vetoed; it remains a live issue where people expect this Congress to do something. It is a live issue until such time as the veto has indeed occurred.

Madam Chairman, I reserve the balance of my time.

Ms. PELOSI. Madam Chairman, I rise in support of Representative NORTON's Amendment because I am concerned about several of the provisions in the "General Provisions" section of this bill. Specifically, I object to discriminatory riders targeting the District's lesbian and gay people, and people living with HIV/AIDS.

Approximately half of all new HIV infections are linked to injection drug use, and three-quarters of new HIV infections in children are

the result of injection drug use by a parent. Why would we pass up the opportunity to save a child's life by shutting down programs that work?

Although AIDs deaths have declined in recent years as a result of new treatments and improved access to care, HIV/AIDS remains the leading cause of death among African-Americans aged 25–44 in the District. In spite of these statistics Republicans have singled out the District and attempted to shut down programs that the local community has established to reduce new HIV infections. This Congress should be supporting the decisions that local communities make about their health care. Giving local control back to the American people has been a major theme of the current Congress, and interfering with District self-government is contradictory to that goal.

Numerous health organizations including the American Medical Association, the American Public Health Association, and the National Alliance of State and Territorial AIDS Directors have concluded that needle exchange programs are effective. In addition, at my request the Surgeon General's office has prepared a review of all peer-reviewed, scientific studies of needle exchange programs over the past two years and they also conclusively found that needle exchange programs reduce HIV transmission and do not increase drug use.

I also object to the provision in this bill that prevents the Health Care Benefits Expansion Act from being implemented. The District passed this legislation eight years ago to allow District employees to purchase health insurance for a domestic partner, take family and medical leave to care for a partner, and visit a hospitalized partner. This legislation provides basic, fundamental health care rights that all Americans should enjoy regardless of sexual orientation.

Over 3,000 employers around the country, including hundreds of cities, municipalities, private and public college and universities, have established domestic partnership health programs. A list of these firms includes almost a hundred Fortune 500 companies, including some of the biggest, like AT&T, Citigroup, and IBM. These companies understand the benefits of offering these programs in today's competitive work environment.

Cities such as Atlanta, Chicago, Los Angeles, San Francisco, and New York all have domestic partnership benefits in place. Congress has taken no action to block any of the domestic partnership benefits provided by hundreds of municipalities throughout the nation.

Gay and Lesbian Americans in the District of Columbia and across the country make significant contributions to our society and their relationships, in the community and in the workplace, should be treated with respect. I urge my colleagues to support the Norton Amendment.

Mr. ISTOOK. Madam Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LATOURETTE) having assumed the chair, Mrs. Morella, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having

had under consideration the bill (H.R. 4942) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes, had come to no resolution thereon.

MOTION TO GO TO CONFERENCE ON H.R. 4205, FLOYD D. SPENCE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

Mr. SPENCE. Mr. Speaker, by direction of the Committee on Armed Services and pursuant to clause 1 of rule XXII, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. SPENCE moves that the House take from the Speaker's table the bill H.R. 4205, with the Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate on the disagreeing votes of the two Houses thereon.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from South Carolina (Mr. SPENCE) is recognized for 1 hour.

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I look forward to going to conference with the Senate and bringing back an agreement that can be supported by all of my House colleagues.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina (Mr. SPENCE).

The motion was agreed to.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. TAYLOR OF MISSISSIPPI

Mr. TAYLOR of Mississippi. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. TAYLOR moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 4205 be instructed to insist upon the provisions contained in section 725, relating to the Medicare subvention project for military retirees and dependents, of the House bill.

The SPEAKER pro tempore. Pursuant to rule XXII, the gentleman from Mississippi (Mr. TAYLOR) and the gentleman from South Carolina (Mr. SPENCE) each will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the motion to instruct conferees would instruct the House

conferees to retain the House-passed provisions of the bill that make Medicare subvention for our Nation's military retirees permanent and nationwide.

I think in May when the House voted on this we finally took a historic step in fulfilling a promise that has been made by recruiters across our country for decades, those recruiters were wearing the uniforms of the United States of America; they were in Federal buildings. They promised young, unsuspecting 17-year-olds, 18-year-olds, and 19-year-olds that if they enlisted in our country, if they served their country honorably for 20 years, they would be given lifetime health care in a military installation.

Mr. Speaker, as a result of the Defense drawdown and as a result of shrinking Defense budgets, the Department of Defense was unfortunately left with no other choice but to start asking military retirees who have attained the age of 65 to go out and see a private sector doctor and have Medicare pay the bill.

After going to the same hospital since they were 18 years old or 19 years old, you can imagine how angry they were, because they had kept their promise to our Nation, and our Nation did not keep its promise to them.

It is said when a politician breaks his word, shame on him; but when a Nation breaks its word, shame on all of us.

In May, the House took what I thought was the unprecedented step of making lifetime health care for military retirees, for the first time it will be treated the same as Medicare and Medicaid and that that money will be there every year and not subject to an annual appropriation.

Mr. Speaker, I was very pleased to have a number of people helping on that, Democrats and Republicans from all parts of our country, in an united effort that just passed the House by 400 votes.

Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. SKELTON), one of the Members that helped make this possible.

Mr. SKELTON. Mr. Speaker, I thank the gentleman from Mississippi (Mr. TAYLOR) for granting me this time, and I urge my colleagues to support the motion to instruct conferees that has been offered by the gentleman.

The motion directs the House conferees to maintain the House position in conference on expanding and making TRICARE Senior Prime permanent.

□ 1645

As you may recall, on May 18 during consideration of H.R. 4205, the Floyd D. Spence National Defense Authorization Act for fiscal year 2001, the House overwhelmingly voted 406 to 10 to make permanent TRICARE Senior Prime, more commonly known as Medicare

Subvention. The House sent a clear signal that Medicare Subvention should continue to be available to our Medicare-eligible military retirees and their families. Expansion of permanent authority for Medicare Subvention is a vital step toward fulfillment of the commitment made to our career men and women in uniform who were promised access to health care services for life.

We made a promise to take care of those who served their Nation with distinction for 20 years or more. We must keep that promise. The motion to instruct conferees to retain the House position will help to ensure access to medical care for Medicare-eligible military retirees.

By spreading TRICARE Senior Prime to military hospitals and making the program permanent, we will begin to meet our promise. Medicare Subvention is an important step toward ensuring access to care for retirees and their dependents over the age of 65 who live near military facilities. Military retirees and their dependents that participate in the program are very satisfied with the quality of health care they receive. In fact, there are many retirees and their family members in the current test areas that have been placed on a waiting list because military treatment facilities cannot take more patients at this time.

As I have stated before, this is the year of military health care. As the ranking member of the House Committee on Armed Services, I focused on the need to improve access to health care services for men and women in uniform, particularly for our Medicare-eligible retirees. Retention of TRICARE's Senior Prime is the first important step in meeting our moral obligation to provide access to quality health care for our military retirees and their families.

Mr. Speaker, I urge my colleagues to support this motion to instruct offered by the gentleman from Mississippi (Mr. TAYLOR).

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the motion by the gentleman speaks to a provision that passed this House by an overwhelming vote of 406 to 10 on May 18. I supported the provision at the time, reflecting my strong support for addressing the health care crisis afflicting our over-65 military retiree population.

Since that vote, the Senate, the other body, adopted a differing proposal to accomplish the same objective that in turn will form the basis for negotiating between our two bodies. Given the strong support in both Chambers for each of these provisions, it is clear to me that the conference will bring back an agreement that goes a long way toward addressing this legitimate and pressing priority.

Accordingly, I will support and urge my colleagues to support the gentle-

man's motion as a further affirmation of the bipartisan and bicameral commitment to address the unacceptable situation facing our military retirees.

Mr. Speaker, I reserve the balance of my time.

Mr. TAYLOR of Mississippi. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say that I certainly welcome the support of the gentleman from South Carolina, a person who has served our country all the way from a paratrooper to the chairman of the Committee on Armed Services.

Mr. Speaker, in the bipartisan spirit in which we passed this amendment and hope to keep this amendment in the bill in the final form, I yield such time as he may consume to the gentleman from Maryland (Mr. BARTLETT).

Mr. BARTLETT of Maryland. Mr. Speaker, I am very pleased to rise in strong support of the Taylor motion to instruct the conferees.

I have seen the recruitment brochures from a number of years ago when those who are now our seniors were recruited. The recruitment brochures promised them and their family lifetime care in a military facility. We have broken that promise, and we are paying a heavy price for having broken that promise.

Three of the services are now unable to meet their recruitment goals, and that is partly because when prospective enlistees confer with their father or their uncle or their grandfather, they frequently get the advice that "I am not sure that you can believe what they are telling you, because they did not keep their promise to me."

We are having problems with retention for exactly the same reason, because our young men and women in the military are not sure that what we have now promised them is going to be there after they retire because we have broken our promise to their elders.

What Medicare Subvention does is to permit our retired military people, who either with great difficulty or not at all, can now get health care in a military facility. For those who have not been in the military or worked for the military and lived in a military community, they cannot understand the sense of community that these people have, how important it is that they continue to get health care where they have gotten it all their life, in a military facility.

We have had a demonstration project which has been very successful, and what the legislation now in conference does is simply to make this universal and permanent. It is the right thing to do, and the benefits we are going to accrue from this are enormous compared to the modest cost, because the cost should be very, very modest, because Medicare Subvention assures that the money is going to be there.

What this does is to help us in recruitment and help us in retention.

Even if there were a meaningful cost, I think that that cost should be more than justified by the benefits that we are going to have in recruiting and keeping our young people in the military.

This is the right thing to do. My only regret is that we did not do it years ago. But we are doing it now. So let us make sure that our conferees understand that we want them to hold with the position that we voted so overwhelmingly here in the House.

Again, I want to thank the gentleman from Mississippi (Mr. TAYLOR) for his commitment to this cause.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, the promise for veterans health care has been 58 years, 58 years. The subvention bill was not written by DUKE CUNNINGHAM; it was written by my constituents in San Diego, California.

I was the originator of this subvention bill. Why? Because nothing was being done for our veterans. TRICARE, if you live in a rural area, is a Band-aid and does not serve. Subvention, if you live in a rural area, my bill is a Band-aid if it is not controlled.

I am going to support this. Even though it was in my bill, I have concern. Subvention, TRICARE, FEHBP, like civilians have, if you take a civilian secretary that works alongside a major or lieutenant commander, when they retire they get a government health care plan that supplements their Medicare. The military worker does not.

There is a board already formed looking at what is the most universal way that we can provide this health care; and whatever that is, I would hope that this House and the other body will come together to provide whatever is needed, whether it is a combination of TRICARE, a combination of subvention, or FEHBP. I do not feel that subvention is an end-all for our veterans, and I would hope that we come together on that.

I would also tell my colleagues there was another promise. My colleague, the gentleman from California (Mr. FILLNER), is working on it, as I am. A promise was made to our Filipinos in World War II on that health care. It has not been completed, and I would hope that this body and the other body would act on that as well.

Mr. Speaker, I want to commend the gentleman for what he has done. I still have concern that it may in some way, down the line, if we do not come together, negate what we could do in totality for our veterans. I would like to work with the gentleman to make sure that that comes to fruition.

Mr. TAYLOR of Mississippi. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from California (Mr.

CUNNINGHAM) for his assistance on this. As the gentleman pointed out during the previous debate, he was truly one of the founding fathers of the idea of subvention. And I do not claim to have invented it; I just think it is a heck of a good idea.

For the public who may not quite understand what we are trying to do, we are trying to fulfill the promise of lifetime health care to our Nation's military retirees, a promise made to them. We are trying to do it in a way they are comfortable with. They have been going to military treatment facilities for most of their lives, and they are justifiably angry that upon hitting the age of 65 they are being turned away from those treatment facilities, when they have been promised they could use that facility, they and their spouse, for the rest of their lives.

It is also something that we did not point out in the first debate, but if you look on the pay stub of the people who serve in our Nation, on their tax form they pay into the Medicare Trust Fund, just like every other American. So the question is, should not they be allowed to take that Medicare that they have contributed to and use it in the hospital that they wish to go to? That is the hospital on a military installation.

Let us give them the choice that every other American has been having, to go to the private sector. Let us let them go to the hospital that they want to go to. We know that we can save money.

The Treasury report that came out just a couple of days ago showed that the Nation, despite the talk of unprecedented surpluses, really had to borrow \$11 billion from other trust funds thus far this year. There is not a lot of money laying around. But we know that with Medicare Subvention, that we can treat these same people for 95 cents on the dollar of what we would have paid a private sector doctor for the exact same treatment. So we are going to let them go to the hospital they want to go to. They have not only paid into the system with their taxes, but paid into the system with at least 20 years of dedicated service to their Nation. They deserve it.

Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I thank the gentleman from Mississippi for yielding time, as I thank the chairman of the Committee on Armed Services.

This is an important motion to recommit, to make sure that those who serve on the conference understand that the House, as the chairman of the Committee on Armed Services said, almost 100 percent said that we want to make sure that our retirees who are 65 years and older will have adequate health care.

I want to thank the gentleman from Mississippi, because I know he has been fighting this issue for a couple of years, and I was delighted along with other Members from the Republican Party as well as the Democratic Party to be part of his amendment.

Mr. Speaker, I have 77,000 retired veterans in my district. I have about 13,000 retired military retirees. I have three military bases: two Marine, Camp Lejeune and Cherry Point Marine Air Station; and Seymour Johnson Air Force Base. Since I have been in Congress, for approximately 6 years, I can tell you from day one, the biggest issue has been health care for our veterans and our military retirees.

I think we have made some great progress in the last 6 years to speak to this issue, because as has been said by the gentleman from Mississippi (Mr. TAYLOR) and by the gentleman from South Carolina (Chairman SPENCE) and others, the gentleman from California (Mr. CUNNINGHAM) and the gentleman from Maryland (Mr. BARTLETT), those men and women who have served this Nation, whether it be wartime or peacetime, certain promises were made to them, and if you cannot look to your government who made that promise to keep that promise, then there is a big problem; and in the eyes of many of our men and women who have served this Nation, the Government has not kept its promise.

I want to thank again the gentleman from Mississippi (Mr. TAYLOR) and the gentleman from South Carolina (Mr. SPENCE), because we are keeping that promise now; and this amendment by the gentleman from Mississippi (Mr. TAYLOR) was certainly a great step forward, as it deals with those who are reaching the age of 65.

Many of our veterans and retirees are like all of us, with the better quality of life and health care, we are living to be in the seventies and eighties, and these men and women were made a promise, and the promise should be kept.

So I strongly support this motion to instruct conferees as it relates to the Taylor amendment, because this issue of Medicare Subvention is with us, and we have to do what is right for those men and women who have served this Nation.

Mr. Speaker, as I start closing down on my comments, it is always brought to my attention back home that we seem to find the monies to send our troops to Bosnia, or we seem to find the money to go to Yugoslavia. I think Bosnia and Yugoslavia both have probably cost the American people about 10 or 11 billion, and yet we have got men and women who have served this Nation that do not have adequate health care.

□ 1700

That is what this bill is doing and that is what this amendment by the

gentleman from Mississippi (Mr. TAYLOR) is doing. We are finally saying to those who have served we are not going to make them wait any longer. We are going to start addressing this issue of them having adequate health care and we are going to make sure that they have it.

Mr. Speaker, let me quote Abraham Lincoln because he said it better than I could ever say it. He said, "Let us care for him who shall have borne the battle and for his widow and his orphan."

I think that should always be a reminder to those of us in Congress that men and women who have served this Nation in wartime or peacetime, that we made a promise to give them the very best of health care and I want to say to them today that we are taking giant steps to keep that promise.

I want to thank the gentleman from Mississippi (Mr. TAYLOR) for his effort. I want to thank the chairman of the Committee on Armed Services who has been fighting to help those men and women to have the very best health care possible.

I am pleased to support this motion to instruct.

Mr. SPENCE. Mr. Speaker, I yield back the balance of my time.

Mr. TAYLOR of Mississippi. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the last point I would like to make is that since the passage of this amendment I have had the opportunity to visit with the surgeon general of the United States Air Force, and I had some concerns that quite possibly the services, if they were not in favor of this idea, could administratively poison it.

I asked him, I said if we can find the money for this will he make it work?

I am not smart enough to remember his exact words, but his sentiments were that he was extremely excited about the idea of being compensated for taking care of 65 and older retirees, something that he has been doing basically out of hide.

The second thing that he was extremely excited about is the variety of health care cases that his doctors will now be able to see and be compensated for because, as he said, and I will never say it as well as he did, cardiologists do not stay very busy when all they are taking care of is 18- and 19- and 20-year-olds; but in order to have them well trained for mobilization, it is important that some of the older retirees are included in this mix so that those people can hone their skills that they are going to need in the event of a national emergency.

So for so many reasons, I think this is a good idea for our Nation. Number one, it is the right thing to do. We are going to keep our promise to those people who kept their promise to us.

Number two, we are going to do it in a fiscally responsible manner.

I think, Mr. Speaker, quite frankly, I am most pleased that in the history of this committee we have tried to do things in a bipartisan manner. I am most pleased that we are going to keep that promise in a bipartisan manner. I very much welcome the remarks of the chairman of the committee. I very much welcome the remarks of gentleman from Missouri (Mr. SKELTON), the ranking member.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I thank the gentleman from Mississippi (Mr. TAYLOR) for yielding me this time.

Mr. Speaker, I rise in opposition. The Congressional Budget Office has estimated that this national missile defense system, which is part of this report, will cost \$60 billion to build and deploy. Congress intends to spend \$12 billion in the next 6 years. The SDI Star Wars system has cost the taxpayer more than \$60 billion, and it is estimated that this system though less far-reaching than Star Wars will cost more. We have spent more than \$122 billion on various missile defense systems. We need to reorganize our priorities and look at how we could better use these funds for programs that benefit the poor, seniors, and our Nation's children.

Before the decision is made, three exo-atmospheric intercept tests have been scheduled to determine the system's success rate and reliability to deploy the system, but one of two tests failed. The third test failed miserably as well. Three tests cannot define the technical readiness of the system and serve the basis for deploying a national missile defense.

According to the Union for Concerned Scientists, countermeasures could be deployed more rapidly and would be available to potential attackers before the United States could deploy even the much less capable first phase of the system.

A report by the Union of Concerned Scientists details how easily countermeasures could be used against this system and would not have to use new technology or new materials.

We are the only superpower in the world. The deterrent that we currently have is sufficient. We have thousands of missiles on hand that act as a deterrent. Any attack by another state would not be massive and would not be able to completely destroy our country or our nuclear arsenals. So any attack would leave the United States and its Armed Forces intact.

Our deterrent is impaired only if another state had enough missiles to knock off ours before they launched.

The national missile defense system will simply line the pockets of weapons contractors, spending billions of dollars for a system that does not work and does not protect against real threats. We will undermine our legiti-

mate military expenditures and erode the readiness of our forces.

So who is benefiting from having a national missile defense system? According to The Washington Post, Boeing in 1998 already obtained a 3-year contract for \$1.6 billion to assemble a basic system before the President even decided to deploy the system. The Post states that TRW has contracts for virtually every type of missile defense program. The military industry has the most to gain from a national defense system. According to The Washington Post, Lockheed Martin is the major contractor on theater missile defense with its upgraded version of the Patriot missile and the Army's \$14 billion Theater High Altitude Area Defense system.

Deploying a national missile defense system could politically succeed in setting the stage for a worldwide arms race and dismantle past arms treaties.

The NMD violates the central principle of the ABM treaty, which is a ban on deployment of strategic missile defenses. It will undermine the nuclear nonproliferation treaty. It will frustrate SALT II and SALT III. It will lead directly to proliferation by the nuclear nations. It will lead to transitions toward nuclear arms by the non-nuclear nations. It will make the world less safe. It will lead to the impoverishment of the people of many nations as budgets are refashioned for nuclear arms expenditures.

Mr. TAYLOR of Mississippi. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, one of the lessons I had to teach myself was that almost every Member of Congress represents about 600,000 people. Even those people I disagree with, everybody in this floor was elected by a majority of the voters and I am going to respect their ability to say what they want to say.

I would like to remind the gentleman from Ohio (Mr. KUCINICH) that the matter at hand is health care for our Nation's military retirees. This is a motion to instruct the conferees to stick to the House-passed provisions of the bill, provisions that I think greatly improve health care for our Nation's military retirees; a much better package than the other body.

At this moment we are instructing our conferees to stick to what I think is the better language of the two. It really has nothing to do with missile defense.

Mr. Speaker, again, it is always to be a position to be envied when one has their chairman and ranking member with them and most of their subcommittee chairmen with them.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Mississippi (Mr. TAYLOR).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OLVER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question are postponed.

TWENTY-FIRST ANNUAL REPORT
OF FEDERAL LABOR RELATIONS
AUTHORITY FOR FISCAL YEAR
1999

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Government Reform.

To the Congress of the United States:

In accordance with section 701 of the Civil Service Reform Act of 1978 (Public Law 95-454; 5 U.S.C. 7104(e)), I have the pleasure of transmitting to you the Twenty-first Annual Report of the Federal Labor Relations Authority for Fiscal Year 1999.

The report includes information on the cases heard and decisions rendered by the Federal Labor Relations Authority, the General Counsel of the Authority, and the Federal Service Impasses Panel.

WILLIAM J. CLINTON.
THE WHITE HOUSE, July 26, 2000.

EDUCATION DEPARTMENT'S MIS-
MANAGEMENT OF TAXPAYERS'
MONEY

(Mr. SCHAFFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAFFER. Mr. Speaker, I am here on a personal crusade. I came to Congress because I have got five children and I care about their school. They are getting ready to go back to school in August.

A couple of things disturb me, Mr. Speaker. The Department of Education contract employees, some of them, pleaded guilty to participating in a scheme to defraud the Department of more than \$1 million in equipment and false overtime. They illegally procured equipment, including a 61-inch television set, digital cameras, and Gateway computers for the personal use of Department employees and their families.

That is not all. Another fraudulent overtime claim includes a trip to Baltimore to pick up crab cakes for another Department employee. Two more De-

partment employees were recently charged by the Department of Justice with involvement in this scandal, and as many as four other Department employees remain under investigation.

In 1998, the Department could not even audit its books, they were so badly managed. In 1999 when they did audit their books, they got a D minus.

Republicans have a different idea. We want to get dollars to the classroom and out of that bureaucracy over there.

Mr. Speaker, unbeknownst to all but Beltway bureaucrats and a handful of reform minded Members of Congress, the U.S. Department of Education has failed its last two financial audits.

The nationally known and respected accounting firm Ernst and Young has attempted, for fiscal years 1998 and 1999, to determine if the Department of Education has spent the money sent to it by Congress appropriately and lawfully.

The sad truth is, we just don't know. The Department's books were unauditible for FY 1998. This means the auditors couldn't even form an opinion on the state of the Department's books, let alone say whether those books were balanced and accurate.

In FY 1999, the Department received a grade equivalent of a D-. This means the auditors could put the books together into some sort of coherence, but not well enough to give the Department a passing grade in Accounting 101.

According to the auditors, if a private company received the same results the Department did on its FY 1999 audit, its stock would plummet. A real life example of this is MicroStrategy, whose stock, on the day a critical and unfavorable audit was announced, fell 62% and unleashed a slew of investor lawsuits.

Sadly, no one really knows when the Department will be able to receive a clean audit.

So, Mr. Speaker, what does this really mean to taxpayers—parents—and children? A few recent incidents illustrate the effects of this financial mis-management.

A Department of Education contract employee pleaded guilty to participating in a scheme to defraud the Department of more than one million dollars in equipment and false overtime. Illegally procured equipment included a 61 inch TV, digital cameras, and Gateway computers for the personal use of Department employees and their families.

However, that's not all. Among the fraudulent overtime claims was a trip to Baltimore to pick-up crab-cakes for another Department employee.

Two more Department employees were recently charged by the Department of Justice with involvement with this scandal, and as many as four other Department employees remain under investigation.

Earlier this year, 39 students were incorrectly notified by the Department that they had won the prestigious Jacob Javits scholarships. The cost of the mistake? Nearly \$4 million dollars.

The theft ring and mis-identified students may only be the tip of the iceberg. Who knows what other kinds of waste, fraud, abuse and mismanagement might be taking place right

now because of the inaction of the AL GORE and Education Secretary Riley?

For example, in one academic year alone, \$177 million dollars in Pell Grants were improperly awarded, and the Department forgave almost \$77 million in student loans for borrowers who falsely claimed to be either permanently disabled or dead.

The Department of Education also maintains a "grantback" account which at one time contained \$750 million. Not surprisingly for an agency that cannot pass a basic audit, most of this money didn't really belong there. So far, the Department has been unable to explain exactly where the money came from, where it went, or why it came and went.

Is a clean audit an unreasonable goal for a federal agency? Bureaucrats would have you believe it is, but we all know it isn't. In fact, businesses large and small comply with this simple measure of fiscal responsibility every day. Any business owner will tell you the importance of a clean audit to maintain the confidence of investors and customers and to prevent waste, fraud and abuse.

The Department has failed to address its financial management for eight years running. Inaction has consequences and our children are paying the price. Fortunately, Republicans have responded to this inexcusable waste of hard-earned taxpayer money devoted to support the education of American children. We have held numerous oversight hearings, continue a rigorous investigation and passed a bill requiring a comprehensive fraud audit of the Department by the General Accounting Office.

We know what needs to be done. Until it is, the taxpayers' investment in the education of American school children will not reap anything close to maximum return.

OMISSION FROM THE CONGRES-
SIONAL RECORD OF TUESDAY,
JULY 25, 2000 AT PAGE H-6853

(The following addition to the statement of the gentleman from Wisconsin (Mr. RYAN) was omitted from the CONGRESSIONAL RECORD of Tuesday, July 25, 2000 at page H6853.)

Mr. Speaker, H.R. 4924, the "Truth in Regulating Act of 2000," is a bipartisan, good government bill. It establishes a regulatory analysis function within the General Accounting Office (GAO). This function is intended to enhance Congressional responsibility for regulatory decisions developed under the laws Congress enacts. It is the product of the leadership over the last few years by Small Business Subcommittee Chairwoman on Regulatory Reform and Paperwork Reduction, Sue Kelly.

The most basic reason for supporting this bill is Constitutional: Just as Congress needs a Congressional Budget Office (CBO) to check and balance the executive Branch in the budget process, so it needs an analytic capability to check and balance the Executive Branch in the regulatory process. GAO is a logical location since it already has some regulatory review responsibilities under the Congressional Review Act (CRA).