

under the new Family Member Appointment. This position allows them to begin accruing retirement credit. However, these individuals are not allowed to pay back into the FERS for time worked in PIT positions. As a result, many Foreign Service spouses who worked as a PIT between 1989 and 1998 have lost up to nine or ten years of retirement credit.

Mr. Speaker, this is a matter of grave consequence to many Americans who devoted their most productive years to public service abroad. Foreign Service Officers and their spouses live lives that often put them in physical danger and cause great emotional distress. One constituent recounted being taken hostage with her husband by terrorists in Peru; while she was released early, she did not know if her husband was alive, injured, or dead.

It is simply unfair that these individuals, who have lived and worked under incredibly stressful conditions and who had no choice as to the type of work they performed, are not able to buy back the retirement credit they earned. As I indicated, some of my constituents have lost up to nine years of retirement credit because this provision has not been corrected. I urge my colleagues to join me in cosponsoring this important legislation.

#### THE AMERICAN WETLAND RESTORATION ACT

**HON. WALTER B. JONES**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 4, 2001*

Mr. JONES of North Carolina. Mr. Speaker, I rise today to announce the introduction of the "American Wetland Restoration Act."

This legislation builds upon the wetlands mitigation banking legislation I introduced in the last 3 Congresses and also the 1995 Federal Guidance issued by the Environmental Protection Agency and the United States Army Corps of Engineers.

My Congressional district in eastern North Carolina includes most of the coast and four major river basins. More than 60% of my district could be classified as wetlands. My constituents are directly impacted by wetlands and the countless regulations that protect them. I have been contacted by farmers, business owners, state and local officials, land owners and even the military for advice and guidance in order to reach a balance between protecting these valuable resources while improving water quality but also providing for strong economic development.

On almost a daily basis, we are reminded of the critical role wetlands play in our ecosystems, specifically in maintaining water quality.

Wetlands mitigation banking is a concept readily embraced by regulators, developers and environmentalists. This balanced approach recognizes the need to protect our wetland resources while ensuring property owners their rights to have reasonable use of their properties.

Federal legislation is not only warranted, it is vital. While mitigation banking is occurring, it is limited because the authorizing agencies

have little or no statutory guidance. Also, investors and venture capitalists are hesitant to invest the money needed to restore wetlands without legal certainty. One of the great benefits of private mitigation banking is that the monitoring of one large tract of wetland requires fewer resources than monitoring thousands of tiny, unsuccessful mitigation projects.

But, before a single credit is ever issued and before a wetlands mitigation banker can ever earn a dime, they must acquire land, develop a comprehensive restoration plan and establish a cash endowment for the long-term maintenance of the bank. This daunting challenge is magnified when you recall that there is no current statutory authority!

These mitigation banks give economic value to wetlands, potentially providing billions of dollars to restoring wetlands in sensitive watersheds. Unlike other mitigation projects, mitigation banks are complete ecosystems. So instead of only trying to protect the remaining wetlands, mitigation banking will actually increase wetlands acreage!

My legislation sets a simple but lofty goal: No net loss of wetlands. Specifically, the legislation requires

- (1) That mitigation banks meet rigorous financial standards to assure wetlands are restored and preserved over the long term;
- (2) That there is an ample opportunity for meaningful public participation;
- (3) That banks must have a credible long-term operation and maintenance plan;
- (4) That the banks be inspected by the same regulatory agencies who have assigned the credits and permitted the banks; and,
- (5) That the banks only receive credits if they prove the continuing ecological success of their project, thus allowing regulators to ensure a 100% success rate of the projects they monitor.

Mitigation banking places the responsibility for restoration and preservation of wetlands in the hands of the experts and establishes the financial incentive to make the restoration work. By applying sound environmental engineering to the restoration process, setting up a longterm monitoring and maintenance endowment, and having the regulatory controls in place—these are the assurances my legislation requires of any potential banking project.

This free-market approach to environmental conservation and stewardship is hard for some to swallow. But I ask you, many organizations have profited greatly from stringent environmental regulations, yet where has all the money gone that was allegedly spent on protecting the environment? And are our lands and waterways really in better hands when the Federal government is the owner or administrator?

I do not believe the interests of the economy and the environment have to be at odds. Wetlands mitigation banking makes conservation good business. It provides the financial and ecological incentives to make restoring, preserving and protecting our environment successful.

The end result, protecting and preserving environmentally sensitive lands, is assured with my legislation. The "American Wetland Restoration Act" will give wetlands mitigation banking the statutory authority it needs to flourish, and it will begin restoring the wetlands that many thought were lost forever.

I hope my colleagues will join me in supporting this bill.

#### REFORM DAIRY PRICING REGULATIONS

**HON. THOMAS E. PETRI**

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 4, 2001*

Mr. PETRI. Mr. Speaker, today I am introducing a bill that will reform the method by which fluid milk has been priced in our country for too long. The Federal Milk Marketing Order system is a relic that fixes prices and feebly serves the outdated aims of a bygone era. Created in the 1930's, its original purpose was ostensibly to provide a locally produced supply of fresh milk throughout the country. Over sixty years ago, such a system may have made more economic sense. We didn't have the Interstate highway system, efficient refrigerated trucks, or reconstituted milk, for example. Today, conditions are vastly different, necessitating reform of the federal dairy program.

By basing the price of Class I, fluid milk, on the distance from Eau Claire, Wisconsin, the federal government has radically distorted dairy markets and discriminated against the dairy farmers of the Upper Midwest. The resulting inefficient production of milk in areas distant from the Upper Midwest has led to the oversupply of milk and depresses the price of processed dairy products. Dairy farmers in Wisconsin have paid dearly under this system. Today, my state loses approximately five dairy farmers a day.

Furthermore, by using distance to set the price of fluid milk, the federal order system is inherently anti-consumer. Consumers are stuck paying the set price for milk instead of the price determined by a free marketplace where efficiency is rewarded. The Congressional Budget Office estimates that eliminating this market distorting system would save \$669 million over five years. In an age of "global free trade," this system that effectively puts a tariff on milk from other regions of the country is absurd.

The bill I introduce today reforms the single most discriminatory element of the Federal Milk Marketing Order program by prohibiting the Secretary of Agriculture from basing the price of fluid milk on distance or transportation costs from any location outside the marketing order area unless 50 percent or more of that area's milk comes from a location outside that order area. By eliminating this factor the Secretary of Agriculture will have to consider supply and demand factors when setting milk prices as required by the Agricultural Marketing Agreement Act. Additionally, the bill requires the Secretary of Agriculture to report to Congress on the specific criteria used to set milk prices. This report will include a certification that the criteria used by the Department in no way attempts to circumvent the prohibition on the use of distance or transportation costs as the basis for milk prices.

Reform of the Federal Milk Marketing Order program is long overdue. The discrimination against the dairy farmers of the Upper Midwest must end. Not only will this bill restore

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fairness to our dairy policy, but consumers of fluid milk across the nation will also benefit from this reform. I urge my colleagues to do the right thing and support this bill.

TRIBUTE TO VETERANS OF  
FOREIGN WARS ON LOYALTY DAY

**HON. WILLIAM O. LIPINSKI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 4, 2001

Mr. LIPINSKI. Mr. Speaker, I rise this evening to pay tribute to the Veterans of Foreign Wars of the United States, a fine group of men and women who share a profound commitment of patriotism, comradeship and service to our nation's veterans, both in times of war and in times of peace.

These outstanding men and women of every race, creed and ethnic background will celebrate Loyalty Day on May 1, 2001. This day is set aside as a special day for the reaffirmation of loyalty to the United States of America and for the recognition of the heritage of American freedom. Yet, this day does not belong to the Veterans of Foreign Wars alone; it belongs to all Americans. We should all pledge ourselves to maintain a free society in which loyalty is always encouraged and respected. We should let the world know that Americans are behind their country and that, because of this, America is still a strong and vibrant nation.

I would like to specifically recognize the people in my district who have dedicated their time to support a Loyalty Day celebration. The Third District Commander Walter Liptak and Ladies Auxiliary President Diane M. Pencak, in conjunction with Loyalty Day Chairman James F. Davis, members of the Veterans of Foreign Wars Barbara Maruszak-Sparr and Anthony S. Maruszak and the local community are gathering on Sunday, April 29, 2001 to commemorate Loyalty Day.

I commend all our Veterans of Foreign Wars on this Loyalty Day, May 1, 2001 and encourage my colleagues to do the same.

HELP MORE FULL-TIME WORKERS  
BRING HOME A DECENT PAY-  
CHECK

**HON. LUIS V. GUTIERREZ**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 4, 2001

Mr. GUTIERREZ. Mr. Speaker, on March 7 I introduced the "Federal Living Wage Responsibility Act of 2001," legislation to mandate a livable wage for employees under Federal contracts and subcontracts. Seventy representatives currently cosponsor this important legislation.

Nearly a third of the members of the U.S. labor force work full-time, year-round and still do not earn enough to sustain a family of four at no less than the poverty threshold of \$17,650 per year for a family of four. Employees who work hard at full-time jobs should be paid a wage that assures they will not live in poverty.

EXTENSIONS OF REMARKS

To address this problem, this Act requires that:

Employees of Federal contracts or subcontracts of more than \$10,000 be paid the greater of \$8.49 per hour or the hourly wage necessary to reach the poverty level.

Individuals hired by the United States government also receive a living wage, helping thousands of more workers to stay above the poverty level.

Employees of Federal contracts or subcontracts and individuals hired by the United States government receive benefits such as medical or hospital care, vacation and holiday pay, disability and sickness insurance, life insurance and pensions.

Although Congress passed laws such as the Davis Bacon Act and the Service Contract Act to help ensure that employees of Federal contractors earn a decent wage, thousands of federal workers and federally contracted workers still do not earn enough to support themselves or their families.

This legislation will allow hard-working Americans to earn quality wages and to increase their savings for such essential needs as their retirement and their children's education. We believe the Federal government must take responsible, workable steps to reward working Americans and to help keep them out of poverty. This bill represents a practical step toward that goal.

Mr. Speaker, I submit the full text of this meaningful legislation for the RECORD and I urge my colleagues to support this important legislation.

H.R. 917

*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 "Federal Living Wage Responsibility Act".

**SEC. 2. FINDINGS.**

The Congress finds the following:

(1) According to data from fiscal year 1999, approximately 162,000 Federal contract workers did not earn a wage sufficient to lift a family of four out of poverty. Just under 60 percent of these poorly paid workers work for large firms and 62 percent work on Department of Defense contracts. These workers represent 11 percent of the total 1.4 million Federal contract workers in the United States.

(2) As of September 2000, 14,356 workers employed by the Federal Government earned less than the poverty level for a family of four.

(3) A majority of workers earning less than a living wage are adult females working full-time. A disproportionate number of workers earning less than a living wage are minorities.

(4) The Federal Government provides billions of dollars to businesses each year, through spending programs, grants and Government-favored financing.

(5) In fiscal year 1999, the Federal Government awarded contracts worth over \$208 billion.

(6) Congress must ensure that Federal dollars are used responsibly to improve the economic security and well-being of Americans across the country.

**SEC. 3. POVERTY-LEVEL WAGE.**

(a) GENERAL RULE.—Notwithstanding any other law that does not specifically exempt

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itself from this Act and except as provided in subsection (b), the Federal Government and any employer under a Federal contract for an amount exceeding \$10,000 (or a subcontract under such a contract) shall pay to each of their respective workers—

(1) an hourly wage (or salary equivalent) sufficient for a worker to earn, while working 40 hours a week on a full-time basis, the amount of the Federal poverty level for a family of four (as published in the Federal Register by the Department of Health and Human Services under the authority of section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)); and

(2) an additional amount, determined by the Secretary based on the locality in which a worker resides, sufficient to cover the costs to such worker to obtain any fringe benefits not provided by the worker's employer.

(b) EXEMPTIONS.—Subsection (a) does not apply to the following:

(1) A small-business concern (as that term is used in section 3 of the Small Business Act (15 U.S.C. 632)).

(2) A nonprofit organization exempt from Federal income tax under section 501(c) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)), if the ratio of the total wages of the chief executive officer of such organization to the wages of the full-time equivalent of the lowest paid worker is not greater than 25 to 1.

(c) RETALIATION PROHIBITED.—It shall be unlawful for any employer subject to subsection (a) to terminate or suspend the employment of a worker on the basis of such worker's allegation of a violation of subsection (a).

(d) CONTRACT REQUIREMENT.—Any contract subject to subsection (a) shall contain a provision requiring the Federal contractor to ensure that any worker hired under such contract (or a subcontract thereof) shall be paid in accordance with subsection (a).

**SEC. 4. ENFORCEMENT BY SECRETARY.**

(a) IN GENERAL.—If the Secretary determines (in a written finding setting forth a detailed explanation of such determination), after notice and an opportunity for a hearing on the record, that a Federal contractor (or any subcontractor thereof) subject to section 3 has engaged in a pattern or practice of violations of section 3, the following shall apply to such Federal contractor:

(1) CONTRACT CANCELLATION.—After final adjudication of a pattern or practice of violations, the United States may cancel any contract (or the remainder thereof) with the Federal contractor that is a part of the pattern or practice of violations.

(2) RESTITUTION.—A Federal contractor whose contract is cancelled under paragraph (1) shall be liable to the United States in an amount equal to the costs to the Government in obtaining a replacement contractor to cover the remainder of any contract cancelled under paragraph (1).

(3) CONTRACT INELIGIBILITY.—After final adjudication of a pattern or practice of violations, the Federal contractor shall be ineligible to enter into, extend, or renew a contract with the United States for a period of five years after the date of such adjudication.

(4) PUBLICATION.—Not later than 90 days after final adjudication of a pattern or practice of violations, the Secretary shall publish in the Federal Register a notice describing the ineligibility of the Federal contractor under paragraph (3).

(b) SAFE HARBOR.—Subsection (a) shall not apply if—