HOUSE OF REPRESENTATIVES—*Tuesday, September 17, 1991*

The House met at 9 a.m.

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

Gracious God, as the times change and we hope for a more secure world, we remember all those who yet are in danger or know any peril of conflict. We specially remember the hostages of many nations who do not experience the freedoms that we celebrate each day. O loving God, we pray that the hearts of the captors will be moved so that those separated from their families and friends will be released and enmity and suspicions will be put aside. May Your peace, O God, that passes all understanding, be with each person with any need so we will all live in harmony and respect, one with another. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from North Carolina [Mr. TAYLOR] please come forward and lead the House in the Pledge of Allegiance?

Mr. TAYLOR of North Carolina led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3291. An act 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, 1992, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S.J. Res. 170. Joint resolution designating September 20, 1991, as "National POW/MIA Recognition Day," and authorizing the display of the National League of Families POW/MIA flag on flagstaffs at certain Federal facilities.

APPOINTMENT AS MEMBERS OF U.S. GROUP OF NORTH ATLANTIC ASSEMBLY

The SPEAKER. Pursuant to the provisions of 22 U.S.C. 1928a, the Chair appoints as members of the U.S. group of the North Atlantic Assembly the following Members on the part of the House: Mr. FASCELL of Florida, Chairman; and Mr. ROSE of North Carolina, Vice Chairman.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will receive 1-minute requests from 10 Members on each side.

PASSIVE LOSS CORRECTIONS

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

Mr. LUKEN. Mr. Speaker, we have only a few weeks left in this session of Congress and we still have not addressed some of the most crucial issues facing this Nation.

One vital issue we must address is the failure of our financial institutions and the cost of taxpayer bailouts. We must alleviate as many of the causes of failure as we can.

I sit on the Banking Committee and I know how difficult it is for banks to stay afloat in the midst of decreasing property values and massive foreclosures. The members of the committee have worked tirelessly to draft reforms to our current system to help reduce bank failures and protect depositors. This has been a monumental task.

Another step Congress can take in alleviating the causes of bank failure is embodied in H.R. 1414, the passive loss legislation introduced by Congressmen ANDREWS and THOMAS. Under the provisions of this bill real estate professionals would be treated the same in the Tax Code as professionals in other businesses. Currently this law, which did not originate in the House, encourages owners to turn property over to lenders at the first sign of loss. Last year, banks wrote off 7.6 billion dollars' worth of property loans—with another $45 billion now classified as problem loans.

Mr. Speaker, we have been asked time and again to provide billions of dollars to the Resolution Trust Corporation so that they can continue to resolve the failed thrifts. The most recent request is for $80 billion. The RTC has told us time and again that much of its portfolio consists of real estate property. I sincerely believe that we must do all we can to keep these properties off the rolls of the Federal Government.

Mr. Speaker I urge my colleagues to support this bill and I hope that we have the opportunity to vote on it in the full House before we adjourn for the winter recess.

H.R. 3040 WILL COST JOBS; HURT SMALL BUSINESS

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

Mr. IRELAND. Mr. Speaker, we all know what road is paved with good intentions. And while I am sure that it is well-intended, H.R. 3040—which would permanently extend unemployment insurance benefits to the tune of $7 billion over 5 years—is nothing more than asphalt for that road.

Proponents claim that these added billions don't count in the budget. But we all know that money cannot be spun out of thin air.

Eventually, it will show up—in the form of increased payroll taxes on small businesses. The increased payroll costs will translate into fewer jobs—jobs that would do much more for our Nation's unemployed than a few more weeks of Government handouts.

Mr Speaker, I say to my colleagues that H.R. 3040 will only make worse the very problem it claims to be fixing. It's bad for small business, bad for workers, bad for our Nation's unemployed, and bad for America. I urge you to vote against H.R. 3040.

Remember, it is easy to say that you are for small business. But it is how you vote that really counts.

NO BIG DEAL?

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, last summer, we sent a bill to the President asking him to extend unemployment benefits, and he decided at that time that it was no emergency, that the recession was, in the Secretary of the Treasury's words, "no big deal."

Mr. Speaker, to those who say it is no big deal I say, "Come out of your air-conditioned offices, and watch the long lines gather for jobs that are available for American workers." To those who say we have to save our

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emergencies for the Kurds and the Turks, I say, "It's time to start taking care of our home, right here in America today." And to my 118 colleagues on the other side of the aisle who joined with us last summer I say, "Stick with us today. It's even more of an emergency now than it was then. It's a big deal all right. Don't turn your backs on hard working Americans who need help. Support this legislation, support these Americans who want nothing more than the chance to work."

WATCH FIDEL

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

Mr. GOSS. Mr. Speaker, reports are saying that Cuban Dictator Fidel Castro is feeling—and I quote—"dismayed" by Mikhail Gorbachev's decision to pull Soviet troops out of Cuba.

Well, I am happy Mr. Castro is ready to join the ranks of the dismayed. You see, for 31 years now, freedom-loving Cuban people have been dismayed by the loss of liberty they have endured from their government.

As I speak here today, there are probably Cuban citizens risking their lives to regain their freedom, possibly floating on makeshift rafts in the perilous waters of the Florida straits to flee Fidel Castro.

Last week's announcement by Mr. Gorbachev should be good news, but it leaves new questions. Will Mr. Castro tighten his grip on the Cuban people, brutally driving his society back to previous centuries and eventually driving even more of his people to Florida's coasts? What will he do with his shabbily built nuclear reactor that lies 90 miles from south Florida? And what will Castro's next foreign affairs move be—closer ties with the Chinese hardliners in the name of military hardware?

Yes, there is reason to be encouraged by last week's announcement, but many questions remain about Fidel Castro. Now is the time for Fidel watchers to watch carefully.

□ 910

OPPOSITION TO UNEMPLOYMENT COMPENSATION LEGISLATION

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

Mr. BARRETT. Mr. Speaker, I rise in strong opposition to H.R. 3040. As one of only 45 Members of the House who voted against a similar bill, H.R. 3201, I also urge my colleagues to oppose this bill.

In the early and mid-1980's, Nebraska's economy was racked by the farm crisis and a major outmigration of our population to other States, because people saw no opportunity, and thought there weren't any jobs.

As a member of the Nebraska legislature at the time, I helped guide a controversial proposal, drafted by the Republican Governor, which called for major changes in Nebraska's tax policy, that would attract businesses and retain existing businesses.

Today, Nebraska has the lowest unemployment rate in the country at 2.3 percent, and is the biggest job producing State in the Nation—creating 35,000 jobs in the past year.

Today, Nebraska has a labor shortage, not high unemployment. I have no doubt this is due in some part to the passage of a pro-growth tax policy.

We have an opportunity to take the first step toward a pro-growth tax policy. Voting against H.R. 3040 tells Americans that we will work on a job creation bill, and not on the dogma of an unemployment preservation bill.

OUR PUBLIC TRUST CAN BE REBUILT TODAY

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, I rise to support the restoration of common sense in this country, the extension of unemployment benefits in the midst of a recession. Frankly, it is hard to believe that such a simply step would require two acts of Congress and the potential override of a Presidential veto. No wonder Americans have grown cynical about politics.

Mr. Speaker, today we can rebuild public confidence and a just society by doing what is right by putting government on the side of working Americans.

In Connecticut we are stuck in a 2-year-long recession with no end in sight; 123,000 people are unemployed, which does not include the 40,000 whose benefits have lapsed since January. These working Americans must be puzzled. They have worked for a living. Their employers made contributions to a trust fund for the kind of recession we now face.

Mr. Speaker, by what possible principle can President Bush now say no to this basic protection that most Americans just took for granted, and by what principle do people in need in Bangladesh, Kurdistan, and the Soviet Union assume a higher priority? This is a violation of the public trust, and Congress today should act to rebuild the bond between people and government.

UNEMPLOYMENT INSURANCE REFORM ACT OF 1991

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

Mr. SMITH of Florida. Mr. Speaker, during the Bush administration's first 3 years, American economic growth hit its lowest point since we began measuring the GNP back in the Truman administration. There is a loss of about $350 per person in income since January 1989 when the President was sworn in. And where has the President been?

The President had the opportunity to show his support for the extension of unemployment benefits last month. He chose instead, to refuse to declare American unemployment an emergency thereby denying millions of Americans the benefits they and their families so badly need.

Last month the unemployment rate in my home State of Florida soared to a 9-year high of 8.1 percent. With the fall of Pan Am, and Eastern Airlines, the shutdown of the Diplomat Hotel, and electronic firms closing down, it does not look as though conditions are going to better for south Floridians anytime soon.

Mr. Speaker, America's workers and their families need help. The President needs to park Air Force One, put away his golf clubs, and sign the Unemployment Insurance Reform Act we are about to pass. The 9 million Americans looking for work thanks to the Republican recession need this bill to become law and they cannot wait another month for Congress to send it to the President again.

RTC URGED TO ACCEPT FARMER MAC'S OFFER TO BUY LOANS

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

Mr. BEREUTER. Mr. Speaker, as a member of the Banking Committee, this Member is concerned that the Resolution Trust Corporation may be missing an opportunity to get the biggest return on some of its acquired assets.

In the process of closing down failed savings and loan institutions, the RTC has acquired portfolios of agricultural loans.

The Federal Agriculture Mortgage Corporation, known as Farmer Mac, approached the RTC and offered to buy the farm loans at almost 100 cents for every loan dollar. However, the RTC has not been interested and is evidently selling these loans at a price substantially less than what Farmer Mac was willing to offer the agency.

It is a shame a financial shame, that the RTC has not pursued Farmer Mac's proposal. The sales of acquired agricultural loans to Farmer Mac is potentially a win-win situation for both the RTC and Farmer Mac. By accepting Farmer Mac's bid, it seems that the RTC could recover nearly all of its

losses in acquiring the assets, and Farmer Mac will have purchased performing loans that would enhance its secondary market activities.

Absent specific operational problems with this kind of sale, this Member strongly urge the RTC to give serious and positive consideration to Farmer Mac's offer.

UNEMPLOYMENT COMPENSATION BILL NOT A GOVERNMENT HANDOUT

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

Mr. WISE. Mr. Speaker, someone on the other side just called this bill that is coming up today to extend unemployment benefits a government handout.

A government handout? That is insulting. These are benefits to go temporarily to working Americans who have been working, who are going to work again, and they need some assistance. That is the way we should look at it.

A government handout? What disrespect you have for working Americans. Our colleagues on the other side of the aisle would offer tax cuts as their alternative, tax cuts to the wealthy and capital gains. They say, "Give us more of the same that we have had for the last 12 years." They ignore the fact that studies have just come out this week that show that under George Bush these policies have created the lowest economic gains in our gross national product of any President in our recent memory. That is right, a whopping three-tenths of 1 percent.

We say, "Thanks a lot, guys, for all your help, but no, thank you, we don't want your tax cuts. What we want to do is assist working Americans who are temporarily out of work, who ask if you can help the Kurds, if you can help Bangladesh, and if you can consider aid to the Soviet Union, why can't you help them for 13 more weeks so they can pay the mortgage, keep the kids in school, write the tuition check, and make the car payments until they get work again."

They are saying to us, "We paid taxes for many years, our employers pay taxes. We don't want a handout. We just want some decent respect. We want 13 weeks of additional benefits so we can go back to work again."

Mr. Speaker, I ask the Members to pass this bill today.

A PROPOSED REVITALIZATION OF HOUSING AND REAL ESTATE INDUSTRIES

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

Mr. MACHTLEY. Mr. Speaker, as has been indicated, it is clearly obvious that there are segments of our economy that are very sluggish, and in fact, New England is in my opinion in a severe recession.

The housing and real estate markets are the vehicle to take us out of that recession, but unfortunately the housing and real estate markets have been designed today, with the Tax Reform Act of 1986, to be a repressed industry.

We need to change that. We need to look to the future. We need to build ourselves out of this recession. Real estate is being unfairly taxed. These properties are in my opinion, a strong factor in the enormous cost of our staggering S&L bailout program.

Mr. Speaker, there are 300 Members of Congress who have recognized this and who have in fact cosponsored H.R. 1414. I would respectfully urge the Committee on Ways and Means to give Congress a vote on this most important piece of legislation so that the real estate and housing industries can help build this country out of the current recession.

DOES AMERICA NEED A THIRD POLITICAL PARTY?

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

Mr. TRAFICANT. Mr. Speaker, the National Organization of Women and many American workers now believe that America needs a third major political party. In fact, there are now growing lists of Americans that call themselves Independents.

The reason is very simple. There is really not much difference between the Democrats and the Republicans. Take trade. Both parties are letting American workers get ripped off. Take foreign aid. Both parties are giving away the farm.

American workers are unemployed, and they are paying the bill.

And now we talk about unemployment? The President will declare a budget emergency for people overseas, but we as Members of Congress are going to have to pass a tax today to help the American worker. That is how bad it is, folks.

Mr. Speaker, I say, you had better take a good look at your future today because there are a lot of American people who call themselves Independents who may put Congress, both Republicans and Democrats, in unemployment lines in this country.

A PLEA FOR A MULTIPLE-USE GRAZING PROGRAM FOR THE WEST

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute.)

Mr. THOMAS of Wyoming. Mr. Speaker, I want to talk a little bit about employment, too, although from a little different aspect than my associates who have been up here this morning. I want to talk about ranchers in the West.

We had a vote a little while back, and most of you who are talking about employment voted to put our ranchers out of business. We need some jobs there. Some of us may have read this morning's paper. I went over it pretty well. We are talking about grazing fees.

This legislation is in the Senate right now, and it will be back over here soon. This House passed a proposition to raise grazing fees 400 percent in the West, which will put family ranchers out of business.

One of the reasons we talked about it here in the House was to avoid overgrazing. Let me say to the Members that there is no relationship between grazing fees and overgrazing. The fees are set by the Forest Service or the BLM, and grazing is also managed by the Forest Service and the BLM, and there is no relationship between the two. As a matter of fact, there are a great many animal unit months that are not used now.

What we need to do in the West where we have resources, where the Federal Government owns 50 percent of my State, is to have shared use, multiple use. That is what we are seeking to do. We are seeking to keep grazers on the land so that wildlife is better off, so that there is water developed, and so that we have winter pasture and summer pasture.

Mr. Speaker, I would urge the Members, when this comes back from the Senate, to take another look at the West with regard to jobs and with regard to unemployment. Let us take a reasonable look at unemployment, and let us take a reasonable look at grazing fees so that we can have multiple use in the West.

UNEMPLOYMENT BENEFITS NEEDED BY MIDDLE INCOME FAMILIES

(Ms. LONG asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LONG. Mr. Speaker, I rise in support of the unemployment benefits legislation and urge the President to agree, by signing the bill, that the needs of middle-income families are, indeed, important, and worth exempting the bill from the limitations of the budget agreement. This bill, for unemployed Americans, is certainly more important than other measures—requested by the President—which waive the budget agreement so that we can spend more on foreign aid. Before we address problems throughout the world, we must make sure that we give

the working middle income in this country fair consideration.

Our Nation now has the highest unemployment rate in 5 years. That means something to Americans. It means there is a significant problem that is economically squeezing an already pinched middle income. It means there is a problem that is affecting hundreds of thousands of workers and families. And, despite what happens to our economy in the future, assisting unemployed Americans and their families is a problem that needs attention today.

I urge support of the bill.

SUPPORT UNEMPLOYMENT INSURANCE REFORM ACT

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

Mr. MAZZOLI. Mr. Speaker, later today the House will take up the bill H.R. 3040, the Unemployment Insurance Reform Act. Under the terms of the bill, up to 20 weeks of additional unemployment benefits will be granted to the long-term unemployed. Those are people who have already exhausted their 26 weeks of unemployment benefits under current law.

Unemployed people in Kentucky could qualify under the bill for up to 13 additional weeks of unemployment benefits. I hope the bill passes. It is very important.

Mr. Speaker, I also hope the Rostenkowski amendment passes, in order to make the bill not a budget buster.

Mr. Speaker, there is one element in the bill which has not received much attention, which is very important. It deals with ex-service people and reservists coming off of active duty. Obviously this aimed at people involved in Desert Storm.

Mr. Speaker, this provision would require reservists to wait not 4 weeks, but only 1 week, before qualifying for unemployment benefits; they will have had to have been on active duty not 180 days, but only 90 days to qualify; and they would receive up to 26 weeks of benefits not the 13 weeks currently provided.

Mr. Speaker, we need to take care of our returning veterans and our returning reservists. This bill does it. Let us pass H.R. 3040.

THE URGENT NEED FOR A REALISTIC NATIONAL ENERGY POLICY

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

Mr. ARCHER. Mr. Speaker, U.S. producers of crude oil are increasingly spending their exploration dollars in foreign countries. Why? Because the United States continues to impose more and more costly regulations, continues to adopt counterproductive tax policy and continues to cut back on the number of areas open for exploration. That is why, for the first time in 5 years the cost of finding a barrel of oil in a foreign country is cheaper than finding a barrel of oil right here at home. It's this maze of taxes and restrictions we call our current energy policy that has handcuffed oil production and left us at the lowest level of oil production of the past 25 years.

Imported oil now accounts for over 50 percent of our domestic needs. If current trends continue, we will be importing 70 percent by the year 2000.

Since 1986 spending in the United States has grown by 8 percent while spending in foreign countries has increased by an astonishing 58 percent. It's no wonder American companies are forced to go overseas to find work. One Houston-based company now chalks up 70 percent of their business overseas and just 5 short years ago it was the other way around.

These figures demonstrate the compelling need to develop a comprehensive national energy policy. I believe we must, at a minimum, mitigate the negative effects of recent changes in the U.S. tax structure which have discouraged oil and gas investment. The U.S. petroleum industry has been one of the most heavily taxed U.S. industries throughout the 1980's, a period in which energy prices almost continuously fell. This heavy tax burden has placed domestic oil companies at a serious disadvantage in terms of competing with other industries for investment capital.

As we in the Congress continue to consider the President's national energy strategy, I urge my colleagues to consider the importance of encouraging exploration here in the United States. Let us keep the energy exploration business, jobs and dollars here at home and we will all reap the benefits.

PUT WORKERS FIRST

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

Mr. OLVER. Mr. Speaker, I rise today in support of H.R. 3040, the Unemployment Benefits Extension Act.

In western Massachusetts, the recession has been long and deep, and current unemployment figures indicate a long road to recovery.

Yet the President says that the recession is over. In August he refused to spend emergency money on unemployed workers, but had no problem declaring an emergency for Kurdish refugees.

Well, Mr. President, if your benefits have run out, your kids need clothes, the bank is ready to take your house, it is an emergency—and you shouldn't have to move to Kurdistan to get help.

Extended unemployment benefits are not a handout for the lazy. They are a bridge over these tough times for people who desperately want to get back to work.

When the President refused to fund this bill, he put the needs of American workers behind the needs of other countries. Today, we can change our priorities and put American workers first.

I urge my colleagues to support extension of unemployment benefits.

GIVE UNEMPLOYED A HELPING HAND

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

Mr. DURBIN. Mr. Speaker, why does President Bush refuse to give the unemployed a helping hand? Millions of Americans are now facing the prospect of turning to welfare while they look for another job. What is unfair about the situation is that we have billions of dollars in the unemployment trust fund, money collected for the express purpose of protecting the unemployed in a recession.

Last year President Bush said this recession would be short and shallow. Many of us crossed our fingers and hoped he was right. Now 2 million more Americans are out of work since the President made that statement. Today a total of 9 million Americans are looking for work, and more unemployed Americans have exhausted their unemployment benefits than at any time in this Nation's history in the last 40 years.

Show us a little kindness, and the gentle side of your nature, Mr. President. Support benefits for America's unemployed.

DISPENSING WITH CALL OF PRIVATE CALENDAR

Mr. MAZZOLI. Mr. Speaker, I ask unanimous consent to dispense with the call of the Private Calendar.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

REGRET OVER GATHERING STORM BETWEEN ISRAEL AND UNITED STATES

(Mr. SCHEUER asked and was given permission to address the House for 1 minute.)

Mr. SCHEUER. Mr. Speaker, I rise to express my regret at the unfortunate train of events in the Middle East and

the gathering storm between Israel and the United States. It is unfortunate, it is unnecessary, and we ought to put it behind us.

The President certainly has the right to establish his priorities for his administration. Reasonable men and women may agree or disagree about his posture on the West Bank, but certainly he has the right to state it.

The member of the Israeli Knesset who expressed views about the President, implying anti-Semitism on his part, implying hostility toward Israel on his part, ought to be ashamed of himself. As a fellow parliamentary colleague of that gentleman, I wish to apologize for his statements, which were grossly in bad taste. They were not worthy of a parliamentarian in any democratic parliament.

Mr. Speaker, let me say I understand that the President feels strongly that the Israelis ought to change their behavior in regard to settlement of the West Bank, which he sees as an impediment to peace.

However, let me add that perhaps the President may want to think about having some jawboning with the Arab countries about aspects of their behavior that are impediments to peace.

□ 930

For example, the Arab economic boycott of Israel—this is an act of war. For example, the continuing state of war between all of the Arab States except Egypt with Israel—surely, they could move from a state of war to nonbelligerency as the Egyptians did under Sadat before the final peace. And how about the flow of venom and viciousness and hatred that emanates every day from the Arab press, radio and television. Certainly he could pressure them to cut this steady diet of hostility and misunderstanding that they feed to their people daily.

Such actions would be evidence on the part of the Arabs that they are willing to move and to give and to make compromises on the road to peace.

UNEMPLOYMENT INSURANCE REFORM ACT OF 1991

The SPEAKER pro tempore (Mr. McNULTY). Pursuant to House Resolution 221 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3040.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3040, to provide a program of Federal supplemental compensation, and for other purposes, with Mr. LEWIS of Georgia in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Monday, September 16, 1991, all time for general debate had expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the reported bill is considered as an original bill for the purpose of amendment and is considered as having been read.

The text of the Committee amendment in the nature of a substitute is as follows:

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Unemployment Insurance Reform Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

Subtitle A—Establishment of Program

Sec. 101. Federal-State agreements.
Sec. 102. Federal supplemental compensation account.
Sec. 103. Supplemental benefit periods.
Sec. 104. Payments to States having agreements for the payment of Federal supplemental compensation.
Sec. 105. Definitions; special rules.
Sec. 106. Fraud and overpayments.

Subtitle B—Repeal of Extended Program

Sec. 111. Repeal of extended unemployment compensation program.

TITLE II—MODIFICATIONS TO ELIGIBILITY PROVISIONS

Sec. 201. Limitation on disqualifications under State law.
Sec. 202. Payments of unemployment compensation to former members of the armed forces.
Sec. 203. Optional benefits for certain school employees.
Sec. 204. Treatment of certain determinations.
Sec. 205. Promotion of retraining of long-term unemployment compensation recipients.
Sec. 206. Treatment of certain youth service program participants.

TITLE III—DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE

Sec. 301. Demonstration program to provide job search assistance.
Sec. 302. Job search assistance program.
Sec. 303. Administrative provisions.

TITLE IV—FINANCING REFORMS

Sec. 401. Transfer of income taxes on unemployment benefits to Unemployment Trust Fund.
Sec. 402. Modifications to Federal unemployment accounts.
Sec. 403. Report on method of allocating administrative funds among States.
Sec. 404. Advisory Council on Unemployment Compensation.

TITLE V—BUDGET COMPLIANCE PROVISIONS

Sec. 501. Cost estimate.
Sec. 502. Treatment under pay-as-you-go procedures.
Sec. 503. Exemption of Federal supplemental compensation from sequestration.

TITLE I—FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

Subtitle A—Establishment of Program

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) GENERAL RULE.—Any State which desires to do so may enter into and participate in an agreement with the Secretary under this subtitle. Any State which is party to an agreement under this subtitle may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of Federal supplemental compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law,

(B) have no rights to compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and is not paid or entitled to be paid any additional compensation under any such State or Federal law), and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada,

(2) for any week of unemployment which begins in the individual's period of eligibility.

(c) EXHAUSTION OF BENEFITS.—For purposes of this subtitle, an individual shall be deemed to have exhausted his rights to regular compensation under a State law—

(1) when no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on employment or wages during his base period, or

(2) when his rights to such compensation have terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this subtitle—

(1) the amount of the Federal supplemental compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to him during his benefit year under the State law for a week of total unemployment, and

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for Federal supplemental compensation and the payment thereof; except where inconsistent with the provisions of this subtitle or with the regulations of the Secretary promulgated to carry out this subtitle.

SEC. 102. FEDERAL SUPPLEMENTAL COMPENSATION ACCOUNT.

(a) GENERAL RULE.—

(1) ESTABLISHMENT OF ACCOUNT.—Any agreement under this subtitle with a State shall provide that such State will establish, for each eligible individual who files an application for Federal supplemental compensation, a Federal supplemental compensation account with respect to such individual's benefit year.

(2) LIMITATION ON BENEFIT PAYMENTS.—The amount of Federal supplemental compensation payable to an eligible individual with respect to any benefit year shall not exceed the amount in such individual's account established under this section for such benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in any Federal supplemental compensation account shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to

the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation, or

(B) the applicable limit times his average weekly benefit amount for his benefit year.

(2) APPLICABLE LIMIT.—For purposes of this subsection—

In the case of weeks beginning during a:	*The applicable limit is:*
8-percent period	*20*
7-percent period	*15*
6-percent period	*10.*

(3) SPECIAL RULE.—In determining whether Federal supplemental compensation is payable to any individual for any week, the applicable limit in effect under paragraph (2) for such week shall be taken into account; except that an individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which Federal supplemental compensation was payable to the individual from the account involved.

(4) DETERMINATION OF PERIODS.—

(A) IN GENERAL.—For purposes of this subsection, the terms "8-percent period", "7-percent period", and "6-percent period" mean, with respect to any State, the period which—

(i) begins with the month after the 1st month for which the applicable trigger is on, and

(ii) ends with the month after the 1st month for which the applicable trigger is off.

(B) APPLICABLE TRIGGER.—In the case of any 8-percent period, 7-percent period, or 6-percent period, as the case may be—

(i) the applicable trigger is on for any month if the rate of total unemployment in the State (seasonally adjusted) for the most recent 3 months for which data are available (as of the close of such month) falls within the applicable range, and

(ii) the applicable trigger is off for any month if the requirements of clause (i) are not satisfied.

(C) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	*The applicable range is:*
8-percent period	*A rate equal to or exceeding 8 percent.*
7-percent period	*A rate equal to or exceeding 7 percent but less than 8 percent.*
6-percent period	*A rate equal to or exceeding 6 percent but less than 7 percent.*

(5) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) COORDINATION WITH TRADE ACT OF 1974.—

(1) Except as provided in paragraph (2), the maximum amount of Federal supplemental compensation payable to an individual shall not be reduced by reason of any trade readjustment allowance to which the individual was entitled under the Trade Act of 1974.

(2) If an individual received any trade readjustment allowance under the Trade Act of 1974 in respect of any benefit year, the maximum amount of Federal supplemental compensation payable under this subtitle in respect of such benefit year shall be reduced (but not below zero) by the aggregate amount of trade readjustment allowances payable in respect of such benefit year.

SEC. 103. SUPPLEMENTAL BENEFIT PERIODS.

(a) GENERAL RULE.—For purposes of this subtitle, in the case of any State, a supplemental benefit period—

(1) shall begin with the month after the 1st month for which there is a State "on" indicator, and

(2) shall end with the month after the 1st month for which there is a State "off" indicator.

(b) SPECIAL RULES.—

(1) MINIMUM PERIOD, ETC.—In the case of any State—

(A) no supplemental benefit period shall last for a period of less than 3 consecutive months, and

(B) no supplemental benefit period may begin before the 4th month after the close of a prior supplemental benefit period with respect to such State.

In the case of weeks beginning during any extension of a supplemental benefit period under subparagraph (A), 10 shall be treated as the applicable limit for purposes of section 102(b); except that, if such period began by reason of subsection (e), 5 shall be treated as the applicable limit for purposes of section 102(b).

(2) NOTIFICATION BY SECRETARY.—When a determination has been made that a supplemental benefit period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(3) TRANSITIONAL RULE.—No supplemental benefit period shall begin before the later of—

(A) the month following the month in which this Act is enacted, or

(B) the month following the month in which the agreement under this subtitle is entered into.

(c) ELIGIBILITY PERIOD.—For purposes of this subtitle, an individual's eligibility period shall consist of the weeks in his benefit year which begin in a supplemental benefit period and, if his benefit year ends within such supplemental benefit period, any weeks thereafter which begin in such supplemental benefit period. In no event shall an individual's period of eligibility include any weeks after the 26th week after the end of the benefit year for which he exhausted his rights to regular compensation.

(d) STATE "ON" AND "OFF" INDICATORS.—For purposes of this section—

(1) "ON" INDICATOR.—There is a State "on" indicator for a month if—

(A) for the period consisting of the most recent 3 months for which data are available as of the close of such month, the rate of total unemployment in such State (seasonally adjusted) equals or exceeds 6 percent, and

(B) the rate of total unemployment in such State (seasonally adjusted) for the 3-month period referred to in subparagraph (A) equals or exceeds 120 percent of the average of such rates for the corresponding 3-month periods ending in each of the preceding 2 calendar years.

(2) "OFF" INDICATOR.—There is a State "off" indicator for a month if either the requirements of subparagraph (A) or (B) of paragraph (1) are not satisfied.

(e) TEMPORARY NATIONAL TRIGGER.—

(1) IN GENERAL.—For purposes of determining eligibility for Federal supplemental compensation for weeks beginning before October 1, 1992—

(A) if the requirements of paragraph (2) are met for any month—

(i) a State "on" indicator shall be deemed to be in effect in all States for such month, and

(ii) a State "off" indicator shall not be treated as in effect in any State for such month, and

(B) in the case of weeks beginning during any supplemental benefit period which would not have been in effect but for subparagraph (A), 5 shall be treated as the applicable limit for purposes of section 102(b).

(2) NATIONAL TRIGGER.—The requirements of this paragraph are met for any month if the rate of total unemployment for all States (seasonally adjusted) for the period consisting of the most recent 3 months for which data are available as of the close of such month equals or exceeds 6 percent.

(f) TRANSITIONAL RULE.—In determining whether there is a State "on" or "off" indicator under this section (or whether there is an applicable trigger under section 102) for any month before the Secretary has established a system for making seasonal adjustments on a State-by-State basis, determinations under subparagraphs (A) and (B) of subsection (d)(1) of this section and under section 102(b)(4)(B) shall be made—

(1) as if such provisions did not include the phrase "(seasonally adjusted)", and

(2) by substituting "6" for "3" each place it appears.

SEC. 104. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF FEDERAL SUPPLEMENTAL COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this subtitle an amount equal to 100 percent of the Federal supplemental compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this subtitle or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this subtitle in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this subtitle shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this subtitle for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such method as may be agreed upon by the Secretary and the State agency of the State involved.

(d) CERTIFICATION.—The Secretary shall from time-to-time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subtitle. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the supplemental compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(e) AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are authorized to be appropriated from the general fund of the Treasury, without fiscal year limitation, to the supplemental compensation account such sums as may be necessary to make payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code, and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 105. DEFINITIONS; SPECIAL RULES.

(a) GENERAL RULE.—For purposes of this subtitle—

(1) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(2) COMPENSATION.—The term "compensation" means cash benefits payable to individuals with respect to their unemployment.

(3) REGULAR COMPENSATION.—The term "regular compensation" means compensation payable to an individual under any State unemployment compensation law (including compensation payable pursuant to chapter 85 of title 5, United States Code), other than additional compensation.

(4) ADDITIONAL COMPENSATION.—The term "additional compensation" means compensation payable to exhaustees by reason of conditions of high unemployment or by reason of other special factors.

(5) BENEFIT YEAR.—The term "benefit year" means the benefit year as defined in the applicable State law.

(6) BASE PERIOD.—The term "base period" means the base period as determined under applicable State law for the benefit year.

(7) STATE.—The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

(8) STATE AGENCY.—The term "State agency" means the agency of the State which administers its State law.

(9) STATE LAW.—The term "State law" means the unemployment compensation law of the State, approved by the Secretary under section 3304 of the Internal Revenue Code of 1986.

(10) WEEK.—The term "week" means a week as defined in the applicable State law.

(11) RATE OF TOTAL UNEMPLOYMENT.—

(A) IN GENERAL.—Determinations of the rate of total unemployment in any State for any period (and of any seasonal adjustment) shall be made by the Secretary.

(B) SPECIAL RULES FOR VIRGIN ISLANDS.—

(i) The rate of total unemployment in the Virgin Islands for any period shall be a rate which bears the same ratio to the rate of insured unemployment in the Virgin Islands for such period as—

(I) the rate of total unemployment in all States for such period, bears to

(II) the rate of insured unemployment in all States for such period.

(ii) The provisions of section 103(f) shall apply to the Virgin Islands for all periods whether or not the Secretary has established a system for making seasonal adjustments on a State-by-State basis.

(iii) Determination of the rate of insured unemployment shall be made as provided in the Federal-State Extended Unemployment Compensation Act of 1970 (as in effect before its repeal by subtitle B of this title).

(b) REACHBACK PROVISIONS.—If any individual exhausted his rights to regular compensation under the State law after December 31, 1990, and before the month following the month in which this Act is enacted (or, if later, the month following the month in which the agreement under this subtitle is entered into), such individual shall be entitled to supplemental compensation under this subtitle in the same manner as if his benefit year ended no earlier than the last day of the first week of such following month.

(c) COORDINATION WITH REPEALED EXTENDED PROGRAM.—If an individual received extended compensation under the Federal-State Extended Unemployment Compensation Act of 1970 (as in effect before its repeal by subtitle B of this title) in respect of any benefit year, the maximum amount of Federal supplemental compensation payable under this subtitle in respect of such benefit year shall be reduced (but not below zero) by the aggregate amount of extended compensation so received.

SEC. 106. FRAUD AND OVERPAYMENTS.

(a)(1) If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of Federal supplemental compensation under this subtitle to which he was not entitled, such individual—

(A) shall be ineligible for further Federal supplemental compensation under this subtitle in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation, and

(B) shall be subject to prosecution under section 1001 of title 18, United States Code.

(2)(A) In the case of individuals who have received amounts of Federal supplemental compensation under this subtitle to which they were not entitled, the State may require such individuals to repay the amounts of such Federal supplemental compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(i) the payment of such Federal supplemental compensation was without fault on the part of any such individual, and

(ii) such repayment would be contrary to equity and good conscience.

(B) The State agency may recover the amount to be repaid, or any part thereof, by deductions from any Federal supplemental compensation payable to such individual under this subtitle or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the Federal supplemental compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(C) No repayment may be required, and no deduction may be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(3) Any determination by a State agency under paragraph (1) or (2) shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

Subtitle B—Repeal of Extended Program

SEC. 111. REPEAL OF EXTENDED UNEMPLOYMENT COMPENSATION PROGRAM.

(a) GENERAL RULE.—

(1) The Federal-State Extended Unemployment Compensation Act of 1970 is hereby repealed.

(2) Subsection (a) of section 3304 of the Internal Revenue Code of 1986 is amended by striking paragraph (11) and by redesignating the following paragraphs accordingly.

(3) Subsection (c) of section 3304 of such Code is amended by striking "(including provisions relating to the Federal-State Extended Unemployment Compensation Act of 1970 (or any amendments thereto) as required under subsection (a)(11))".

(b) AMENDMENTS TO SOCIAL SECURITY ACT.—

(1) Section 905 of the Social Security Act is amended—

(A) by striking "extended unemployment compensation account" each place it appears and inserting "supplemental compensation account",

(B) by striking "EXTENDED UNEMPLOYMENT COMPENSATION Account" in the heading of such section and inserting "SUPPLEMENTAL COMPENSATION ACCOUNT",

(C) by striking "EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT" in the heading of subsection (d) and inserting "SUPPLEMENTAL COMPENSATION ACCOUNT",

(D) by striking "section 204(e) of the Federal-State Extended Unemployment Compensation Act of 1970" in subsection (c) and inserting "section 104(d) of the Unemployment Insurance Reform Act of 1991", and

(E) by striking "the Federal-State Extended Unemployment Compensation Act of 1970" in subsection (d) and inserting "subtitle A of title I of the Unemployment Insurance Reform Act of 1991".

(2) Sections 901(c)(3)(A), 901(f)(3), 902 (a) and (c), and 903(a) of such Act are each amended by striking "extended unemployment compensation account" each place it appears and inserting "supplemental compensation account".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to weeks of unemployment beginning after the month in which this Act is enacted.

TITLE II—MODIFICATIONS TO ELIGIBILITY PROVISIONS

SEC. 201. LIMITATION ON DISQUALIFICATIONS UNDER STATE LAW.

(a) GENERAL RULE.—Paragraph (10) of section 3304(a) of the Internal Revenue Code of 1986 (relating to requirements for approval of State laws) is amended by inserting "(A)" after "(10)", by striking "total", by inserting "and" after the semicolon, and by adding at the end thereof the following new subparagraph:

"(B) compensation shall not be denied to any individual by reason of the circumstances under which such individual separated from employment by any employer unless such separation was such individual's most recent separation from employment;".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsection (a) shall take effect on November 1, 1993.

(2) SPECIAL RULE.—In the case of any State the legislature of which has not been in session for at least 30 calendar days (whether or not successive) between the date of the enactment of this Act and November 1, 1993, the amendments made by subsection (a) shall take effect 30 calendar days after the 1st day on which such legislature is in session on or after November 1, 1993.

SEC. 202. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

SEC. 203. OPTIONAL BENEFITS FOR CERTAIN SCHOOL EMPLOYEES.

(a) IN GENERAL.—

(1) Subclause (I) of section 3304(a)(6)(A)(ii) of the Internal Revenue Code of 1986 is amended by striking "shall be denied" and inserting "may be denied".

(2) Subparagraph (A) of section 3304(a)(6) of such Code is amended by striking "and" at the end of clauses (iii) and (iv) and by inserting after clause (v) the following new clause:

"(vi) with respect to services described in clause (ii), clauses (iii) and (iv) shall be applied by substituting 'may be denied' for 'shall be denied', and".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply in the case of compensation paid for weeks beginning on or after the date of the enactment of this Act.

SEC. 204. TREATMENT OF CERTAIN DETERMINATIONS.

(a) IN GENERAL.—Subsection (a) of section 3304 of the Internal Revenue Code of 1986 (as amended by section 111) is amended—

(1) by striking "and" at the end of paragraph (16),

(2) by redesignating paragraph (17) as paragraph (18), and

(3) by inserting after paragraph (16) the following new paragraph:

"(17) no finding of fact or law, judgment, conclusion, or final order made with respect to a claim for unemployment compensation benefits pursuant to the State's unemployment compensation law may be conclusive or binding or used as evidence in any separate or subsequent action or proceeding in another forum, except proceedings under the State's unemployment compensation law, regardless of whether the prior action was between the same or related parties or involved the same facts; and".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsection (a) shall take effect on November 1, 1992.

(2) SPECIAL RULE.—In the case of any State the legislature of which has not been in session for at least 30 calendar days (whether or not successive) between the date of the enactment of this Act and November 1, 1992, the amendments made by subsection (a) shall take effect 30 calendar days after the 1st day on which such legislature is in session on or after November 1, 1992.

SEC. 205. PROMOTION OF RETRAINING OF LONG-TERM UNEMPLOYMENT COMPENSATION RECIPIENTS.

(a) GENERAL RULE.—Paragraph (8) of section 3304(a) of the Internal Revenue Code of 1986 (relating to requirements for approval of State laws) is amended to read as follows:

"(8)(A) compensation shall not be denied to any individual for any week because during such week such individual is participating (as defined in regulations issued by the Secretary of Labor) in training with the approval of the State agency (or because of the application, to any week during which such individual is so participating, of State law provisions relating to the availability for work, active search for work, or refusal to accept work), and

"(B) in the case of an individual who has received compensation under the State law for 10 weeks or more during the benefit year, the State agency shall approve any program of training involving—

"(i) classroom training,

"(ii) occupational skill training,

"(iii) basic or remedial education, or

"(iv) literacy or remedial English training,

unless such agency determines, from a preponderance of evidence, that such training would not provide a net social benefit;".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by subsection (a) shall take effect on November 1, 1992.

(2) SPECIAL RULE.—In the case of any State the legislature of which has not been in session for at least 30 calendar days (whether or not successive) between the date of the enactment of this Act and November 1, 1992, the amendment made by subsection (a) shall take effect 30 calendar days after the 1st day on which such legislature is in session on or after November 1, 1992.

SEC. 206. TREATMENT OF CERTAIN YOUTH SERVICE PROGRAM PARTICIPANTS.

(a) IN GENERAL.—Subparagraph (A) of section 3304(a)(6) of the Internal Revenue Code of 1986 (as amended by section 203) is amended by striking "and" at the end of clause (v) and by inserting after clause (vi) the following new clause:

"(vii) compensation may be denied to an individual on the basis of services for an organization described in section 501(c)(3) and exempt from tax under section 501(a) as a participant in a youth service program which is operated by such organization and which is designed to foster a commitment to community service and occupational and educational development and does not include any substantial commercial activities, if the remuneration under the program consists solely of—

"(I) amounts established by the program to approximate the transportation, meals, and other miscellaneous expenses incurred by the participant in performing services, or in attending educational classes, pursuant to the program, and

"(II) amounts received on completion of such individual's participation in such program as a cash award or as a scholarship, and".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply in the case of compensation paid for weeks beginning on or after the date of the enactment of this Act.

TITLE III—DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE

SEC. 301. DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE.

(a) GENERAL RULE.—The Secretary of Labor shall carry out a demonstration program under this title for purposes of determining the feasibility of implementing job search assistance programs. To carry out such demonstration program, the Secretary shall enter into agreements with 3 States which—

(1) apply to participate in such program, and

(2) demonstrate to the Secretary that they are capable of implementing the provisions of an agreement under this section.

(b) SELECTION OF STATES.—

(1) IN GENERAL.—In determining whether to enter into an agreement with a State under this section, the Secretary shall take into consideration at least—

(A) the size, geography, and occupational and industrial composition of the State,

(B) the adequacy of State resources to carry out a job search assistance program,

(C) the range and extent of specialized services to be provided by the State to individuals covered by the agreement, and

(D) the design of the evaluation to be applied by the State to the program.

(2) REPLICATION OF PRIOR DEMONSTRATION PROJECT.—At least 1 of the States selected by the Secretary under subsection (a) shall be a State which has operated a successful demonstration project with respect to job search assistance under a contract with the Department of Labor. The demonstration program under this title of any such State shall, at a minimum, replicate the project it operated under such contract in the same geographic areas.

(c) PROVISIONS OF AGREEMENT.—Any agreement entered into with a State under this section shall—

(1) provide that the State will implement a job search assistance program during the 1-year period specified in such agreement,

(2) provide that such implementation will begin not later than the date 1 year after the date of the enactment of this Act,

(3) contain such provisions as may be necessary to ensure an accurate evaluation of the effectiveness of a job search assistance program, including—

(A) random selection of eligible individuals for participation in the program and for inclusion in a control group, and

(B) collection of data on participants and members of a control group as of the close of the 1-year period and 2-year period after the operations of the program cease,

(4) provide that not more than 5 percent of the claimants for unemployment compensation under the State law shall be selected as participants in the job search assistance program, and

(5) contain such other provisions as the Secretary may require.

SEC. 302. JOB SEARCH ASSISTANCE PROGRAM.

(a) GENERAL RULE.—For purposes of this title, a job search assistance program shall provide that—

(1) eligible individuals who are selected to participate in the program shall be required to participate in a qualified intensive job search program after receiving compensation under such State law during any benefit year for at least 6 but not more than 10 weeks,

(2) every individual required to participate in a job search program under paragraph (1) shall be entitled to receive an intensive job search program voucher, and

(3) any individual who is required under paragraph (1) to participate in a qualified intensive job search program and who does not satisfactorily participate in such program shall be disqualified from receiving compensation under such State law for the period (of not more than 10 weeks) specified in the agreement under section 301.

(b) ELIGIBLE INDIVIDUAL.—For purposes of this title—

(1) IN GENERAL.—The term "eligible individual" means any individual receiving compensation under the State law during any benefit year if, during the 3-year period ending on the last day of the base period for such benefit year, such individual had at least 126 weeks of employment at wages of $30 or more a week with such individual's last employer in such base period (or, if data with respect to weeks of employment with such last employer are not available, an equivalent amount of employment computed under regulations prescribed by the Secretary).

(2) EXCEPTION.—Such term shall not include any individual if—

(A) such individual has a definite date for recall to his former employment,

(B) such individual seeks employment through a union hall or similar arrangement, or

(C) the State agency—

(i) waives the requirements of subsection (a)(1) for good cause shown by such individual, or

(ii) determines that such participation would not be appropriate for such individual.

(c) QUALIFIED INTENSIVE JOB SEARCH PROGRAM.—For purposes of this section, the term "qualified intensive job search program" means any intensive job search assistance program which—

(1) is approved by the State agency,

(2) is provided by an organization qualified to provide job search assistance programs under any other Federal law, and

(3) includes—

(A) all basic employment services, such as orientation, testing, a job-search workshop, and an individual assessment and counseling interview, and

(B) additional services, such as ongoing contact with the program staff, followup assistance, resource centers, and job search materials and equipment.

(d) INTENSIVE JOB SEARCH VOUCHER.—For purposes of this section, the term "intensive job search voucher" means any voucher which entitles the organization (including the State employment service) providing the qualified intensive job search assistance program to a payment from the State agency equal to the lesser of—

(1) the reasonable costs of providing such program, or

(2) the average weekly benefit amount in the State.

SEC. 303. ADMINISTRATIVE PROVISIONS.

(a) FINANCING PROVISIONS.—

(1) PAYMENTS TO STATES.—There shall be paid to each State which enters into an agreement

under section 301 an amount equal to the lesser of the reasonable costs of operating the job search assistance program pursuant to such agreement or the State's average weekly benefit amount for each individual selected to participate in the job search assistance program operated by such State pursuant to such agreement. Funds in the supplemental compensation account (as established by section 905 of the Social Security Act) shall be used for purposes of making such payments.

(2) PAYMENTS ON CALENDAR MONTH BASIS.—There shall be paid to each State either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this subsection for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such method as may be agreed upon by the Secretary and the State agency.

(3) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subsection. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, by transfers from the supplemental compensation (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(4) SPECIAL RULE.—Notwithstanding any other provision of law, amounts in the account of a State in the Unemployment Trust Fund may be used for purposes of making payments pursuant to intensive job search vouchers provided pursuant to an agreement under this title.

(b) REPORTS TO CONGRESS.—

(1) INTERIM REPORTS.—The Secretary shall submit 2 interim reports to the Congress on the effectiveness of the demonstration program carried out under this title. The 1st such report shall be submitted before the date 2 years after operations under the demonstration program commenced and the 2d such report shall be submitted before the date 4 years after such commencement.

(2) FINAL REPORT.—Not later than the date 5 years after the commencement referred to in paragraph (1), the Secretary shall submit a final report to the Congress on the demonstration program carried out under this title. Such report shall include estimates of program impact, such as—

(A) changes in duration of unemployment, earnings, and hours worked of participants,

(B) changes in unemployment compensation outlays,

(C) changes in unemployment taxes,

(D) net effect on the Unemployment Trust Fund,

(E) net effect on Federal unified budget deficit, and

(F) net social benefits or costs of the program.

(c) DEFINITIONS.—For purposes of this title, the terms "compensation", "benefit year", "Secretary", "State", "State agency", "State law", "base period", and "week" have the respective meanings given such terms by section 105.

TITLE IV—FINANCING REFORMS

SEC. 401. TRANSFER OF INCOME TAXES ON UNEMPLOYMENT BENEFITS TO UNEMPLOYMENT TRUST FUND.

(a) GENERAL RULE.—Paragraph (1) of section 901(b) of the Social Security Act is amended by striking "an amount equal to" and all that follows through the period at the end thereof and inserting the following: "an amount equal to—

"(A) 100 percent of the tax (including interest, penalties, and additions to the tax) received during the fiscal year under the Federal Unemployment Tax Act (26 U.S.C. 3301 et seq.) and covered into the Treasury, plus

"(B) the aggregate increase in tax liabilities under chapter 1 of the Internal Revenue Code of 1986 which is attributable to the application of section 85 of such Code (relating to taxation of unemployment compensation)."

(b) TRANSFERS BASED ON ESTIMATES OF BENEFIT PAYMENTS.—The 2d sentence of section 901(b)(2) of such Act is amended by inserting before the period at the end thereof the following: "(or, in the amounts referred to in paragraph (1)(B), of the amount of unemployment compensation paid during the month)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fiscal years beginning after September 30, 1991.

SEC. 402. MODIFICATIONS TO FEDERAL UNEMPLOYMENT ACCOUNTS.

(a) TREATMENT OF STATES MAINTAINING ADEQUATE BALANCES.—Section 904 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Increase in Quarterly Credits for States With Adequate Balances

"(h)(1) If a State's high-cost multiple exceeds 0.5 for any calendar quarter, the Secretary of the Treasury shall transfer (as of the close of the succeeding calendar quarter) from the general fund of the Treasury to the account of such State in the Unemployment Trust Fund an amount equal to the applicable percentage of the portion of the earnings of the Fund which are credited under subsection (e) to such account as of the close of such succeeding calendar quarter.

"(2) For purposes of paragraph (1)—

"If the State's high-cost multiple:	***The applicable percentage is:***
Exceeds 0.5 but does not exceed 1.0	*5 percent*
Exceeds 1.0 but does not exceed 1.5	*10 percent*
Exceeds 1.5	*15 percent.*

"(3)(A) For purposes of this subsection, the high-cost multiple of any State for any calendar quarter is the amount obtained by dividing the fraction set forth in subparagraph (B) by the fraction set forth in subparagraph (C). Such multiple shall be determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury before the close of the calendar quarter following the quarter for which the multiple is being determined.

"(B) For purposes of subparagraph (A), the fraction set forth in this subparagraph with respect to any State for any calendar quarter is a fraction—

"(i) the numerator of which is the account balance of the State as of the close of the quarter determined after any reduction provided in subsection (e) and by taking into account any transfer under this subsection as of the close of such quarter, and

"(ii) the denominator of which is the total amount of wages (determined without regard to any limitation on amount) subject to contributions under the State unemployment compensation law for the most recent 4 calendar quarters for which data are available.

"(C) For purposes of subparagraph (A), the fraction set forth in this subparagraph with respect to any State for any calendar quarter is the following fraction determined for the preceding calendar year for which such fraction is the highest for the State: A fraction—

"(i) the numerator of which is the total amount of compensation paid under the State law during the calendar year, and

"(ii) the denominator of which is the total amount of wages (determined with regard to any limitation on amount) subject to contributions under the State unemployment compensation law for the calendar year."

(b) TRANSFERS TO FEDERAL UNEMPLOYMENT ACCOUNT.—

(1) IN GENERAL.—Section 902 of the Social Security Act is amended—

(A) by redesignating subsections (a) through (c) as subsections (b) through (d), respectively, and

(B) by inserting after the section designation the following new subsection:

"(a)(1) Except as provided in paragraph (2), the Secretary of the Treasury shall transfer (as of the close of October 1992 and each month thereafter), from the employment security administration account to the Federal unemployment account, an amount determined by the Secretary to be equal to 10 percent of the amount by which—

"(A) transfers to the employment security administration account pursuant to section 901(b)(2) during such month, exceed

"(B) payments during such month from the employment security administration account pursuant to subsections (b)(3) and (d) of section 901.

If for any such month the payments referred to in subparagraph (B) exceed the transfers referred to in subparagraph (A), proper adjustments shall be made in the amounts subsequently transferred.

"(2) The Secretary of the Treasury shall make no transfer pursuant to paragraph (1) as of the close of any month if the Secretary determines that the amount in the Federal unemployment account is equal to (or in excess of) the limitation provided in subsection (b).".

(2) REDUCTION OF CEILING.—Paragraph (2) of section 902(b) of such Act, as redesignated by paragraph (1) of this subsection, is amended by striking "five-eighths of 1 percent" and inserting "0.375 percent".

(3) CONFORMING AMENDMENTS.—

(A) Subparagraph (A) of section 901(f)(2) of such Act is amended by striking "902(b)" and inserting "902(c)".

(B) Subsection (c) of section 902 of such Act, as redesignated by paragraph (1) of this subsection, is amended by striking "subsection (a)" and inserting "subsection (b)".

(C) Subsection (d) of section 902 of such Act, as redesignated by paragraph (1) of this subsection, is amended by striking "section 902(a)" and inserting "subsection (b) of this section".

(D) Paragraph (1) of section 903(a) of such Act is amended by striking "902(a)" and inserting "902(b)".

(E) Section 1203 of such Act is amended by striking "902(a)" and inserting "902(b)".

(c) INCREASE IN CEILING ON SUPPLEMENTAL COMPENSATION ACCOUNT.—Subparagraph (B) of section 905(b)(2) of such Act is amended by striking "three-eighths of 1 percent" and inserting "0.625 percent".

(d) BORROWING BETWEEN FEDERAL ACCOUNTS.—Title IX of such Act is amended by adding at the end the following new section:

"BORROWING BETWEEN FEDERAL ACCOUNTS

"SEC. 910. (a) IN GENERAL.—Whenever the Secretary of the Treasury (after consultation with the Secretary of Labor) determines that—

"(1) the amount in the employment security administration account, Federal unemployment account, or supplemental compensation account, is insufficient to meet the anticipated payments from the account during the next 3 months,

"(2) such insufficiency may cause such account to borrow from the general fund of the Treasury, and

"(3) the amount in any other such account exceeds the amount necessary to meet the antici-

pated payments from such other account during the next 3 months,

the Secretary shall transfer to the account referred to in paragraph (1) from the account referred to in paragraph (3) an amount equal to the insufficiency determined under paragraph (1) (or, if less, the excess determined under paragraph (3)).

"(b) TREATMENT OF ADVANCE.—Any amount transferred under subsection (a)—

"(1) shall be treated as a noninterest-bearing repayable advance, and

"(2) shall not be considered in computing the amount in any account for purposes of the application of sections 901(f)(2), 902(c), and 905(b).

"(c) REPAYMENT.—Whenever the Secretary of the Treasury (after consultation with the Secretary of Labor) determines that the amount in the account to which an advance is made under subsection (a) exceeds the amount necessary to meet the anticipated payments from the account during the next 3 months, the Secretary shall transfer from the account to the account from which the advance was made an amount equal to the amount so advanced.".

(e) REPEAL OF EXPIRED PROVISIONS.—

(1) Paragraph (2) of section 901(f) of such Act is amended—

(A) by striking "(A) Except as provided in subparagraph (B), the" and inserting "The", and

(B) by striking subparagraph (B).

(2) Section 901 of such Act is amended by striking subsection (g).

(3) Subsection (g) of section 904 is amended by striking all of such subsection that follows the 1st sentence.

(4) Paragraph (1) of section 905(b) of such Act is amended by striking ", in the case of any month before April 1972, to one-fifth, and in the case of any month after March 1972, to one-tenth," and inserting "to 10 percent".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to fiscal years beginning after September 30, 1992.

SEC. 403. REPORT ON METHOD OF ALLOCATING ADMINISTRATIVE FUNDS AMONG STATES.

(a) IN GENERAL.—The Secretary of Labor shall submit to the Congress, within the 12-month period beginning on the date of the enactment of this Act, a comprehensive report setting forth a proposal for revising the method of allocating grants among the States under section 302 of the Social Security Act.

(b) SPECIFIC REQUIREMENTS.—The report required by subsection (a) shall include an analysis of—

(1) the use of unemployment insurance workload levels as the primary factor in allocating grants among the States under section 302 of the Social Security Act,

(2) ways to ensure that each State receive not less than a minimum grant amount for each fiscal year,

(3) the use of nationally available objective data to determine the unemployment compensation administrative costs of each State, with consideration of legitimate cost differences among the States,

(4) ways to simplify the method of allocating such grants among the States,

(5) ways to eliminate the disincentives to productivity and inefficiency which exist in the current method of allocating such grants among the States,

(6) ways to promote innovation and cost-effective practices in the method of allocating such grants among the States, and

(7) the effect of the proposal set forth in such report on the grant amounts allocated to each State.

(c) CONGRESSIONAL REVIEW PERIOD.—The Secretary of Labor may not revise the method in effect on the date of the enactment of this Act for allocating grants among the States under section 302 of the Social Security Act, until after the expiration of the 12-month period beginning on the date on which the report required by subsection (a) is submitted to the Congress.

SEC. 404. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than December 31 of 1991 (and of every 5th year thereafter), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the countercyclical effectiveness, benefit adequacy, solvency, and administrative efficiency of the program.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 17 members as follows:

"(A) The Secretary of Labor, who shall be the chairperson.

"(B) 8 members appointed by the President.

"(C) 8 members appointed by the Congress.

"(2) QUALIFICATIONS.—Of the members appointed under subparagraph (B) or (C)—

"(A) ¼ shall be Members of the Congress,

"(B) ¼ shall be representative of the interests of business,

"(C) ¼ shall be representative of the interests of labor, and

"(D) ¼ shall be representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each Council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor may provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at rates fixed by the Secretary of Labor (but not exceeding $100) for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, may be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—Not later than October 1 of the year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(g) TERMINATION.—Each Council shall cease to exist after the date on which the Council submits its report under subsection (f)."

TITLE V—BUDGET COMPLIANCE PROVISIONS

SEC. 501. COST ESTIMATE.

The applicable cost estimate of this Act for all purposes of sections 252 and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be as follows:

For fiscal year	*Increase in Outlays:*	*Increase in Receipts:*
1991	*$1,620,000,000*	*$0*
1992	*$3,975,000,000*	*$0*
1993	*$412,000,000*	*$20,000,000*
1994	*$140,000,000*	*$20,000,000*
1995	*$140,000,000*	*$20,000,000.*

SEC. 502. TREATMENT UNDER PAY-AS-YOU-GO PROCEDURES.

Notwithstanding section 501—

(1) the provisions of (and amendments made by) this Act shall be treated as provisions designated as emergency requirements by the President and the Congress under section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, and

(2) any amount of new budget authority, outlays, or receipts resulting from the provisions of (and amendments made by) this Act shall not be considered for any purpose under the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 503. EXEMPTION OF FEDERAL SUPPLEMENTAL COMPENSATION FROM SEQUESTRATION.

Payments under title I of this Act (relating to Federal supplemental compensation program) shall be exempt from any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal year 1992 or any succeeding fiscal year.

The CHAIRMAN. No amendment to said substitute shall be in order except those amendments printed in House Report 102–201. Said amendments shall be considered in the order and manner specified in said report, shall be considered as read, and shall not be subject to amendment. Debate time specified for each amendment shall be equally divided and controlled by the proponent of the amendment and a member opposed thereto.

It shall be in order to consider en bloc the amendments numbered 1 printed in House Report 102–201. Said amendments shall not be subject to a demand for a division of the question.

It is now in order to consider amendment No. 1 printed in House Report 102–201.

AMENDMENTS EN BLOC OFFERED BY MR. ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. ROSTENKOWSKI:

Page 24, strike lines 6 through 24.

Page 25, line 1, strike "SEC. 204." and insert SEC. 203.".

Page 26, line 7, strike "SEC. 205." and insert "SEC. 204.".

Page 27, line 20, strike "SEC. 206." and insert "SEC. 205".

Page 27, strike line 22 and all that follows through line 3 on page 28 and insert the following:

(a) IN GENERAL.—Subparagraph (A) of section 3304(a)(6) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of clauses (iii) and (iv) and by inserting after clause (v) the following new clause:

"(vi) compensation may be denied to an

Page 50, strike the table following line 6 and insert the following:

For fiscal year:	Increase in outlays:	Increase in receipts:
1992	$5,515,000,000	$0
1993	$392,000,000	$0
1994	$120,000,000	$0
1995	$120,000,000	$0

Page 2, strike the item relating to section 203 in the table of contents and redesignate the items relating to sections 204, 205, and 206 as relating to sections 203, 204, and 205, respectively.

The CHAIRMAN. Pursuant to the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 5 minutes and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

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

Mr. Chairman, the Ways and Means Committee amendment would delete section 203 of the reported bill, which would provide States the option to cover nonprofessional school employees under their unemployment compensation programs. This provision would have allowed cafeteria workers, crossing guards, custodians, and other nonprofessional school employees to receive unemployment benefits when they could not find another job between terms or academic years. These benefits would have been financed by employer reimbursements of $20 million per year to the Federal unemployment trust fund.

Mr. Chairman, the committee strongly supported this provision, but the additional Federal receipts it would generate could allow the Senate to interpret H.R. 3040 as a revenue bill. This unfortunate characterization could lead to many mischievous revenue amendments in the other body, which would sidetrack this important bill from its main objective, providing essential benefits to unemployed workers.

The Committee on Ways and Means recommended deleting this provision with great reluctance. Despite this reluctance, I urge my colleagues to support this amendment.

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

The CHAIRMAN. Is any Member opposed to the amendments en bloc?

Mr. ROSTENKOWSKI. Mr. Chairman, I yield back the balance of my time and ask for the adoption of the amendments en bloc.

The CHAIRMAN. The question is on the amendments en bloc offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The amendments en bloc were agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in the House Report 102–201.

It is now in order to consider amendment no. 3 printed in House Report 102–201.

AMENDMENT OFFERED BY MR. ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ROSTENKOWSKI:

Strike title V of the bill and insert the following (and conform the table of contents accordingly):

TITLE V—BUDGET COMPLIANCE PROVISIONS

Subtitle A—Congressional Designation of Emergency

SEC. 501. CONGRESSIONAL DESIGNATION OF EMERGENCY.

Pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates the provisions of (and amendments made by) this Act as emergency requirements.

Subtitle B—Effect of Failure of President to Designate Emergency

SEC. 511. CERTAIN PROVISIONS APPLICABLE ONLY IF PRESIDENT FAILS TO DESIGNATE EMERGENCY.

The provisions of (and amendments made by) sections 512, 513, and 514(a) shall take effect only if the President does not, on the date of the enactment of this Act, designate the provisions of (and amendments made by) this Act as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 512. MODIFICATIONS TO FEDERAL UNEMPLOYMENT TAX.

(a) GENERAL RULE.—Section 3301 of the Internal Revenue Code of 1986 (relating to rate of Federal unemployment tax) is amended to read as follows:

"SEC. 3301. RATE OF TAX.

(a) GENERAL RULE.—There is hereby imposed on every employer (as defined in section 3306)) for each calendar year an excise tax, with respect to having individuals in his employ, equal to the sum of—

"(1) 5.4 percent of the total wages (as defined in section 3306(b)) paid by him during the calendar year with respect to employment (as defined in section 3306(c)), and

"(2) 0.2 percent of the total Federal taxable wages paid by him during the calendar year with respect to employment (as so defined).

"(b) FEDERAL TAXABLE WAGES.—For purposes of subsection (a), the term 'Federal taxable wages' means wages as defined in section 3306(b), except that the contribution and benefit base determined under section 230 of the Social Security Act for the calendar year shall be substituted for '$7,000' each place it appears in paragraph (1) of section 3306(b).

"(c) PHASE-IN.—Paragraph (2) of subsection (a) shall be applied with respect to Federal taxable wages paid in a calendar year before 1996 by substituting the applicable percentage determined under the following table for '0.2 percent':

"In the case of Federal taxable wages paid in calendar year:	The applicable percentage is:
1993	0.4 percent
1994	0.4 percent
1995	0.23 percent."

(b) CONFORMING AMENDMENTS.—

(1) MODIFICATION TO CREDIT PROVISIONS.—

(A) Paragraph (1) of section 3302(c) of such Code is amended to read as follows:

"(1) No credit shall be allowed under this section against the tax imposed by section 3301(a)(2), and the total credits allowed to a taxpayer under this section shall not exceed 100 percent of the tax against which such credits are allowable."

(B) Subparagraph (A) of section 3302(c)(2) of such Code is amended—

(i) by striking "5 percent of the tax imposed by section 3301 with respect to the wages" in clause (i) and inserting "0.3 percent of the wages", and

(ii) by striking "an additional 5 percent, for each succeeding taxable year, of the tax imposed by section 3301 with respect to the wages" in clause (ii) and by inserting "an additional 0.3 percent, for each succeeding taxable year, of the wages".

(C) Paragraph (3) of section 3302(c) of such Code is amended by striking "7½ percent of the tax imposed by section 3301 with respect to the wages" and inserting "0.45 percent of the wages".

(D) Subsection (d) of section 3302 of such Code is amended by striking paragraph (1) and by redesignating the following paragraphs accordingly.

(2) INSTALLMENT PAYMENT PROVISIONS.—Subsection (b) of section 6157 of such Code is amended to read as follows:

"(b) COMPUTATION OF TAX.—The tax for any calendar quarter or other period referred to in paragraph (1) or (2) of subsection (a) shall be determined without regard to paragraph (1) of section 3301(a)."

(c) EFFECTIVE DATE.—Subject to section 511, the amendments made by this section shall apply to remuneration paid after December 31, 1992.

SEC. 513. COST ESTIMATE.

The applicable cost estimate of this Act for all purposes of sections 252 and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be as follows:

For fiscal year:	Increase in outlays:	Increase in receipts:
1992	$5,515,000,000	$0
1993	$392,000,000	$2,004,000,000
1994	$120,000,000	$3,249,000,000
1995	$120,000,000	$874,000,000

SEC. 514. TREATMENT UNDER PAY-AS-YOU-GO PROCEDURES.

(a) FINDINGS.—The Congress finds that—

(1) over fiscal years 1992 through 1996, the total increase in receipts resulting from the provisions of this Act exceeds the total increase in outlays resulting from the provisions,

(2) in fiscal year 1992, increased outlays exceed increased receipts because of the current recessionary economic conditions in the United States, and

(3) due to such economic conditions, the provisions of this Act are of a type which would constitute emergency requirements within the meaning of section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) BUDGETARY TREATMENT.—Notwithstanding section 513, any amount of new budget authority, outlays, or receipts resulting from the provisions of (and amendments made by) this Act shall not be considered for any purpose under the Balanced Budget and Emergency Deficit Control Act of 1985.

Subtitle C—Additional Provisions

SEC. 521. EXEMPTION OF FEDERAL SUPPLEMENTAL COMPENSATION FROM SEQUESTRATION.

Payments under title I of this Act (relating to Federal supplemental compensation program) shall be exempt from any order issued under part C of the Balanced Budget

and Emergency Deficit Control Act of 1985 for fiscal year 1992 or any succeeding fiscal year.

The CHAIRMAN. Pursuant to the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI], will be recognized for 15 minutes and a Member opposed will be recognized for 15 minutes.

Is the gentleman from Texas [Mr. ARCHER] opposed to the amendment?

Mr. ARCHER. I am, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas [Mr. ARCHER] will be recognized for 15 minutes.

The chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

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

Mr. Chairman, I rise in support of my amendment to H.R. 3040 that would comply with the pay-as-you-go requirements enacted in last year's budget agreement, and pay for the 5-year cost of the bill.

My amendment would give the President the full range of options that were contemplated in last year's budget summit agreement.

If the President signs the bill, the pay-as-you-go requirements could be satisfied by raising sufficient additional Federal unemployment taxes. Alternatively, the President could declare an emergency and pay for the bill with the $8 billion reserves in the unemployment trust fund. The President is given the choice, and can choose the option he deems most fiscally responsible.

If the President chooses additional unemployment taxes, the Federal unemployment tax rate would gradually drop from its current 0.8 percent to 0.2 percent in 1996 and thereafter. At the same time, the taxable wage base would rise from the current $7,000 to the same level as the Social Security wage base, projected to be $58,800 in 1993. No additional State unemployment taxes would result because the Federal unemployment wage base would be decoupled from State tax bases. Over the 5-year projection period, this amendment would raise about $6.5 billion, enough to fully cover the cost of the bill.

If, on the other hand, the President declares an emergency, the additional taxes would not take effect. The Federal unemployment tax rate would stay at 0.8 percent and the wage base would remain at $7,000. The cost of the bill would be covered by $8 billion previously paid into the unemployment trust fund for extended benefits.

Mr. Chairman, the House must make some tough decisions here today. But this will not be the last tough vote we are asked to cast. The vote we are about to cast will set a precedent for future votes on equally compelling issues. Clearly, we all want to help unemployed workers. Not so clear is our commitment to last year's budget summit agreement. In my opinion, we should stick to the pay-as-you-go principle and give the President the option to do the same. In either case, we will have complied with the budget summit agreement and the pay-as-you-go principles, and can provide much needed unemployment benefits to millions of American workers and their families.

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

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

Mr. Chairman, I rise in opposition to the amendment.

Although I commend Chairman ROSTENKOWSKI for what—on the surface—is an attempt to make this bill comply with last year's budget agreement, I cannot support his amendment.

I say "on the surface" because while the amendment is deficit neutral over 5 years, it increases the deficit by $5½ billion in 1992.

I respect his personal commitment to fiscal responsibility, though his amendment falls short of meeting his own goal of compliance with the budget agreement.

But my opposition is not based on that timing discrepancy. It's far more basic.

We do not need a tax increase—and particularly we don't need a tax increase to pay for something that—in my opinion—is not necessary.

During yesterday's debate on the underlying bill, a number of our colleagues offered a host of reasons why the creation of a new permanent extended benefits program is unnecessary at this time.

Those who have looked at the history of unemployment—and particularly at congressional response to changes in unemployment—realize that we have never in the past considered a 6.8 percent rate to constitute an emergency.

In fact, today's 6.8 percent unemployment rate is three-tenths of a percent lower than the level of unemployment during 2 years of the Carter Presidency.

That's when Democrats controlled both the House and Senate—and the White House. Why did the majority fail to declare an emergency then.

If they are now calling 6.8 percent an emergency, what word do they use to describe the 9 or 10 percent levels of unemployment that historically prevail when Congress votes for additional benefits?

There's another historic aspect to the chairman's amendment—the perhaps unprecedented delegation of authority for the President to choose between a $6.4 billion tax increase or declare an emergency and spend an equal amount of money without paying for the benefits.

That raises some interesting prospects for future tax bills—and perhaps a convenient way out of our scorekeeping dispute over capital gains rate reductions and other dicey issues.

Adoption of this amendment would be an admission on the part of the majority that you can't make up your minds whether to pay for your spending excesses or not.

The notion of throwing that decision into the lap of the President is an incredible abdication of congressional prerogatives.

Yes, I do respect Chairman ROSTENKOWSKI's motivations in offering his amendment.

I do not, however, feel compelled at all to join him in an effort to abdicate our congressional responsibilities and propose a massive tax increase on a struggling economy to fund an untimely expansion of Federal spending.

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

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Chairman, I appreciate the chairman yielding me this 1 minute. I rise in support of his amendment.

I think the gentleman from Illinois has been a leader in this Congress in the lonely battle of trying to bring some fiscal responsibility to our deliberations, taking very strong and courageous stands as the gentleman is taking today.

It does seem to me very clear that if we too quickly abrogate the 1990 budget agreement, and if we too quickly declare emergencies and in effect skirt the caps and limits which we imposed upon ourselves by that 1990 act, then we of course are not exercising fiscal discipline, we are not exercising the fiscal discipline that we must if we ever are going to extricate ourselves from these terrible budget deficits. I am not happy we have reached this particular position in the sense that no one wants to talk about increased payroll taxes of any sort.

But in any event, this is the only way we can measure up to the task given us by the 1990 act, and I rise in support of the gentleman's amendment.

Mr. ARCHER. Mr. Chairman, I reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Chairman, once again we see the Republicans adopting a strategy from contemporary culture. This time it is the "Saturday Night Live" personality, Roseanne Roseannadanna, made famous with the idea that it was always something that was wrong with your proposal. Members recall yesterday the Republicans said that the declaration of the emergency violated the budget act, even though the chairman of the committee disagreed with that. Then they went on to say that if the violation of the budget act was not bad enough, then it was the

fact that we were going to spend $6.2 billion and increase the deficit which would cost jobs and hurt the economy. Also untrue, but also another reason to be opposed to it.

Now today the chairman of the committee, trying to live within the strict requirements of the budget act, comes up with a plan that will give the President additional discretion and follow the exact letter of the budget act by providing for a base broadening payroll tax increase that will finance the cost of this unemployment bill, not hurt the economy, provide $6 billion in stimulus and make sure that the trust fund in the future years will be solvent so that in the event that this recovery does not last a long time, and we are plunged back into a recession, that we will have the money to pay extended unemployment benefits. This is the responsible position to take. It will lower the tax on small business, not increase it, and in my opinion it is richly to be supported so that the President will be given additional options. He can declare emergencies, he can trigger taxes, or if he chooses he can veto the bill, but it is clearly in our interest to make sure that the trust fund is put in a position in future years so that we have the money to pay benefits.

Please support the Rostenkowski amendment to keep this fund viable.

Mr. ARCHER. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, this amendment is truly the spend and tax amendment, because the Democrats have now come up with a new spending plan that they want to have the country adopt and force upon the President. Now they are talking about raising the revenues necessary in order to take care of their spending.

I suppose that they can regard that as the responsible thing to do. But the fact is that when you raise taxes you charge a price to the economy, and taxes are not revenue sources. They are a price to the economy. They are a price taken out of the economy.

Just an interesting little figure that I came across the other day, and that is that if you take $1 and you double that $1 over a period of 20 years, doubling it each year, you end up at the end of that 20 years with $1 million. However, if you add a 35-percent tax rate to that period of time, you end up with a total of $24,000 at the end of 20 years. In other words, the 20-year total of cost to the economy in that kind of a scenario is over $975,000.

I would suggest that that is the price that we do not want to exact, particularly out of small business employers. And that is the other interesting thing about this particular amendment. This amendment goes to the people who the Democrats regard as rich.

Consistently, they tell us that when we talk about lowering capital gains tax rates you cannot do that because the benefits go to the rich. The reality is that the benefits in capital gains tax reductions go to small business entrepreneurs across the country. In this particular instance, what they are doing is not only holding up capital gains taxes, which they refuse to lower because they think that somehow that is economic madness, but in this particular case what they are now saying is not only should we retain an unacceptable capital gains rate, but we ought to raise the taxes on small business even further.

So this particular amendment would say to small business employers there is a cost to you, folks, there is a big price you ought to pay, and that is to bail out the economy.

And why is the economy in this shape? Because the Democrats last year decided that they wanted to destroy economic growth, and so they insisted as part of the budget process on tax increases. They got their victims, and now they are trying to figure out a way to tax them.

All this amendment does is figures out additional taxes to put on small business to pay for the victims of last year's budget deal.

I would suggest that this is not a responsible course of action. It may be regarded as responsible if you think that we should raise spending in this manner. It is not responsible though in terms of the economy. The economy will pay another tremendous price for having raised taxes, and that tremendous price will be a deeper recession instead of coming out of recession, more people will lose their jobs because the tax burden will be even greater.

I would suggest what this House ought to be considering today is ways of creating jobs, not ways of creating more spending and more taxes in order to fund people who have been victimized by Democratic spending in the past.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Chairman, I rise in support of the amendment of my colleague and chairman, the gentleman from Illinois [Mr. ROSTENKOWSKI], and commend him for offering it.

I have been a longtime supporter of extended benefits for unemployment compensation. It was 9 years ago that I first introduced legislation to, on a permanent basis, create extended benefits.

This proposal before us today is a very modest one compared with what ought to be done and a temporary one, but it is, nonetheless, very much worthy of support considering the hundreds of thousands of Americans who, through no fault of their own, are unemployed and remain unemployed. But good as this bill is, there are budget concerns with the bill as it comes before us on the floor today.

It does not pay for itself and, therefore, would add to the deficit if President Bush signs the bill. The amendment offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] takes care of that problem and makes this bill conform to the budget agreement of last October and, therefore, I heartily support it.

This bill, if the amendment is approved, will serve unemployed Americans two ways. One, it will extend their benefits which they need, but, second, it will do so without increasing the deficit and thereby putting an additional drag on the economy.

Americans who are unemployed need benefits now, but they need employment in the future, and we should not be increasing the deficit and thereby putting a drag on the economy, making it difficult to create and extend jobs in the future.

The gentleman from Illinois [Mr. ROSTENKOWSKI], as usual, is showing a very responsible posture in supporting this amendment. I urge the other Members to support it as well.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Chairman, I rise to call attention to the amendment, but also to talk about the bill itself.

First, George Bush said this bill is not needed because the recession is over. Many claim it will bust the budget because too many people would need the help.

Then the President signs an earlier bill, but kills the money by saying American joblessness is not an emergency. This is the same President who said the Kurds were an emergency, who said the savings and loans were an emergency. There was for them enough money in the budget.

Well, I am asking Mr. Bush to answer this question tomorrow when he visits my State of Oregon for a $1,000-a-plate dinner: If the Kurds are an emergency and the S&L's are an emergency, why are not 40,000 Oregonians an emergency?

That is how many Oregonians have exhausted their unemployment benefits, 5,000 of them since mid-July. In Lane County, the heart of timber country, 100 people a week are running out of help. In Jackson County, 70 people a week are getting their last unemployment check.

Mr. Chairman, it is time that the people became one of this administration's leading economic indicators.

Let us put this bill back on George Bush's desk.

Mr. ARCHER. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. GINGRICH], the minority whip.

Mr. GINGRICH. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, let me just say that I think this amendment draws very starkly the difference between the party of unemployment and the party of employment.

To propose a tax increase in the middle of a recession and a tax increase which is essentially a tax on labor, a tax on work, and a tax on jobs, I think, is the most destructive possible policy, to suggest that what we ought to do is raise taxes and vote for more taxes and taxes on work. Remember, the unemployment tax is specifically a tax on labor. This is not anything indirect. This is not anything fancy and complicated. This is a question: Do you want to charge more for poeple to have the right to work?

Unfortunately our friends in the Democratic leadership seem absolutely committed to raising taxes during a recession when this is precisely the time you ought to be cutting taxes. I do not know of any economic philosophy, neither Keynesian philosophy, nor supply-side philosophy, not Milton Friedman, and I do not think even the most left-wing economist in America would argue seriously that in the middle of a recession you ought to significantly be involved in raising taxes, and yet this amendment includes a tax increase.

There is one particular analysis which was prepared for the gentleman from Texas [Mr. ARMEY], the ranking Republican on the Joint Economic Committee, which came out just this month which suggests that there is a substantial job loss involved in raising the unemployment tax.

The estimate, for example, and our colleague from Oregon just got up a minute ago and was telling us about his concerns for Oregon, and yet this study suggests there will be a significant number of jobs lost in the State of Oregon. In fact, it suggests there will be 170 fewer jobs per congressional district in Oregon with this tax increase.

We went to the Committee on Rules and we tried to get an Economic Growth Act made in order to be added to this bill which would have cut taxes and increased jobs by about 1 million. I would have said to my friend from Oregon that we want people to have a job. We think having a job is better than getting an unemployment check. We think you should bring some legislation to the floor that creates jobs.

Just to take another couple of examples, California would lost 13,000 jobs, according to this estimate under this tax increase, and that is 307 jobs per congressional district. My home State of Georgia would lose 2,340 jobs, and that is 234 jobs per congressional district under this. Missouri, to take another example, would lose 1,826 jobs. That is 203 jobs per congressional district.

I do not see why any Member of the House would vote to raise taxes in the middle of a recession to kill jobs, and I would hope that this House would decide, instead, to insist that we bring an Economic Growth Act to the floor and to insist that we become a place that is concerned about employment, not unemployment.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. GEPHARDT], the majority leader.

Mr. GEPHARDT. Mr. Chairman, first, let me commend the chairman of the committee, the gentleman from Illinois [Mr. ROSTENKOWSKI], and the chairman of the subcommittee, the gentleman from New York [Mr. DOWNEY], for the tremendous hard work that they and the members of the committee have done to bring this bill to the floor now for the second time to try to get the President to agree with an overwhelming majority in the Congress that we should be extending benefits for people who are unemployed, people who have paid into this insurance program over the entire lifetime of their employment so that they can continue to look for work, they can go to school to try to become retrained, they can become again active in the economy of the United States.

The administration, the President, some Members of the Congress do not want this bill debated. They do not want it to come up.

When I hear Members on the other side say that by this amendment we want to tax people, there are some important facts that are left out. This tax does not start if the amendment passes, and I hope it will, until 1993. There is plenty of money in the trust fund to pay these benefits.

But why do we bring up this amendment? We bring it up because we believe there is another indication in economics. It is called fiscal responsibility.

My friend from Pennsylvania talked in disparaging terms about the budget agreement of last year that his President, our President, asked the Congress to engage in, and we did. We came up with a program of spending reductions and, yes, tax increases, unfortunately too heavily on the middle class, but it was the best we could do, because we wanted fiscal responsibility.

Part of making this economy work is stopping the Federal Government from borrowing all the available capital.

□ 1000

Also part of making this economy work is allowing people to get the benefit of their hard labor in the past terms of contributions they have made to the unemployment fund. This is not welfare. This is not a handout. This is the payment of insurance, just as you pay into an insurance fund if your house burns down or you wreck your car or you get sick, you get the benefit of those previous payments. That is what this is about.

The chairman by this amendment is simply trying to say that if the extension is given and if the payments are made and if there is a problem with the fund in 1993, we will change the tax to make it more progressive and to replenish those funds, as we have always done in the past.

I will end with this. Forget all the statistics. Forget all the arguments and just keep in your minds the woman that I am sure you have met that I met here a couple weeks ago who had worked as a cleanup person in a hotel for 30 years, a black woman who had worked for 30 years as a cleanup person, had never been out of work and has been out of work because her hotel closed last year. She looked me in the eye and said:

> Mr. Congressman, I paid these taxes to this fund and now I would like to have the benefit of these extended benefits until I can find a job and I can continue supporting my four kids.

That is what this is about. Make no mistake about it, it is that flesh and blood American out in front of us who has paid these taxes and earned these benefits and now we must pass this bill and ask George Bush to join us, either as an emergency or putting the tax in place in 1993 to help that woman and those like her to get back to work.

Mr. Chairman, let me commend Chairman ROSTENKOWSKI and Chairman DOWNEY for the great job they have done on this legislation, for the administration, and its allies in Congress, did not want this bill debated at all.

This legislation reminds Americans that a decade of policies favoring the rich is behind us, another Republican recession is upon us, and years of no growth or slow growth may be ahead of us.

It reminds us that 8.5 million Americans have lost their jobs.

It reminds us that working Americans are paying more in taxes, receiving fewer Government benefits, and experiencing stagnant or dropping incomes.

Now is time to invest in our workers because prosperity in the homes of middle-income families is now understood to be the foundation of national prosperity and national economic strength.

For starters, this means paying unemployment benefits to the jobless workers who have earned them.

While President Bush wants to keep this money in Washington, we believe the money in the trust fund belongs to the unemployed people who paid for these benefits.

He wants to kill the checks, we want to mail the money to the people to whom it is owed.

The amendment before us puts this legislation on a pay-as-you-go footing by actually reducing the tax rate on employers, while broadening the tax base.

This amendment gives President Bush the option of either paying for the cost of the bill or declaring an economic emergency—a tactic he has used to fund disaster programs overseas. I believe the pay-as-you-go amendment represents good policy, and I intend to support it.

But make no mistake.

However Members choose to finance the bill, a recession and high unemployment constitute as grave an emergency in Missouri and Michigan and Florida as the calamities to which America has responded abroad.

Fewer people are working today than on Inauguration Day in 1989. On that day, President Bush promised to use his power to help people.

Today, we can give him the power he needs to help the American people weather the recession he and his economic policies helped create. In the days ahead, we can turn our attention to the progrowth policies we must adopt to catch our allies in the international economic competition.

I urge support of the amendment and the legislation before us.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Chairman, I rise in support of this amendment and again commend the chairman and the subcommittee chairmen for their action. This is the right thing to do.

If, in fact, there is a temporary emergency and it is necessary to increase benefits, the President has the means under this bill to do so. If, in fact, it is not temporary and there is a necessity to permanently increase benefits, we have an obligation to find a means of paying for it.

Today I must express my desire to extend unemployment benefits to American workers in a fiscally responsible manner. I voted affirmatively for the extension of unemployment benefits on August 2nd because that measure represented a temporary response to the effects of the recession. In accordance with the Budget Enforcement Act, this temporary extension of benefits would have been declared emergency spending if both Congress and the President agreed to such a declaration. However, on August 17, the President declared that emergency spending was not needed.

If the unemployment benefits insurance system must be permanently changed, as this bill attempts, then we must comply with the pay-as-you-go provisions of last fall's budget agreement by cutting entitlement outlays or raising revenues. Unemployment benefits are essentially insurance benefits that protect individuals against sudden changes in employment status. I know of no insurance company which will permanently increase the benefit without increasing the premium.

Chairman Rostenkowski's amendment to H.R. 3040, the Unemployment Insurance Reform Act, is the most appropriate way to comply with the pay-as-you-go rule. The current unemployment tax is particularly burdensome on small business since it imposes a tax only on the first $7,000 of each employee's wages. The amendment is more progressive because it reduces the tax rate to .2 percent for the first $58,000 of employees' wages. This spreads the burden more evenly. The Chairman's amendment complies with the pay-as-you-go rule for entitlement programs. Without Chairman Rostenkowski's amendment or a declaration of emergency spending from the President, I cannot support the Unemployment Insurance Reform Act.

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

Mr. Chairman, it is interesting to listen to this debate. My colleague, the gentleman from New York, the chairman of the subcommittee, said that the chairman's amendment today strictly adheres to the budget agreement. I must point out that that is not accurate.

In my preliminary comments, I noted that it would create over a $5 billion deficit in the first year in 1992. That does not live up to the terms of the budget agreement. It would normally under the budget agreement require sequestration in the year 1992. So we should get the facts out before the people.

There is a seductive appeal to the majority's legislation, no question about it. There is a seductive appeal to spend money in many categories. That was understood when we went through the trauma of the budget negotiations last year, and there was a specific provision put into the budget agreement to resist those seductive appeals, and here we are already trashing the budget agreement, even in the first year of the chairman's amendment, trashing the budget agreement, and the American people should understand that; and yet we are doing it in a way to take what is currently an insurance benefit, to expand it for people who paid a lower premium and to put a higher premium on future generations to pay for it to make it revenue neutral in the 5-year period. That higher premium, a payroll tax, one of the most regressive taxes in this country and certainly a job deterrent which will cost jobs to Americans in the future is a part of this amendment; so we should see it for what it is, yes, an effort at greater responsibility than is in H.R. 3040, but nevertheless one which does not meet the strict requirements of the Budget Act and the budget agreement of last year.

Mr. ARMEY. Mr. Chairman, will the gentleman yield for a moment?

Mr. ARCHER. I am happy to yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, let me just say very quickly, I had the Republican Staff Joint Economic Committee do a study of what would be the employment impact of this tax. I can tell you that should this tax be enacted, it would result in over 100,000 jobs being destroyed, remembering that this is a tax on the job, not on the employee. That 100,000 jobs destroyed would result in over 200 jobs lost in every congressional district in America.

Now, the fact of the matter is there is not a Member of Congress if told that a firm would shut down or lay off 200 employees would not be upset, concerned and go to bat for those 200 employees who would be losing their jobs in their districts.

Now, in this case we are talking about enacting a tax that would get the same results.

Now, furthermore, if in fact you increase unemployment by over 100,000 people, most likely most of these unemployed people in the higher paying jobs, since that is where the tax has the greatest impact, that of course is going to be that much more of an increased demand for unemployment compensation.

Now, I see in section 501 of the bill the committee has dictated to the scorekeepers what will be the cost of implementing these extended benefits should the law be enacted. I wonder if the committee in making that calculation including what would be the additional cost of unemployment compensation benefits and extended benefits as well of the additional over 100,000 people who would be put out of work by the tax itself.

Now, some people say, well, that is hypothetical. We said the same thing last year when we speculated about what would be the real impact on the lives of real working men and women of the luxury taxes, and we said that if you tax something, increase the price of something, the cost of it, people will buy less of it. It is a fundamental irrefutable law of economics, and sure enough, we saw this. So with the imposition of the luxury tax, we have documented highly trackable data that shows the job loss, thousands of jobs, in those affected areas; so I would say this is not hypothetical. The job loss will follow and it is my guess if in fact the scorekeeping practices employed here by the committee are at all like what we have seen around here, there has been no calculation; so the upshot of this is that we will take in less tax revenues than what was anticipated by this tax. Our unemployment benefits costs will go up more than anticipated, and the size of the deficit will be even greater.

□ 1010

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I rise in support of this amendment, not be-

cause it is popular or easy, but because it is fundamentally right. This amendment marks the difference between those who will always curse the darkness, always find any excuse to do anything to address this Nation's problems and those who are trying to deliver benefits to those in need.

This is right for three reasons. The first, Mr. Chairman, is that it takes the President at his word. He said this is not an emergency, but he said at the same time that he would accept a responsible approach that pays for these benefits. This amendment provides a responsible approach for paying for these benefits. It challenges the President to tell the American people whether or not he truly supports unemployment compensation for the long-term unemployed.

Second, Mr. Chairman, the amendment provides the ability to pay for the permanent changes it makes in the law. What we are doing here today is making permanent changes in the law, not just temporary changes, and, if we are going to make permanent changes in benefits, then we ought to provide a permanent way to pay for it. This amendment does that.

Last, it is right because it follows the fundamental budget discipline of paying for new spending.

Mr. Chairman, it drives me crazy that there are those who now embrace the budget amendment and yet run from it every time they are asked to have the courage to, in fact, pay for the benefits that we are providing. I wonder, I wonder, if there will ever be, ever be, a program they will think is worth paying for. Transportation; Members run from a gas tax. Health care reform; they will run. Unemployment; they are running. And even in the minority party's proposal for a $27 billion tax cut over 5 years, there is not one thing in it about how or even whether it is to be paid for.

Mr. Chairman, this amendment is a fundamental test of our credibility, whether we want to make just a political statement or whether we want to deliver the benefits to those in need.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. ARCHER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 263]

Abercrombie
Ackerman
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dixon
Donnelly
Dooley
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (TN)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jones (GA)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
LaRocco
Laughlin
Leach
Lehman (CA)
Lent
Levin (MI)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Porter
Poshard
Price
Pursell
Quillen
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Schaefer
Scheuer
Schiff
Schroeder
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

□ 1035

The CHAIRMAN. Three hundred ninety-three Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Texas (Mr. ARCHER) for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. Members will have 5 minutes on this vote.

The vote was taken by electronic device, and there were—ayes 65, noes 341, answered "present" 1, not voting 25, as follows:

[Roll No. 264]

AYES—65

Abercrombie
Aspin
Beilenson
Bennett
Borski
Carper
Cooper
Coyne
Dixon
Downey
Early
Edwards (CA)
Fazio
Foglietta
Gephardt
Gibbons
Gonzalez
Goodling
Green
Guarini
Hamilton
Hoagland
Jefferson
Jontz
Kanjorski
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
Lewis (GA)
Lipinski
Martinez
Matsui
Mazzoli
McCloskey
McDermott
McGrath
McHugh
Mrazek
Olin
Orton
Panetta
Pease
Pelosi
Penny
Petri
Pickett
Rostenkowski
Roth
Roybal
Sabo
Sanders
Scheuer
Serrano
Solarz
Swift
Traxler
Unsoeld
Vento
Visclosky
Washington
Waxman
Weiss
Wheat

NOES—341

Ackerman
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)

Annunzio
Anthony
Applegate
Archer
Armey
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Costello
Coughlin
Cox (CA)
Cox (IL)
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Donnelly
Dooley
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Durbin
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Hayes (IL)
Hayes (LA)
Hefley
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Hubbard
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Hyde
Inhofe
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Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jones (GA)
Kaptur
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McMillan (NC)
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Miller (CA)
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Moody
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Morella
Morrison
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Neal (MA)
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Nichols
Nowak
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Payne (NJ)
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Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roukema
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Santorum
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Slaughter (NY)
Smith (FL)
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Stenholm
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Stump
Sundquist
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Synar
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Taylor (MS)
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Vander Jagt
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Walker
Walsh
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Whitten
Williams
Wilson
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Wolf
Wolpe
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Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED "PRESENT"—1

Dingell

NOT VOTING—25

Alexander
Berman
Doolittle
Dymally
Ford (MI)
Herger
Holloway
Hopkins
Hunter
Johnston
Jones (NC)
Lantos
Lehman (FL)
Levine (CA)
Lewis (CA)
Lloyd
Marlenee
Owens (NY)
Pickle
Rahall
Rowland
Saxton
Slaughter (VA)
Thomas (CA)
Yatron

□ 1048

Messrs. MINETA, SAVAGE, CONYERS, DELLUMS, POSHARD, BILBRAY, and ROE changed their vote from "aye" to "no."

Mr. OLIN and Mr. McCLOSKEY changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FORD of Michigan. Mr. Speaker, I was unavoidably detained on rollcall vote No. 264.

Had I been present, I would have voted aye.

Mr. ANDERSON. Mr. Chairman, I rise in support of H.R. 3040.

Our country faces its highest unemployment rate in the last 5 years. Over 8.5 million Americans, unemployed through no fault of their own, are unable to find a job. During this emergency, our unemployment insurance program has failed to provide a safety net for the American worker. A record 350,000 Americans exhausted their benefits in July, and only 5 percent of these people were eligible for extended benefits. Mr. Speaker, it is time for Congress to pass this much needed legislation to help working Americans get back on their feet again.

The Congress passed legislation on August 2 declaring the unemployment situation as an emergency. This legislation would have extended benefits for up to 20 weeks, and for a minimum of 5 weeks if the national unemployment rate was at least 6 percent. Although President Bush signed the bill, he did not declare the situation to be an emergency, thus voiding the bill's contents. While foreign lands, such as Kurdistan, Bangladesh, and Kuwait, have received emergency funds this year, the American worker has been ignored.

The President will not declare this domestic problem as an emergency because of reports that the economy is recovering. While the economy has shown signs of increased growth, this recovery has been a slow one. Furthermore, most economists agree that employment levels will not significantly improve for at least 6 months. For example, California's unemployment rate has climbed to just over 8 percent. Passing this legislation would aid these workers and their families with 20 additional weeks of unemployment benefits.

Extending these benefits will ensure that the American worker has the security to be a part of our economic recovery. For this reason, I rise in strong support of H.R. 3040 and hope that the President will recognize this domestic emergency.

Mr. SERRANO. Mr. Chairman, I rise in strong support of the bill, H.R. 3040, to help the thousands of men and women in the unemployment lines around this Nation.

I know in my State of New York alone there are thousands of people who were once employed, working for a living and paying taxes, but who have lost their jobs because of a recession that for them has not relented. As of July, 1991, 32,358 persons in New York State have exhausted their State unemployment compensation benefits, according to the U.S. Department of Labor.

Despite what economists in pinstripe suits are telling the White House, and thence the President telling us, times are not getting better. Large populations without jobs are in desperate need of assistance through employment compensations and their payment extensions.

So that those people who want to carry their own weight can do so, we need to create an economic atmosphere wherein the creation of new jobs is seen as vital. We need to help these people get back in the work force. My district, the poorest in the Nation, definitely needs added assistance. Through demonstration job search assistance programs and extended benefits when times are hardest, we can help them. Times are hardest now.

People do want to work, but until there are jobs for them, they will need help. H.R. 3040 is bold and addresses this crisis.

Mr. KLECZKA. Mr. Chairman, today the House meets again to address the plight of unemployed workers in the United States, a plight which is the result of the economic policies of the 1980s. These policies encouraged debt-loading through mergers and takeovers by businesses and borrow-and-spend tactics by the Federal Government. Both have shortchanged the American worker.

The Government has a responsibility to help the unemployed work force during this uncertain period so these Americans can keep the homes and possessions they have worked so hard to acquire. When the economy moves slowly or stagnates for an extended period, and when firms do not hire for an extended period, then clearly there will be an extended period of unemployment. That is the reality, but our unemployment policies do not do enough to address extended rates of unemployment. We must respond to the needs of 8.5 million unemployed workers.

H.R. 3040 is similar to legislation we passed this summer (H.R. 3201). It extends benefits to those who have or will soon exhaust their 26-week benefit payments. Based on higher rates of unemployment in some States, the number of weeks of supplemental benefits are greater (up to 20 weeks) if the unemployment rate is higher. Unlike the previous bill, however, the President cannot approve the legisla-

tion and then refuse to fund it. If the President approves this measure, benefits will be payable.

Mr. Chairman, the United States helps its neighbors in need, even if that means declaring a budget emergency. Among those we have helped so far this year are the Kurdish refugees in Iraq and the disaster-stricken nation of Bangladesh. Both of these acts were approved by the President. But the neighbors in need I speak of today are not overseas, they are your next-door neighbors. We cannot turn our backs on working families.

Let us send the President legislation which will help struggling workers get through this difficult time. Support the Unemployment Insurance Reform Act.

Mr. HOUGHTON. Mr. Chairman, Ralph Waldo Emerson once said something to the effect that consistency is the mark of a small mind. Hobgoblin, I think, is the word he used. Well, I plead guilty. Because, despite the fact that I stand solidly behind a single-minded approach to deficit reduction (this whole sloppy, borrow-from-tomorrow technique is going to do us in), in this particular case I support the stretching out of benefits for the unemployed.

Will there be more pressure on the budget? Sure. Will there be "freeloaders" trying to abuse the system? Sure. But put into perspective, there are people out there who need help—the present unemployment insurance system is not working. And if there is one thing central government should do, it is to step into the breach periodically and help those who, through no fault of their own, cannot help themselves.

Although I vote today for a change on the extension in the unemployment insurance laws, tomorrow I plan to resume course and to fight, to cut, to reduce, to save so that we will avoid being swept over the Niagara Falls of deficit financing.

Mr. GUARINI. Mr. Chairman, I rise in support of H.R. 3040.

As chairman of the Budget Committee task force on urgent fiscal issues, I recently held hearings on the plight of the unemployed. Workers who have lost their jobs and run out of benefits related their own experiences. I wish I could capture on this floor today the same heartfelt anguish that these people expressed to me.

Unemployment is a frightening thought for someone who supports a family. It is even more frightening to run out of benefits without finding a new job.

And I'll tell you what else is frightening: The growing number of unemployed workers, the growing number of workers exhausting their benefits without finding new jobs, and the growing number of workers not receiving any unemployment benefits at all.

With a national unemployment rate approaching 7 percent, we now have over 8½ million people out of work. My district in New Jersey has been particularly hard hit, with an unemployment rate of over 10 percent.

Many more people are not even counted among the unemployed. This includes those no longer actively looking for work and those who have accepted part-time work as a poor substitute for suitable full-time work. These people could actually double the official unemployment rate.

Over 250,000 people each month are running out of benefits without finding new jobs. How can we callously tell these people that the Government doesn't care and can't provide additional benefits until they get back on their feet? We're talking about honest, responsible citizens who want to work but cannot find work because of the recession.

What's more, only 37 percent of unemployed workers actually receive benefits when they lose their jobs. In past recessions, as much as 65 percent of the total unemployed received benefits. There is something desperately wrong with a system that protects only one-third of all temporarily unemployed workers.

Yet the Bush administration insists that there is nothing wrong and refuses to declare an emergency to provide additional benefits to these desperate American workers. If the President can declare an emergency for the Kurds in Iraq and for Bangladesh, how can he turn his back on his own people?

Since the President won't declare an emergency, I rise in support of H.R. 3040, which automatically declares an emergency. There is no need to raise taxes to pay for the additional benefits because there is already an $8 billion surplus in the extended benefits trust fund. How can we deny additional benefits to people when there is money sitting in a trust fund collected specifically for this purpose?

I also support Chairman ROSTENKOWSKI's amendment to H.R. 3040, which gives the President the option of accepting the emergency declaration or of raising the Federal unemployment tax just slightly to cover the expected costs of the additional benefits. If the President wants to raise taxes instead of declaring an emergency, let him do so.

Mr. Chairman, providing additional unemployment benefits is not a handout. It is an investment in the American worker and in the American economy. By preserving the purchasing power of unemployed workers, we are really lessening the severity of the recession. We help everyone in the Nation at the same time that we restore the worker's dignity.

Mr. MURPHY. Mr. Chairman, today I rise in support of extension of unemployment insurance benefits for the victims of our current recession. Like many pressing issues, this crisis situation has been papered over by a President who governs by the old maxim "out of sight out of mind." Mr. Bush's "domestic agenda" has been repeatedly run over by the constantly moving wheels of Air Force One, as it taxis the President once more to destinations far from the realities of day to day American life.

Although many experts suggest that our economic downturn is over, the rising unemployment rate is proof that a turnaround has not yet arrived. It is a disgrace that 8.7 million American workers now find themselves without jobs.

In June, the unemployment rate rose to 7 percent. It has increased by 1.7 percentage points since the recession began last July. Most troubling, however, is that almost 1.2 million American workers have been without work for more than 26 weeks and are no longer eligible for unemployment benefits. Another 1.4 million workers have been unemployed for more than 15 weeks but less than 26 weeks. Many of these additional workers will soon join the ranks of those losing unemployment insurance benefits, even if the economy starts to recover. While many of these workers would like to jet off to other parts of the world like the President until the bad times subside, the cold, hard fact is that for the unemployed their greatest concern now is feeding families and paying bills.

In every economic downturn over the 50 years, Washington has stepped in and extended unemployment benefits beyond the initial 26 weeks for the majority of the long-term unemployed. At a time when almost 1.2 million workers have been unemployed for more than 26 weeks, the Unemployment Benefits Program currently provides assistance to fewer than 100,000 workers. This situation itself, is a case study in misapplied priorities. While we should exercise fiscal restraint with regard to many big Federal spending programs, hesitation in providing benefits to many desperately unemployed people has created a surplus in the program of nearly $7 billion.

This mockery should not be allowed to continue. I urge the President to act now to work with the Congress to enact legislation expanding eligibility for extended unemployment benefits assistance. Both the money and the need exist now, and I ask that you act promptly for the good of those hardest hit by the recession.

Mr. VENTO. Mr. Chairman, I rise today in support of H.R. 3040, the Unemployment Insurance Reform Act which would provide much-needed extended unemployment benefits.

Here we are yet again to deal with the issue on extended unemployment benefits that we thought we had already resolved, because the President refused to join with Congress to relieve the severe financial problems of thousands of American workers who are out of jobs and unable to find another in the tough economic circumstances that persist today. This time, however, the passage of H.R. 3040 will designate the expenditures in the bill as an "emergency" and remove any misunderstanding that may have persisted.

It is offensive to American workers that President Bush would fail to provide this limited protection for them when he has declared budget emergencies to provide aid to the Kurds and the people of Bangladesh and Turkey.

Last August, the workers in our Nation were left to deal with an extended benefits system which is inadequate for their needs which, unfortunately, only continue to grow; 350,000 jobless Americans ran out of benefits in July and only 5 percent of those were eligible for extended benefits. This despite the fact that the Federal Government now has more than $8 billion in the extended unemployment benefits trust fund.

President Bush has stated that the recession is nearly over. Well I am sure that this is less than reassuring for the 8.5 million people out of work in this country. Families cannot survive on such reassurances even from the President. American workers need less rhetoric and more concrete action today, Mr. Chairman, not tomorrow.

Mr. HERTEL. Mr. Chairman, I rise today in support of H.R. 3040, the Unemployment Insurance Reform Act. This legislation throws a

lifeline to millions of unemployed workers who, after 26 weeks of regular unemployment insurance, remain unable to find a job in this recession.

The House of Representatives demonstrated its support of the unemployed worker in August when it enacted the extended unemployment benefits bill. The plight of the unemployed was ignored, however, by an unsympathetic administration that refused to implement the bill. Presently, our unemployment problem is not greatly improved. The national unemployment rate has remained unchanged, and over 2 million jobless Americans have exhausted their benefits this year alone. Employment in my district has been especially hard-hit by the recession. The median unemployment rate for July was nearly 9 percent, 30 percent higher than the national unemployment rate. There are no indications that the situation will improve very soon, either. Therefore, it is mandatory that we pass this legislation that will help people weather this recession.

The people who are affected by this extended recession have been paying taxes their entire lives, in part to prepare for hard times like these. We cannot let them down by denying them the benefits they have already paid for. There is a great deal of talk about sending aid overseas, but our first priority is here. It's time we started helping the people at home.

Mr. FEIGHAN. Mr. Chairman, we have been here before. Last month, we passed a bill that deals with the problem of compensation for the long-term unemployed. Just about everybody in Washington—including most of both the House and Senate—supported that bill. Just about everybody—except the President that is.

He signed the bill, but he blocked its implementation. It saddens me that the President himself broke the national consensus on that unemployment measure. We shouldn't have to do this all over again. But because there are people out there who will soon exhaust their unemployment benefits—if they have not done so already—we must pass a stronger guarantee that they will get the unemployment benefits they deserve.

We must guarantee that working men and women, who have been thrown out of work in this ongoing recession, will still be able to provide for their families while they look for new work.

Last time around, the unemployment benefits extension bill was supported overwhelmingly on both sides of the aisle here in the House. But now I hear stiff opposition from the Republican side. What happened in the last 6 weeks? Why was there near-unanimous support at first, but not now?

Whatever the reason, I implore all my colleagues to hear their better sense. I urge them to think about the thousands of workers who are mere days away from exhausting their unemployment benefits. Think about their families.

We still owe it to millions of working men and women to ensure that they can provide for their families in hard times. Our debt to them has not changed. So why should anyone here in Congress who supported the benefits extension before change their vote this time? I strongly urge my colleagues to continue their commitment to millions of working Americans and pass this bill.

Mr. BORSKI. Mr. Chairman, I rise in strong support of H.R. 3040, the Unemployment Insurance Reform Act.

Mr. Chairman, in the past Congress has approved dire emergency funding bills for everything from droughts and hurricanes to foreign aid and wars overseas. Now is our chance to provide dire emergency funding for American workers and their families.

The recession we find ourselves in now is not over. Unemployment in America is 6.8 percent. Over 8.5 million Americans are out of work, 2 million more than a year ago.

In my hometown of Philadelphia, the unemployment figure stands at 7.1 percent. In addition, labor unions in Philadelphia report that up to 50 percent of their members are looking for jobs.

But these are not just numbers, not just statistics. They are real men and women and their families. They are my friends and neighbors, people I grew up with, people I see every day.

The people behind the unemployment statistics are not welfare cheats or lazy. They desperately want work, but can find none. They are out of work through no fault of their own.

Apparently, President Bush does not believe that there is an unemployment problem in this country. Last month, when the Congress sent him a bill to extend unemployment benefits, he signed it. However, he did not designate an emergency and release the money necessary for the extra benefits.

The President has reacted strongly to emergencies abroad. But for some reason, he has failed to react to emergencies here at home, emergencies that threaten the survival of American families.

I hope and pray that the President will recognize this emergency and sign this bill. I hope he will not let politics stand in the way of doing what is right for Americans left unemployed by this recession.

Because, Mr. Chairman, to the workers and families that have now exhausted their 26 weeks of unemployment benefits, the emergency is very real. More and more workers run out of benefits every day, more and more families face the prospect of empty dinner tables.

We have an obligation to end this domestic emergency. H.R. 3040 will take two steps toward that goal.

This legislation will automatically declare its expenditures as emergency spending and extend unemployment benefits by up to 20 additional weeks. Workers who have already depleted their benefits would receive at least 5 additional weeks of benefits, as long as the national unemployment rate is at least 6 percent.

H.R. 3040 will also permanently expand the extended benefits program and provide for full Federal financing. Under current law, only 13 additional weeks of benefits are available after the regular 26 weeks of unemployment compensation, and only half of that is financed by the Federal Government.

Mr. Chairman, millions of Americans who want to work cannot find a job because of this recession. The current extended benefits program is not working and American families are threatened. It is time we addressed this domestic emergency. I urge my colleagues to support H.R. 3040.

Mr. GAYDOS. Mr. Chairman, I rise today in support of H.R. 3040, the Unemployment Insurance Reform Act.

Over the past several months, the White House has been proclaiming continuously that one of the longest economic recessions in our Nation's history is at an end. Every day, Americans can witness the President or one of his trusted advisers preaching how strong the recovery is and that the United States is on the fast track back to economic prosperity.

Personally, I can tell you that there are at least 8.5 million unemployed American citizens who know for a fact that this country is not on the road to recovery, but is stalled on a long stretch of highway and they are being abandoned by the only help available—the Bush administration.

Currently, 1,175,000 Americans have been unemployed for 27 weeks or longer. In July alone, another 350,000 jobless Americans ran out of unemployment benefits and another 300,000 Americans lost jobs. Furthermore, since 1988 when President Bush assumed the Office of the Chief Executive, the unemployment rate has risen from 5.5 to 6.8 percent and the economy itself grew less than 1 percent. I cannot recall a time when economic growth has been so stagnant. Can any Member of this body rightly say that these figures portray a nation that is on the road to a strong economic recovery? These figures tell me that we have a President who lacks a domestic policy.

It is obvious to me that the hard-working people in the United States have been shortchanged by a President who is more concerned with emergencies in Bangladesh, Kuwait, Kurdistan, and Israel than the unemployment emergency existing in his own backyard. People in this country are needlessly suffering and I will not stand by and let this Presidential charade go on any longer. It is time for the Congress to take action and help relieve the pressures mounted on the backs of labor in this country. We must see through the smokescreen that the administration releases everyday in the media and push forward this important legislation declaring the economic emergency needed to release additional unemployment benefits.

Mr. Chairman, this country has slowly undertaken a path of deindustrialization. My own district has undergone a transition that has forced the jobs of 40,000 steelworkers to be reduced to barely 5,000 workers involved with the creation of steel, iron, and coke. We have gone through, and still experience high unemployment.

Now, much of the Nation is trying to avoid the pressures to lay off workers and dissolve existing jobs, but at the same time, it is happening. People are losing jobs, money, and livelihood. In August of this year, the Congress passed legislation to extend unemployment benefits, but the President did not want to recognize the need to help unemployed Americans and effectively pocket vetoed the measure. The President was coldhearted and wrong. Today, the U.S. House of Representatives has a chance to right the President's wrong.

We in the Congress must take a stand against the administration and pass the Unemployment Insurance Reform Act to help Americans stand on their own feet with dignity and respect. I urge all of my distinguished colleagues to support and pass this most important piece of legislation.

Mr. SCHEUER. Mr. Chairman, the legislation before us, H.R. 3040—the Unemployment Insurance Reform Act—would go a long way toward easing the plight of hundreds of thousands of our Nation's currently unemployed.

Last month, alarmed by the depth of the current recession, we in Congress passed legislation to provide extended unemployment benefits for long-term unemployed workers. Despite its overwhelming support in Congress, President Bush refused to declare the emergency required to implement the act.

Now, we are faced with more disturbing statistics. Nationally, unemployment remains around 7 percent, and in New York, it is 9.3 percent.

In a recession, it becomes harder to find work. When the ranks of the unemployed are swelled by the loss of 300,000 jobs per month, as occurred in August, it becomes even harder for those workers who are unemployed to find work. Yet current policy allows these American workers to run out of assistance before finding new jobs. In the month of July, a record 350,000 unemployed exhausted their benefits.

This bill would provide up to 20 weeks of additional benefits, depending on the individual State's rate of unemployment. It would insure its implementation by designating the necessary expenditures as emergency.

And it would enact a series of long-needed reforms in the unemployment insurance program and fund a demonstration program on job search assistance, an essential component of any response to our current recession.

I might add that unemployment insurance reform is only one part of the solution to our unemployment woes. As long as we lack effective programs that educate, train, and place unemployed noncollege youth, we will continue to experience unacceptably high unemployment rates. That is why I look forward to forthcoming amendments to the Job Training and Placement Act later this fall.

Mr. FORD of Michigan. Mr. Chairman, I rise today in strong support of the Unemployment Insurance Reform Act, the bill to extend benefits to our Nation's unemployed workers, and I urge the adoption of the Rostenkowski amendment, which would pay for this measure by increasing the Federal unemployment taxable wage base.

It has been 1 month to the day since the President, while vacationing in Maine, signed H.R. 3201—Congress's last unemployment relief bill—but refused to declare an emergency, effectively blocking the release of its benefits. Mr. Chairman, there may not be an emergency in Kennebunkport, Maine, but there is a dire emergency in the State of Michigan.

In the last month, the unemployment rate in my State has climbed from 8.3 percent to 9.1 percent, with over 30,000 people joining the 371,000 already unable to find work.

The number of WARN notices in Michigan, notices of plant closings and permanent mass layoffs, continued at a level that has long since surpassed the number of such notices Michigan had in all of 1990. Every notice means at least another 50 jobs gone—never to return.

While the President has been worrying about how the Soviets will survive the harsh Russian winter, I have been worrying about how my constituents will survive the harsh Michigan winter. While the administration has been occupied forgiving well over 1 billion dollars in debts owed by Senegal, Bolivia, and Bangladesh, thousands of unemployed Michiganders have been worried about their own mounting debts.

Despite what the administration would have us believe, the legislation we are considering today is not a quick fix or a budget-busting gimmick. It makes important, and much needed, changes in our country's unemployment insurance system. H.R. 3040 would repeal the current Federal-State Extended Benefits Program and replace it with a reworked Federal Supplemental Compensation Program. This new system would make benefits available for an additional 10, 15 or 20 weeks, depending on the jobless rate of each State, rather than the current insured unemployment rate. This legislation would also make these new extended funds available for some workers who have already exhausted their benefits, by insuring that these workers in all States would be eligible for at least 5 weeks of aid should the national unemployment rate reach 6 percent.

H.R. 3040 would also erase a terrible inequity, by increasing the unemployment benefits that veterans of Operation Desert Storm and other former service members could receive, from 13 weeks to 26 weeks. It further slashes the time our veterans must wait to be eligible for benefits after leaving the service. The bill also reduces the number of continuous days a reservist must serve on active duty from 180 to 90 in order to be eligible for unemployment insurance.

Mr. Chairman, I also urge my colleagues to support the Rostenkowski amendment to H.R. 3040. We cannot, in good conscience, only extend benefits; we must show our commitment by financing them as well. This measure would increase the Federal unemployment taxable wage base, beginning in 1993, from its current $7,000 to a level equal to the Social Security wage base, which will be approximately $58,000 in that year. At the same time, the Federal unemployment tax rate on employers would be reduced from the current 0.8 percent to 0.4 percent in 1993 and 1994, 0.23 percent in 1995, and 0.2 percent in 1996 and thereafter. This extension measure is too important to simply put on a credit card. We owe our unemployed workers a hand, but we also have a obligation to our children to be fiscally responsible by not adding to the deficit.

Mr. Chairman, the administration can claim that the recession is over, and that jobs are just around the corner. But that doesn't make it true, and it doesn't help the millions of American families who desperately need the help this bill provides. We have already waited too long to act. I urge my colleagues to pass this legislation.

Mr. STOKES. Mr. Chairman, I rise today in strong support of H.R. 3040, the Unemployment Insurance Reform Act, which will provide additional unemployment benefits to the 3.5 million unemployed workers who will exhaust their benefits this year. I consider it an insult to America's working men and women that Congress has to enact legislation to provide extended unemployment benefits for the second time in as many months, because the President refused to acknowledge the seriousness of the economic distress our country is experiencing.

I also want to take this opportunity to thank those Members of Congress who have so quickly brought this legislation to the floor for a vote, including the Speaker, and the entire Democratic leadership, Chairman ROSTENKOWSKI, and Congressman DOWNEY. Through their persistence and dedication to helping the long-term unemployed workers in the United States, we have the opportunity to reaffirm our commitment to America's working men and women, and let them know that Congress has not forgotten them, or turned a deaf ear to their suffering.

Mr. Chairman, I am extremely disappointed that we have to be here today, once again debating the obvious need for the extension of unemployment benefits for the millions of Americans who have exhausted, or will exhaust, their regular 26 weeks of benefits. We debated and enacted legislation to address this urgent need over 1 month ago. However, President Bush chose to ignore the millions of Americans who have lost their jobs, and exhausted their benefits, due to the severity of the current recession. President Bush's cynical assertion that the recession is over—and therefore an extension of unemployment benefits is unnecessary—is a slap in the face to all the honest, hard-working, decent Americans who have been thrown out of work by 11 years of Republican policies that produced both tremendous deficit and the recession currently plaguing our Nation.

President Bush's refusal to declare a budget emergency to provide these extended benefits cannot be allowed to stand. Millions of Americans who want to work, but cannot find work because of the current recession, need these extended benefits desperately. How can the President of the United States say to these millions of Americans that are being thrown out of work, and who are unable to pay their rent or buy food and clothing for their families, that their plight does not constitute an emergency? The President has already designated emergencies for the Kurds, Bangladesh, and Kuwait. How can he send foreign aid to these countries and ignore the millions of Americans being forced into poverty because of long-term unemployment caused by the Republican recession?

Permit me to cite some distressing unemployment statistics from my home town, Cleveland, OH. In 1990, the black unemployment rate in Cleveland exceeded 20 percent, the highest black unemployment rate of any large city in the Nation. The overall unemployment rate in Cleveland was 13.8 percent, the second highest in the Nation. In human terms, these numbers mean that over one in five blacks in Cleveland could not find work, and over one in eight of all Clevelanders was unemployed in 1990. More importantly, these numbers do not even count the thousands of unemployed Clevelanders who have ex-

hausted their benefits, or who have been forced to take a part-time job to try to make ends meet.

When I contemplate numbers like this, I want to ask President Bush: "Mr. President, you declared an emergency for the Kurds; you declared an emergency in Bangladesh and Kuwait; Mr. President, what about Cleveland?" If the President can declare emergencies for people half-way around the world, then he can recognize the emergency millions of Americans are facing here at home.

Mr. Chairman, I urge all my colleagues to show compassion to the millions of Americans who are facing the indignity and pain of being unemployed each and every day. Vote for passage of H.R. 3040, and tell the American working men and women that we understand the difficulty they face in finding work in the current economic climate, and that we will stand by them as they search for work. Vote for passage of H.R. 3040 and declare an emergency for Americans who desperately need our help.

Mr. RICHARDSON. Mr. Chairman, before we left for August recess, we passed important legislation extending unemployment benefits for 8.5 million Americans that are currently out of work. Now we are here today, considering similar legislation because our President—the fighter for America's working families—refused to declare an emergency, so that the people this legislation was designed to help, could receive those benefits.

The irony of all this is that the President stated his opposition to unemployment benefit legislation which would automatically declare an emergency—he threatened to veto such a bill. So, in trying to work with our President, we did not include such a provision. Instead, we assumed that he was as concerned about the health and well-being of our unemployed as we were and would declare the emergency himself.

What we should have assumed—based on previous experience—was that our President has often proclaimed that he is a family President, yet each time legislation benefiting our Nation's low- and middle-income families comes up, he opposes it.

Mr. Chairman, such actions are simply unacceptable to me and apparently to many of my colleagues as well—otherwise we would not have before us today the legislation we do. This time, we must hold firm. We have 8.5 million Americans unemployed. These people have families they have to feed, clothe, house, and take care of in an economy where there are simply not enough jobs—in New Mexico alone, the unemployment rate has remained at over 7 percent. Mr. Speaker, I am proud to fight for our Nation's unemployed by supporting this important legislation and I urge my colleagues to do so as well.

Mr. GEJDENSON. Mr. Chairman, I would like to take this opportunity to express my strong support for the Unemployment Insurance Reform Act (H.R. 3040).

Mr. Chairman, there is no reason for us to be here today debating this issue. In August, this Congress passed a good bill that gave much needed assistance to Americans who have lost their jobs. Unfortunately, instead of helping the 2.15 million American workers who have exhausted their benefits, President Bush decided to ignore them and do nothing. While he has declared emergencies for the people of Bangladesh and the people of Turkey—thus making them eligible for American assistance—President Bush has not extended this same courtesy to the American worker.

Luckily, my colleagues and I in the House have decided that this situation is an emergency and we are doing something about it. I support H.R. 3040 because it provides additional unemployment benefits to long-term unemployed workers by replacing the current Federal-State extended benefits with a stronger, more comprehensive program. The current system provides 13 extra weeks of unemployment benefits for workers whose benefits have run out, but who are still looking for work. H.R. 3040 allows benefits to be available for an additional 20 weeks, depending on the unemployment rate in the State.

The bill would also change each State's calculation of its unemployment rate to accurately reflect the numbers of the unemployed. Instead of counting just the people who are receiving unemployment compensation, as is the current practice, States would be able to count all people who are out of work. This new accounting procedure would help ensure that those who are out of work get the benefits that they deserve.

H.R. 3040 could mean a great deal to workers in my home State of Connecticut where, according to the State Department of Labor, over 2,000 people have exhausted their unemployment benefits. Many of these people are unemployed defense workers who have given their talent and toil to build strong national defense programs. Now, as the cold war thaws and defense spending drops off, these workers deserve additional efforts by Congress and the administration to maintain economic health in the year to come.

It is time to go beyond promising economic aid to any foreign nation who asks and start focusing on people in this country who desperately need assistance to begin rebuilding their lives.

Mr. RANGEL. Mr. Chairman, I rise to revise and extend my remarks in support of the Unemployment Reform Act of 1991. It seems to me that we should not even have to be standing here at this time. The President should have recognized the severity of unemployment and its duration for so many Americans and designated the current situation an emergency. Unfortunately, we are here to make the President understand what he seems most unable to do; appreciate depth of the despair of Americans so unfortunate as to have lost their jobs in this recession.

I do not have to repeat the data my colleagues have set forth in this debate about the magnitude of the unemployment problem. What I will note is the growing despair in communities throughout the Nation. In communities like mine it is positively frightening. Already we are faced with an intolerable number of young people unable to secure their first jobs or any steady work. The despair of these young men and women is what incubates the epidemic of drug and alcohol abuse. By ignoring the plight of those who have lost their jobs and have exhausted their benefits we are just going to add to the level of despair in those communities that can least bear it.

I really wonder how the President expects these people to make ends meet. Remember that for more than 80 percent of America incomes have not increased adjusted for inflation over the last decade. These people have been scraping just to get by. If not for the policies of the past two administrations these people might have some cushion. But I rather imagine that the only cushion is their unemployment check.

So, the number of unemployed grow and the period of their unemployment grow longer while the smoke and mirror dreams of supply side economics finally fades. Of course, this recession hits hardest on those who have the thinnest cushions to protect themselves during unemployment. Recently a group of workers laid off by the city of New York visited my office. They were hospital workers. They had become the victims of the decade long effort to shift responsibility to the State and local governments without an effort to provide the fiscal means to meet the responsibilities. They along with thousands of others were among the low-income workers the city has had to lay off because of its fiscal crisis. They are scared. They never earned much and now they're uncertain about their ability to get another secure job. They seem at wit's end. These are people who have worked hard every day in difficult jobs trying as sincerely as they can to help others even poorer than they are to get well. Frankly, I don't know what to say to them. I was hoping I could tell them that they could expect their Government would stand behind them. But, I wonder if they will continue to feel that way if we do not succeed in enacting this bill.

Mr. BUNNING. Mr. Chairman, I rise today in opposition to H.R. 3040—the Unemployment Insurance Reform Act.

I am not going to stand here and say that we don't face some serious problems with the economy and the unemployed, but ignoring the Budget Act and depleting Federal funds is not the way to get Americans back to work.

Our country has faced recessions before—most recently in September 1982. Unemployment that month stood at 10.1 percent. Now that's an emergency.

The Congress and the President responded with temporary relief and appropriate steps to bring the economy around. The temporary relief ended when unemployment hit 7.2 percent.

Yet today we debate a bill which disregards the lessons of the past and declares an emergency when unemployment stands at 6.8 percent.

And we are not talking about any temporary steps here. We are talking about permanent steps to limit the States' ability to restrict the eligibility of workers who simply quit their jobs. We are talking about a violation of last year's Budget Act and the pay-as-you-go agreement. We are talking about eventually raising taxes to pay for this entitlement expansion. Like it or not the bill is going to come due. And it won't be temporary either—it will be permanent.

Let's stop playing politics with the unfortunate unemployed and get on with the business of bringing back economic stability to the workers of America.

I urge my colleagues to join me in opposing this legislation.

Mr. RIDGE. Mr. Chairman, I rise today in support of legislation extending jobless benefits to the long-term unemployed.

It is not un-American to be unemployed. These people did not volunteer for the unemployment lines. It is un-American to be unwilling to do something about their plight.

This country has forgiven billions of dollars of other countries' debts for years. We will not be able to forgive ourselves if we fail to recognize our debt to working Americans who have lost their jobs through no fault of their own.

For the unemployed there is no greater frustration than the inability to find work. There is no greater agony than the day-to-day struggle to put food on the table and to pay the bills. Our efforts here are but the very least we can do, should do, to lend help, to extend a hand.

In Pennsylvania, nearly 450,000 individuals are now unemployed and looking for work. The unemployment rate in the State is 7.3 percent and that's up over 2 percent from just a year ago. The percentage of Pennsylvanians who have exhausted their normal benefits is running 30 percent higher than last year. I believe that trend will continue for some time.

This important legislation provides some income protection, some purchasing power, to workers while they look and train for new jobs.

Without this help, many of Pennsylvania's, and America's, unemployed will fall through gaping holes in the employment safety net.

Those who benefit from this bill are not asking for a handout. They are simply asking their Government to release funds that they, and their employers placed in a trust fund. It wasn't put there to help the deficit.

But the fact is we'd better start thinking of ways to give people a job rather than a check. This extension ought to be part of an economic recovery package, one that includes a highway bill, one that stimulates the economy by addressing the credit crunch, by helping small businesses expand. For if there's still no hope of work after these additional 20 weeks then our efforts here have done little to change the plight of these families.

I say it's high time we spend less time fighting about spending trust funds and spend more time fighting for the American worker, their jobs, their families.

Mr. MARKEY. Mr. Chairman, I rise in strong support of H.R. 3040, the Unemployment Insurance Reform Act of 1991. In my home State of Massachusetts we are now experiencing close to double digit inflation, employment has declined by over 160,000 jobs in the last year, and all sectors of our economy have experienced a serious downturn. Only the health services industry has experienced any growth over the past difficult year. The Commonwealth of Massachusetts was forced to borrow over $100 million last month to support the approximately 130,000 people being paid every day from the unemployment insurance fund daily.

If the President doesn't believe we are in an emergency situation, perhaps he should drive through Massachusetts on his way back from Walker's Point.

If he stopped in towns like Tewksbury and Wilmington and Burlington in my district, the President would meet people who are enduring real hardship; who have not only suffered the indignity of losing a job but who have suffered the despair of losing their savings, their homes, and, finally, their hope that the American dream still exists for them.

President Bush would meet high-technology engineers who sought and gained a place in an industry they were told would grow exponentially into the next century—and are now seeing computer company after computer company announce huge layoffs and hearing dire predictions about the industry's future.

He would meet teachers laid off as local and State budgets are slashed and as local school officials increase the size of classrooms and cut course offerings.

He would meet homebuilders and contractors who started successful small companies in the 1980's, only to have bankers and big-time developers squander billions of dollars on empty skyscrapers and doomed condominium projects. Now they can't get the capital they need to keep their companies going.

The President would hear about the struggles of the modern two-income family. Squeezed in the 1980's by the high cost of living and overleveraged by an inflated real estate market, many of these families now find one of their incomes is gone—lost to the recession the President's advisers insist has already passed.

These are difficult times in Massachusetts. Unlike our last serious recession in 1982, we are not just enduring a normal downturn in the business cycle; we have major long-term problems in some of our most important industries, including banking, high technology, and construction.

This year alone, 85 banks have failed nationwide and more than 1,000 are on the Federal Deposit Insurance Corporation's problem list. In Massachusetts, the failure of the Bank of New England—which could ultimately cost the Government more than $5 billion—is just the most spectacular of a slew of failures.

In the past year, Massachusetts has lost almost 20,000 high-technology jobs. The recession coupled with intense foreign competition—particularly from the Japanese—have forced companies like Digital and IBM to lay off workers for the first time in their histories.

As a result, workers face not just a few months of unemployment but serious long-term job displacement.

The President's decision not to fund this bill is unconscionable. Later this month, Congress will be asked to spend another $80 billion to bail out the savings and loan industry but the President cannot find $6 billion to extend benefits for people suffering from his administration's inept economic policies.

Mr. Bush says he cannot declare the emergency necessary to provide the extension of unemployment benefits under H.R. 3201, the Emergency Unemployment Compensation Act of 1991. These are unemployment benefits that so many people in this country desperately need, however, he is more than willing to sign the piece of paper that the bill is written on in a tragic act of hypocrisy.

The President wishes to hide amidst the rhetoric of marginal real GNP gains and third quarter growth, but arcane economic jargon doesn't help the people of Massachusetts. The Unemployment Insurance Reform Act before us today will do something real for these people. This bill, H.R. 3040, will provide for the extensions of benefits that will mean the difference between absolute tragedy and a fighting chance at surviving this depression.

The need for a program of Federal supplemental compensation cannot be understated. The recession is still very real, and when our economy finally begins to recover we know that the unemployment will last still longer than the recession that caused it.

Mr. FRANKS of Connecticut. Mr. Chairman, today I rise in general, albeit reluctant, support of extending unemployment benefits, as offered by H.R. 3040, to those workers who have been especially hard hit by the deep recession in New England.

On August 2, I voted for H.R. 3201 to extend unemployment benefits to allow workers who are seeing economic hard times, an opportunity to get through this recession cycle. I realize, and am sympathetic to, the needs of the unemployed, especially in the Fifth District of Connecticut. In fact, I felt that the President should have declared an emergency to allow for the extension of benefits to be implemented.

While I do not fully agree with the procedure and practices that have been written into this legislation, I feel compelled to support this legislation. Although I voted against the rule under which H.R. 3040 is being considered, I see how badly the people in my district have been hit by this recession.

As I walk the streets or drive my car, the one thing people always express to me is the need for unemployment benefits to be extended in order to survive these times.

Cities in my district such as Waterbury, Naugatuck, and Meriden, to name a few, are experiencing near 10-percent unemployment. The times here are definitely tough.

Therefore, I feel forced to vote for H.R. 3040 because it is the only alternative to what I feel is desperately needed, and that is extending unemployment benefits.

There are major flaws in H.R. 3040. For one, I feel it sets bad precedents, but because of the majority party's reluctance to allow the minority party any amendments, we are stuck with this alternative.

My preference would be to temporarily extend these benefits until the recession cycle is over. I would also like to see this extension financed through the surplus of funds in the unemployment trust fund. And finally, I would like to see nondeficit spending as well.

However, it is imperative for the survival of the Fifth District of Connecticut that we extend these benefits. Our unemployed must have the extra time to seek work that is extremely difficult to find.

Finally, Mr. Chairman, I do not fully support H.R. 3040 as policy, but I will vote for it because I support the concept of extending unemployment benefits. I continue to be hopeful that many of the provisions in the financing mechanism will be changed in the final version. We must allow our workers to get through these tough times. But we also have a responsibility here in Congress to spur economic growth and to help create jobs so we will not need to extend these benefits in the near future.

Ms. SLAUGHTER of New York. Mr. Chairman, in parts of my district, nearly 1 out of every 10 workers is unemployed. In New York

State, last month's unemployment rate was 7.5 percent. Eight and a half million Americans are out of work; more than half are not receiving unemployment benefits. This recession has been a tragedy for millions of working men and women who have seen their jobs, their homes, and their quality of life disintegrate before their eyes. These workers, who have spent years as productive taxpayers, now find their Government has turned its back.

During the Great Depression, Franklin Roosevelt made a covenant with our people called the New Deal. It was founded on the principle of putting people to work and providing basic protections for them until they found jobs. All across America FDR's vision is crumbling. In July, the largest number of workers in any month in 40 years, and possibly in the history of the unemployment program, exhausted their unemployment benefits without becoming eligible for any additional unemployment aid. Middle-class families whose breadwinners have lost jobs are now in danger of slipping into poverty.

We must meet our responsibility to the millions of Americans who want to work, but cannot find jobs. In this Congress, we have declared emergencies for the Kurds, Bangladesh, and Kuwait. Today we must recognize the emergency that our fellow Americans face.

Extended benefits are now available to workers in only two States—Alaska and Rhode Island. Under this legislation, additional benefits would be available to workers in all States as long as the national unemployment rate is at least 6 percent. This bill provides up to 20 additional weeks of unemployment compensation, depending on the unemployment rate in each State. In New York, workers would be eligible for 15 additional weeks of benefits. At the same time, workers would receive additional protection from State laws which disqualify people who are rightfully entitled to benefits. For instance, States can no longer disqualify a worker who voluntarily left a job to move to a new position, and then was laid off.

This legislation also recognizes our fighting men and women by increasing ex-servicemembers' unemployment benefits from 13 weeks to 26 weeks and reducing the time they must wait to receive those benefits after leaving the service from 4 to 1 week. Reservists would also receive additional protections under this bill, which reduces the number of days a reservist must be on active duty from 180 to 90 in order to be eligible for unemployment insurance. This legislation is particularly crucial as our Nation responds to changing global events and diminish superpower tensions by downsizing our military, trimming the defense budget, and closing some military bases. Our service men and women deserve these protections.

America's working families need this legislation, and I am proud to support it.

Mr. WEISS. Mr. Chairman, I rise in support of H.R. 3040, the Unemployment Insurance Reform Act. In early August Congress met to consider legislation extending unemployment insurance. We recognized the seriousness of the recession we were in and voted to extend benefits to unemployed workers. The bill then went to the President, who signed it, but callously neglected to declare the state of emergency necessary for the bill to go into effect.

Now, more than a month later the situation that prompted us to act not only persists, it has worsened—8.5 million Americans are unable to find work, and our economy continues to lose jobs. Mr. Chairman, the recession is not over. Americans are not finding new jobs and their unemployment benefits are running out. Two million unemployed workers have had their benefits expire this year, 350,000 in July alone. Of course, the ultimate solution is to find permanent employment for these workers, but in the meantime we must help those Americans who are at or nearing their financial breaking point.

Despite frequent claims from the President, and my colleagues across the aisle, that the recession is over, we are not in a recovery. In my home of New York City, close to 100,000 people have exhausted their benefits this year, nearly 16,000 in August alone. The numbers for New York State are even more frightening. From January 1 through the end of August, 205,500 workers had their benefits expire; that compares with 106,000 for all of last year. Mr. Chairman, with a recovery like this, who needs a recession.

If the President would turn his attention homeward, he would see that emergencies exist not only in Bangladesh, Kuwait, and for the Kurds, but here in the United States as well. Millions of Americans are without jobs, and without the means to support themselves and their families. It is our responsibility to help these Americans who want nothing more than to work, but who, because of the recession, can find no employment. By refusing to declare the state of emergency necessary to extend these much needed benefits, the President has told unemployed Americans that they are on their own. I urge my colleagues to support the American worker and vote for H.R. 3040.

Mr. GREEN of New York. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] to replace the Unemployment Insurance Reform Act's provision which automatically declares expenditures under the bill "emergency" funds for the purpose of complying with the 1990 budget enforcement agreement.

As we all know, the 1990 Budget Agreement mandates that any legislation creating new entitlement authority be offset by new revenue or spending cuts—unless the President declares an emergency. Without the declaration of an emergency, the bill violates the 1990 budget enforcement agreement and could trigger a sequester of other vital entitlement programs.

Under the amendment offered by Mr. ROSTENKOWSKI, if the President does not declare an emergency—and it is already clear that the President will not declare one—the Federal unemployment tax paid by employers would be increased to pay for the extended benefits program. According to the Congressional Budget Office, the increased tax would raise $6.5 billion through 1996, more than enough to cover the extended benefits program, which is estimated to cost approximately $6.3 billion.

After reviewing Ways and Means Committee data and listening to employment and social insurance experts testify at a New York City field hearing organized by the House Budget Committee, I was convinced that there has been a significant long-term erosion in the unemployment insurance system. According to the Ways and Means Committee 1991 "Green Book" on entitlement programs, in 1975 the percentage of insured unemployment as a percent of total unemployment was 76 percent. Throughout the 1980's a tremendous disparity emerged between the percentage of insured unemployment as compared with total unemployment—1990 marked the seventh straight year that unemployment insurance coverage dropped below 40 percent nationally.

As you can see, we do not have an emergency on our hands, but rather the steady erosion of the Unemployment Insurance Program that has transpired over the last 15 years. The national unemployment rate of 6.8 percent, while higher than anyone would like, is far below the 1982 recession levels and lower than the 7.2 percent rate when the extended benefits program was allowed to expire in 1985. In addition, the long-term erosion of the unemployment system was understood before we adopted the 1990 Budget Enforcement Agreement, as amply demonstrated by the 1990 "Green Book". In short, the case for an emergency simply cannot be made.

Unlike the unemployment insurance benefits extension legislation that was adopted by the House on August 2, 1991, H.R. 3040 is not a temporary measure, H.R. 3040 addresses the erosion of benefits by making permanent changes to the unemployment insurance system that will enable all States to provide some extension of benefits. I applaud those changes. However, if H.R. 3040 is adopted without the Rostenkowski financing amendment, we violate the 1990 Budget Enforcement Agreement—our only statutory source of budget discipline. In addition, we retreat on a promise made to the American people, just last October, to reduce the budget deficit.

In closing, there is ample evidence that the current unemployment insurance system has seriously been eroded and it is clear that if we are going to reform the system we have to pay for it. H.R. 3040, the Unemployment Insurance Reform Act, makes permanent changes that are long overdue, and the Rostenkowski financing amendment pays for the benefits program without violating last year's Budget Enforcement Agreement.

I encourage my colleagues to stop the charade and support the Rostenkowski financing amendment. The 8.5 million unemployed Americans deserve no less.

Mr. CONYERS. Mr. Chairman, one issue we were unable to address today in the debate on H.R. 3040 was the issue of unemployment insurance benefits for railroad workers. This matter is of particular importance to me, as I have the privilege of representing hundreds of railroad workers in Michigan's first district, and as the Committee on Government Operations, which I chair, has reviewed the financial vulnerabilities of the Railroad Retirement Board.

As many of us may know, Mr. Speaker, the Railroad Retirement Board is entrusted with administering railroaders' retirement, disability, sickness, and—most importantly today—unemployment benefits. The solvency of the trust

funds with which the Board pays these benefits depends on railroad corporations paying their taxes.

The Railroad Retirement Board's Inspector General has been auditing railroad tax payments over the last three years. His testimony before the Government Operations Committee was that the railroads are shortchanging this system with bookkeeping tricks to keep from paying what they owe to their workers.

It is against this backdrop that H.R. 3040 comes before us. We are forced to consider this legislation today because the President, by signing the unemployment insurance bill last month without implementing it, did nothing more than pay lip service to the victims of his failed economic policy.

H.R. 3040 corrects this inaction by the Bush Administration. Beyond that, I hope Congress will act to fully protect all our railroad workers who have been shortchanged by corporate accounting gimmicks, Gramm-Rudman—Hollings sequestration, and economic slumps like the current one.

Two critical changes to H.R. 3040 must be made that will extend critical protections to all railroad employees:

First, we must provide unemployment benefits to those who otherwise would not have them; and

Second, we must protect the railroad retirement trust funds from sequestration.

The first measure will affect some 6,000 unemployed railroad workers with less than 10 years of service—workers who tragically fell through the cracks of deficient existing unemployment legislation.

The second change, protecting the Railroad Retirement trust funds from sequestration, only makes sense. These funds are not paid for out of general revenues; they are, as I have mentioned, paid for by a special tax on railroads, much like the Social Security tax. Subjecting these funds to Gramm-Rudman-Hollings sequestration would not affect the deficit, as they can be used only for the purpose of providing benefits to railroad workers. There is no role whatsoever for these funds in deficit reduction.

Mr. Chairman, as the Maintenance of Way railroad union's national headquarters is based in my district, and as chairman of the Committee on Government Operations, I know what railroad workers need to protect their much needed and well-earned benefits. As it stands, H.R. 3040 is a good first step, but we need to address these other two remaining areas to insure fairness to all railroad employees. I urge my colleagues to join in supporting these needed reforms at the earliest feasible time.

Mr. FLAKE. Mr. Chairman, I rise today to communicate the urgency and seriousness of the House approving H.R. 3040, the Unemployment Insurance Reform Act. As you know, we passed similar legislation which the President signed into law in late August. Passage of H.R. 3040 is critical because the previous legislation was prevented from being effective because the President refused to declare the expenditures in the bill as emergency funds.

As the President continues to declare a state of emergency and approves aid for tragedies abroad, the President refuses to call a steady unemployment rate of 6.8 percent and 8.5 million jobless Americans a state of emergency. This is truly absurd, the America beyond the beltway is indeed experiencing an emergency when 1 out of every 14 able persons is out of a job.

The legislation which we will consider today releases funds for those whose benefits have expired. The White House believes that the economy is on an up-swing and therefore additional unemployment benefits are unnecessary. However, I refuse to tell the American people that when their benefits expire they will live on promises and optimistic forecasts. These people need tangible, emergency assistance TODAY. We must declare our own Nation a state of emergency and pass the Unemployment Insurance Reform Act today.

Mr. COLEMAN of Texas. Mr. Chairman, I rise today in support of H.R. 3040, the Unemployment Insurance Reform Act. More than 25,000 El Pasoans are currently looking for work while news reports are saying the recession is ending. But residents of Texas' 16th Congressional District, who cannot pay their bills, will tell you that the recession is real. I believe these workers agree with a majority of the U.S. Congress that the extension of unemployment benefits is an emergency.

Already this year, the President has designated $1.14 billion in emergency funding for foreign aid programs and not a dime for domestic programs. It is time that we turn our attentions to the needs of Americans at home.

Last month George Bush denied the emergency funding for the extension of these benefits, and more than 300,000 jobs have been lost. Almost 1.2 million Americans have been unemployed for more than 26 weeks, and are ineligible to receive benefits. The rate of unemployment has doubled, and this doubling of long-term unemployment is troubling.

Unemployment declines after financial recovery is underway and, to contradict the administration, recovery has not yet begun. Therefore, long-term unemployment will persist.

The weakness of the economy has been straining family finance, in my district and across the United States, since well before the recession began. The House Budget Committee reports that adult participation in the labor force peaked at 66.6 percent in 1989 and remained flat until the recession began in mid-1990. Since then, there has been a decline of 65.7 percent.

Additionally, the adjusted unemployment rate, which reflects the unemployed workers no longer seeking work because they do not believe jobs are available, is now 12 percent, or 2.5 percentage points higher than it was before the recession.

In Texas, based on the unemployment rates, unemployed workers would receive an additional 6 weeks of benefits. But those 6 weeks could mean the difference between finding a job and losing a home.

I also support the House Ways and Means Committee amendment to H.R. 3040, which would have deleted a provision giving States the option of providing unemployment benefits between terms or academic years to noninstructional employees. Under present law, States are prohibited from paying unemployment benefits to all school employees between terms or academic years.

The Congressional Budget Office estimated this provision would cost $20 million per year, but would also add $20 million per year in Federal receipts. This would occur because governmental and nonprofit schools have the option to reimburse the Federal unemployment trust fund for these costs rather than pay experience-rated unemployment taxes.

I agree with the committee's position that this provision could be interpreted by the other body as a revenue bill, which in turn would open the door for other revenue amendments in the Senate. This could detract from the main objective of the bill, which is providing essential benefits to the unemployed.

My additional concern was that poor school districts, such as those in my congressional district including El Paso, Ysleta, Socorro, and San Elizario, could be forced into an untenable financial situation and be required to pay for benefits which they currently are not under obligation to pay. While I am empathetic with seasonal and nonprofessional school district employees obtaining unemployment benefits to which they are entitled, current laws define the time period during which they are eligible.

Nonetheless, we have the opportunity to place the extension of benefits with a funding alternative on President Bush's desk. The needs of more than 8.5 million American workers, and their families, are at stake. If the President does not agree that the extension of unemployment benefits constitutes an emergency, he will have to resort to his use of the veto. The decision he makes will reflect on his concern for all Americans.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

□ 1050

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. LEWIS of Georgia, Chairman 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. 3040) to provide a program of Federal supplemental compensation, and for other purposes, pursuant to House Resolution 221, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole?

Mr. GINGRICH. Mr. Speaker, I demand a separate vote on the so-called Rostenkowski amendment No. 1 which cuts out janitors, school bus drivers, and cafeteria workers.

The SPEAKER. The Clerk will report the amendments en bloc on which a separate vote has been demanded.

The Clerk read as follows:

Amendments:

Page 24, strike lines 6 through 24.

Page 25, line 1, strike "SEC. 204." and insert "SEC. 203.".

Page 26, line 7, strike "SEC. 205." and insert "SEC. 204.".

Page 27, line 20, strike "SEC. 206." and insert "SEC. 205".

Page 27, strike line 22 and all that follows through line 3 on page 28 and insert the following:

(a) IN GENERAL.—Subparagraph (A) of section 3304(a)(6) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of clauses (iii) and (iv) and by inserting after clause (v) the following new clause:

"(vi) compensation may be denied to an

Page 50, strike the table following line 6 and insert the following:

For fiscal year:	Increase in outlays:	Increase in receipts:
1992	$5,515,000,000	$0
1993	$392,000,000	$0
1994	$120,000,000	$0
1995	$120,000,000	$0

Page 2, strike the item relating to section 203 in the table of contents and redesignate the items relating to sections 204, 205, and 206 as relating to sections 203, 204, and 205, respectively.

The SPEAKER. the question is on the amendments en bloc.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROSTENKOWSKI. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

PARLIAMENTARY INQUIRIES

Mr. ROSTENKOWSKI. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ROSTENKOWSKI. Mr. Speaker, as I understand the situation, what the gentleman from Georgia [Mr. GINGRICH] has done is he is asking us to delete an amendment that was agreed to unanimously by the Committee on Ways and Means. An aye vote would retain the posture and the position of the Ways and Means Committee and support what the minority as well as the majority did on the Committee on Ways and Means, is that correct

The SPEAKER. Insofar as that is a parliamentary inquiry, the gentleman is correct.

Mr. GINGRICH. Mr. Speaker, I have a further parliamentary inquiry.

The SPEAKER. The gentleman from Georgia is entitled to one as well.

Mr. GINGRICH. Mr. Speaker, as I understand it, the Rostenkowski No. 1 amendment would have the effect of cutting out janitors, school bus drivers and cafeteria workers from unemployment benefits also.

The SPEAKER. That is obviously not a parliamentary inquiry.

The vote was taken by electronic device, and there were—ayes 84, noes 324, not voting 24, as follows:

[Roll No. 265]

AYES—84

Abercrombie	Gonzalez	Mrazek
Anderson	Goodling	Murtha
Andrews (NJ)	Grandy	Nowak
Andrews (TX)	Guarini	Oberstar
Anthony	Hastert	Orton
Archer	Henry	Owens (UT)
Aspin	Hoagland	Parker
Bateman	Houghton	Pease
Beilenson	Hoyer	Penny
Bereuter	Hutto	Peterson (MN)
Bilirakis	Johnson (CT)	Porter
Bonior	Kanjorski	Pursell
Bryant	Klug	Ramstad
Cardin	Kopetski	Ray
Carper	LaFalce	Rostenkowski
Chandler	Laughlin	Scheuer
Coleman (TX)	Leach	Shaw
Combest	Levin (MI)	Shays
Cooper	Lewis (GA)	Skaggs
Coyne	Lipinski	Smith (FL)
Crane	McCandless	Spratt
Derrick	McDermott	Stenholm
Dickinson	McMillen (MD)	Sundquist
Dingell	Meyers	Traxler
Foglietta	Miller (WA)	Upton
Franks (CT)	Montgomery	Vander Jagt
Geren	Moran	Weldon
Gibbons	Morella	Zimmer

NOES—324

Ackerman	Dellums	Hefner
Allard	Dicks	Hertel
Andrews (ME)	Dixon	Hobson
Annunzio	Donnelly	Hochbrueckner
Applegate	Dooley	Horn
Armey	Dorgan (ND)	Horton
Atkins	Dornan (CA)	Hubbard
AuCoin	Downey	Huckaby
Bacchus	Dreier	Hughes
Baker	Duncan	Hyde
Ballenger	Durbin	Inhofe
Barnard	Dwyer	Ireland
Barrett	Early	Jacobs
Barton	Eckart	James
Bennett	Edwards (CA)	Jefferson
Bentley	Edwards (OK)	Jenkins
Bevill	Edwards (TX)	Johnson (SD)
Bilbray	Emerson	Johnson (TX)
Bliley	Engel	Jones (GA)
Boehlert	English	Jontz
Boehner	Erdreich	Kaptur
Borski	Espy	Kasich
Boucher	Evans	Kennedy
Boxer	Ewing	Kennelly
Brewster	Fascell	Kildee
Brooks	Fawell	Kleczka
Broomfield	Fazio	Kolbe
Browder	Feighan	Kolter
Brown	Fields	Kostmayer
Bruce	Fish	Kyl
Bunning	Flake	Lagomarsino
Burton	Ford (MI)	Lancaster
Bustamante	Ford (TN)	LaRocco
Byron	Frank (MA)	Lehman (CA)
Callahan	Frost	Lent
Camp	Gallegly	Lewis (FL)
Campbell (CA)	Gallo	Lightfoot
Campbell (CO)	Gaydos	Livingston
Carr	Gejdenson	Long
Chapman	Gekas	Lowery (CA)
Clay	Gephardt	Lowey (NY)
Clement	Gilchrest	Luken
Clinger	Gillmor	Machtley
Coble	Gilman	Manton
Coleman (MO)	Gingrich	Markey
Collins (IL)	Glickman	Martin
Collins (MI)	Gordon	Martinez
Condit	Goss	Matsui
Conyers	Gradison	Mavroules
Costello	Green	Mazzoli
Coughlin	Gunderson	McCloskey
Cox (CA)	Hall (OH)	McCollum
Cox (IL)	Hall (TX)	McCrery
Cramer	Hamilton	McCurdy
Cunningham	Hammerschmidt	McDade
Dannemeyer	Hancock	McEwen
Darden	Hansen	McGrath
Davis	Harris	McHugh
de la Garza	Hatcher	McMillan (NC)
DeFazio	Hayes (IL)	McNulty
DeLauro	Hayes (LA)	Mfume
DeLay	Hefley	Michel
Miller (CA)	Riggs	Stark
Miller (OH)	Rinaldo	Stearns
Mineta	Ritter	Stokes
Mink	Roberts	Studds
Moakley	Roe	Stump
Molinari	Roemer	Swett
Mollohan	Rogers	Swift
Moody	Rohrabacher	Synar
Moorhead	Ros-Lehtinen	Tallon
Morrison	Rose	Tanner
Murphy	Roth	Tauzin
Myers	Roukema	Taylor (MS)
Nagle	Roybal	Taylor (NC)
Natcher	Russo	Thomas (GA)
Neal (MA)	Sabo	Thomas (WY)
Neal (NC)	Sanders	Thornton
Nichols	Sangmeister	Torres
Nussle	Santorum	Torricelli
Oakar	Sarpalius	Towns
Obey	Savage	Traficant
Olin	Sawyer	Unsoeld
Olver	Schaefer	Valentine
Ortiz	Schiff	Vento
Oxley	Schroeder	Visclosky
Packard	Schulze	Volkmer
Pallone	Schumer	Vucanovich
Panetta	Sensenbrenner	Walker
Patterson	Serrano	Walsh
Paxon	Sharp	Washington
Payne (NJ)	Shuster	Waters
Payne (VA)	Sikorski	Waxman
Pelosi	Sisisky	Weber
Perkins	Skeen	Weiss
Peterson (FL)	Skelton	Wheat
Petri	Slattery	Whitten
Pickett	Slaughter (NY)	Williams
Poshard	Smith (IA)	Wilson
Price	Smith (NJ)	Wise
Quillen	Smith (OR)	Wolf
Rangel	Smith (TX)	Wolpe
Ravenel	Snowe	Wyden
Reed	Solarz	Wylie
Regula	Solomon	Yates
Rhodes	Spence	Young (AK)
Richardson	Staggers	Young (FL)
Ridge	Stallings	Zeliff

NOT VOTING—24

Alexander	Johnston	Owens (NY)
Berman	Jones (NC)	Pickle
Doolittle	Lantos	Rahall
Dymally	Lehman (FL)	Rowland
Herger	Levine (CA)	Saxton
Holloway	Lewis (CA)	Slaughter (VA)
Hopkins	Lloyd	Thomas (CA)
Hunter	Marlenee	Yatron

□ 1116

Mr. MILLER of California, Ms. SLAUGHTER of New York, Messrs. STAGGERS, BUSTAMANTE, SAWYER, MARKEY, GEJDENSON, TORRICELLI, GLICKMAN, SLATTERY, SYNAR, DORGAN of North Dakota, and COX of Illinois, Ms. PELOSI, Messrs. FAZIO, SWETT, BORSKI, DIXON, and KOSTMAYER, and Mrs. BYRON changed their vote from "aye" to "no."

Mr. PORTER and Mr. RAMSTED changed their vote from "no" to "aye."

So the amendments en bloc were rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the committee amendment in the nature of a substitute adopted by the Committee of the Whole.

The amendment was agreed to.

LEGISLATIVE PROGRAM

(By unanimous consent, Mr. MICHEL was allowed to speak out of order for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked for this time for the purpose of inquiring of the distinguished majority

leader how the rest of the schedule might evolve for today.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the distinguished majority leader.

Mr. GEPHARDT. Mr. Speaker, so that Members may know the schedule for voting for the rest of the day, I would like to give a sense of what votes are ahead and when we will leave.

We have a motion to recommit. That vote will be a 15-minute vote. That will be followed by a vote on final passage, which will be a 5-minute vote, and then we will go to the D.C. appropriations bill. There will be a vote on disagreeing with the Senate amendment and that will be a 15-minute vote; that should happen in pretty good sequence, so within 35 or 40 minutes the business for today ought to be finished.

Mr. MICHEL. Mr. Speaker, I thank the distinguished gentleman.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GINGRICH

Mr. GINGRICH. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GINGRICH. I am opposed, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GINGRICH moves to recommit the bill H.R. 3040 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with an amendment as follows:

At the end of the bill add the following new title:

TITLE I—INVESTMENT AND JOB CREATION INCENTIVES

Subtitle A—Reduction in Capital Gains Tax for Individuals

SEC. 101. REDUCTION IN CAPITAL GAINS TAX FOR INDIVIDUALS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new section:

"SEC. 1202. DEDUCTION FOR CAPITAL GAINS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the sum of the applicable percentages of the applicable capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGES.—For purposes of this subsection, the applicable percentages shall be the percentages determined in accordance with the following table:

"In the case of:	The applicable percentage is:
1-year gain	10
2-year gain	20
3-year gain	30.

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

"(1) APPLICABLE CAPITAL GAIN.—The term 'applicable capital gain' means 1-year gain, 2-year gain, or 3-year gain determined by taking into account only gain which is properly taken into account for periods on or after April 15, 1991.

"(2) 3-YEAR GAIN.—The term '3-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 3 years.

"(3) 2-YEAR GAIN.—The term '2-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 3-year gain, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 2 years but not more than 3 years.

"(4) 1-YEAR GAIN.—The term '1-year gain' means the net capital gain for the taxable year determined by taking into account only—

"(A) gain from the sale or exchange of assets held more than 1 year but not more than 2 years, and

"(B) losses from the sale or exchange of assets held more than 1 year.

"(5) SPECIAL RULES FOR GAIN ALLOCABLE TO PERIODS BEFORE 1993.—For purposes of this section—

"(A) GAIN ALLOCABLE TO PERIODS AFTER APRIL 15, 1991, AND BEFORE 1992.—In the case of any gain from any sale or exchange which is properly taken into account for the period beginning on April 15, 1991, and ending on December 31, 1991, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 3-year gain.

"(B) GAIN ALLOCABLE TO 1992.—In the case of any gain from any sale or exchange which is properly taken into account for periods during 1992, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 2-year gain and 3-year gain, respectively.

"(6) SPECIAL RULES FOR PASS-THRU ENTITIES.—

"(A) IN GENERAL.—In applying this subsection with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(7) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year—

"(A) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

"(B) the amount so allocated to any such gain shall reduce the amount of such gain."

(b) TREATMENT OF COLLECTIBLES.—

(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

"(12) SPECIAL RULE FOR COLLECTIBLES.—

"(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) COLLECTIBLE.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)."

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(c) MINIMUM TAX.—Section 56(b) is amended by adding at the end thereof the following new paragraph:

"(4) CAPITAL GAINS DEDUCTION DISALLOWANCE.—The deduction under section 1202 shall not be allowed."

(d) CONFORMING AMENDMENTS.—

(1) Subsection (h) of section 1 is hereby repealed.

(2) Section 12 is amended by striking paragraph (4) and redesignating the following paragraphs accordingly.

(3) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202."

(4) Clause (ii) of section 163(d)(4)(B) is amended by inserting ", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment".

(5)(A) Section 170(e)(1)(B) is amended by inserting "(or, in the case of a taxpayer other than a corporation, the nondeductible percentage of the amount of gain)" after "the amount of gain".

(B) Section 170(e)(1) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b)."

(6)(A) Section 172(d)(2) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital as-

sets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section 1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(7)(A) Section 221 (relating to cross reference) is amended to read as follows:

"SEC. 221. CROSS REFERENCES.

"(1) For deduction for net capital gain, see section 1201.

"(2) For deductions in respect of a decedent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking "reference" in the item relating to section 221 and inserting "references".

(8) Paragraph (4) of section 642(c) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income)."

(9) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account."

(10) Paragraph (6)(C) of section 643(a) is amended—

(A) by inserting "(i)" before "there", and

(B) by inserting ", and (ii) the deduction under section 1202 (relating to deduction for excess of capital gains over capital losses)" before the period at the end thereof.

(11) Paragraph (4) of section 691(c) is amended by striking "1(h),".

(12) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(13)(A) Subparagraph (B) of section 904(b)(2) is amended by striking out so much of such subparagraph as precedes clause (i) and inserting the following:

"(B) SPECIAL RULES WHERE CORPORATE CAPITAL RATE GAIN DIFFERENTIAL.—In the case of a corporation, for any taxable year for which there is a capital gain rate differential—".

(B) Subparagraphs (D) and (E) of section 904(b)(3) are amended to read as follows:

"(D) CAPITAL GAIN RATE DIFFERENTIAL.—There is a capital gain rate differential for any taxable year if any rate of tax imposed by section 11, 511, or 831(a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)(1)).

"(E) RATE DIFFERENTIAL PORTION.—The rate differential portion of foreign source net capital gain, net capital, or the excess of net capital gain from sources within the United States over net capital gain, as the case may be, is the same proportion of such amount as—

"(i) the excess of the highest rate of tax specified in section 11(b)(1) over the alternative rate of tax under section 1201(a), bears to

"(ii) the highest rate of tax specified in section 11(b)(1)."

(14) Section 1402(i)(1) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Deduction for capital gains."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending on or after April 15, 1991.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning after April 15, 1991.

(B) SPECIAL RULE FOR 1991 TAXABLE YEAR.—In case of any taxable year which includes April 15, 1991, for purposes of section 1202 of the Internal Revenue Code of 1986 and section 1(h) of such Code, any gain or loss from the sale or exchange of a collectible (within the meaning of section 1222(12) of such Code) shall be treated as gain or loss from a sale or exchange occurring before such date.

SEC. 102. PREVENTION OF EXCESSIVE DEDUCTION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property,

shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188 (as in effect before its repeal by the Revenue Reconciliation Act of 1990), 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Economic Growth and Jobs Creation Incentives Act of 1991", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (e) and (f), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Economic Growth Act of 1991)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Economic Growth and Dividend Act of 1991)."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions made on or after April 15, 1991, in taxable years ending on or after such date.

Subtitle B—Inflation Adjustment for Investments

SEC. 111. INDEXING OF CERTAIN INVESTMENTS AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF INVESTMENTS ACQUIRED AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Solely for purposes of determining gain on the sale or other disposition by an individual of an indexed asset which has been held for more than 1 year, the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) SPECIAL RULE FOR RECAPTURE GAIN.—

"(A) IN GENERAL.—Paragraph (1) shall not apply for purposes of determining the amount of recapture gain on the sale or other disposition of an indexed asset, but the amount of any such recapture gain shall increase the adjusted basis of the asset for purposes of applying paragraph (1) to determine the amount of other gain on such sale or other disposition.

"(B) RECAPTURE GAIN.—For purposes of subparagraph (A), the term 'recapture gain' means any gain treated as ordinary income under section 1245, 1250, or 1254.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) any stock in a corporation, and

"(B) any tangible property (or any interest therein),

which is a capital asset or property used in the trade or business (as defined in section 1231(B)) and the holding period of which begins after April 15, 1991.

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) COLLECTIBLES.—Any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

"(C) OPTIONS.—Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (i)(3)).

"(E) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(F) STOCK IN FOREIGN CORPORATIONS.—Stock in a foreign corporation.

"(G) STOCK IN S CORPORATIONS.—Stock in an S corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Paragraph (2)(F) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis or is authorized for trading on the national market system operated by the National Association of Securities Dealers other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)),

"(B) stock in a passive foreign investment company (as defined in section 1296), and

"(C) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset shall be determined by dividing—

"(A) the CPI for the calendar year preceding the calendar year in which the disposition takes place, by

"(B) the CPI for the calendar year preceding the calendar year in which the taxpayer's holding period for such asset began.

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-hundredth.

"(3) CONVENTIONS.—For purposes of paragraph (2), if any asset is disposed of during any calendar year—

"(A) such disposition shall be treated as occurring on the last day of such calendar year, and

"(B) the taxpayer's holding period for such asset shall be treated as beginning in the same calendar year as would be determined for an asset actually disposed of on such last day with a holding period of the same length as the actual holding period of the asset involved.

"(4) CPI.—For purposes of this subsection, the CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SHORT SALES.—

"(1) IN GENERAL.—In the case of a short sale of an indexed asset with a short sale period in excess of 1 year, for purposes of this title, the amount realized shall be an amount equal to the amount realized (determined without regard to this paragraph) multiplied by the applicable inflation ratio. In applying subsection (c)(2) for purposes of the preceding sentence, the date on which the property is sold short shall be treated as the date on which the holding period for the asset begins and the closing date for the sale shall be treated as the date of disposition.

"(2) SHORT SALE OF SUBSTANTIALLY IDENTICAL PROPERTY.—If the taxpayer or the taxpayer's spouse sells short property substantially identical to an asset held by the taxpayer, the asset held by the taxpayer and the substantially identical property shall not be treated as indexed assets for the short sale period.

"(3) SHORT SALE PERIOD.—For purposes of this subsection, the short sale period begins on the day after property is sold and ends on the closing date for the sale.

"(e) TREATMENT OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

"(1) ADJUSTMENTS AT ENTITY LEVEL.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the adjustment under subsection (a) shall be allowed to any qualified investment entity (including for purposes of determining the earnings and profits of such entity).

"(B) EXCEPTION FOR CORPORATE SHAREHOLDERS.—Under regulations in the case of a distribution by a qualified investment entity (directly or indirectly) to a corporation—

"(i) the determination of whether such distribution is a dividend shall be made without regard to this section, and

"(ii) the amount treated as gain by reason of the receipt of any capital gain dividend shall be increased by the percentage by which the entity's net capital gain for the taxable year determined without regard to this section exceeds the entity's net capital gain for such year determined with regard to this section.

For purposes of the preceding sentence, any amount includible in gross income under section 852(b)(3)(D) shall be treated as a capital gain dividend and an S corporation shall not be treated as a corporation.

"(C) EXCEPTION FOR QUALIFICATION PURPOSES.—This section shall not apply for purposes of sections 851(b) and 856(c).

"(D) EXCEPTION FOR CERTAIN TAXES IMPOSED AT ENTITY LEVEL.—

"(i) TAX ON FAILURE TO DISTRIBUTE ENTIRE GAIN.—If any amount is subject to tax under section 852(b)(3)(A) for any taxable year, the amount on which tax is imposed under such section shall be increased by the percentage determined under subparagraph (B)(ii). A similar rule shall apply in the case of any amount subject to tax under paragraph (2) or (3) of section 857(b) to the extent attributable to the excess of the net capital gain over the deduction for dividends paid determined with reference to capital gain dividends only. The first sentence of this clause shall not apply to so much of the amount subject to tax under section 852(b)(3)(A) as is designated by the company under section 852(b)(3)(D).

"(ii) OTHER TAXES.—This section shall not apply for purposes of determining the amount of any tax imposed by paragraph (4), (5), or (6) of section 857(b).

"(2) ADJUSTMENTS TO INTERESTS HELD IN ENTITY.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more fre-

quently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(3) QUALIFIED INVESTMENT ENTITY.—For purposes of this subsection, the term 'qualified investment entity' means—

"(A) a regulated investment company (within the meaning of section 851), and

"(B) a real estate investment trust (within the meaning of section 856).

"(f) OTHER PASS-THRU ENTITIES.—

"(1) PARTNERSHIPS.—

"(A) IN GENERAL.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners (but only for purposes of determining the income of partners who are individuals).

"(B) SPECIAL RULE IN THE CASE OF SECTION 754 ELECTIONS.—In the case of a transfer of an interest in a partnership with respect to which the election provided in section 754 is in effect—

"(i) the adjustment under section 743(b)(1) shall, with respect to the transferor partner, be treated as a sale of the partnership assets for purposes of applying this section, and

"(ii) with respect to the transferee partner, the partnership's holding period for purposes of this section in such assets shall be treated as beginning on the date of such adjustment.

"(2) S CORPORATIONS.—In the case of an S corporation, the adjustment made under subsection (a) at the corporate level shall be passed through to the shareholders. This section shall not apply for purposes of determining the amount of any tax imposed by section 1374 or 1375.

"(3) COMMON TRUST FUNDS.—In the case of a common trust fund, the adjustment made under subsection (a) at the trust level shall be passed through to the participants (but only for purposes of determining the income of participants who are individuals).

"(g) DISPOSITIONS BETWEEN RELATED PERSONS.—This section shall not apply to any sale or other disposition of property between related persons (within the meaning of section 465(b)(3)(C)) if such property, in the hands of the transferee, is of a character subject to the allowance for depreciation provided in section 167.

"(h) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—The applicable inflation ratio shall be appropriately reduced for periods during which the asset was not an indexed asset.

"(3) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property."

(b) GAINS AND LOSSES FROM INDEXED ASSETS NOT TAKEN INTO ACCOUNT UNDER LIMITATION ON INVESTMENT INTEREST.—Subparagraph (B) of section 163(d)(4) (defining investment income) is amended by adding at the end thereof the following new sentences:

"Gain from the sale or other disposition of an indexed asset (as defined in section 1022) held for more than 1 year shall not be taken into account for purposes of the preceding sentence. The preceding sentence shall not apply to gain from the sale or other disposition of any such asset if the taxpayer elects to waive the benefits of section 1022 in determining the amount of such gain."

(c) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of investments acquired after April 15, 1990 for purposes of determining gain."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to dispositions of any property the holding period of which begins after April 15, 1991.

(2) EXCEPTION FOR CERTAIN TRANSACTIONS BETWEEN RELATED PERSONS.—The amendments made by subsections (a) and (b) shall not apply to any property acquired after April 15, 1991, from a related person (as defined in section 465(b)(3)(C) of the Internal Revenue Code of 1986) if—

(A) such property was so acquired for a price less than the property's fair market value, and

(B) the amendments made by this section did not apply to such property in the hands of such related person.

Subtitle C—Enterprise Zones

PART I—DESIGNATION

SEC. 121. DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Designation of Enterprise Zones

"Sec. 7880. Designation.

"SEC. 7880. DESIGNATION.

"(a) DESIGNATION OF ZONES.—

"(1) DEFINITION.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior,

designates as an enterprise zone.

"(2) AUTHORITY TO DESIGNATE.—The Secretary of Housing and Urban Development is authorized to designate enterprise zones in accordance with the provisions of this section.

"(3) LIMITATIONS ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone and not later than 4 months following the date of the enactment of this section, the Secretary of Housing and Urban Development shall prescribe by regulation, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area, and

"(ii) the procedures for designation as an enterprise zone, including a method for comparing courses of action under subsection (d) proposed for nominated areas, and the other factors specified in subsection (e).

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 48-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) June 30, 1991.

"(C) NUMBER OF DESIGNATIONS.—

"(i) IN GENERAL.—The Secretary of Housing and Urban development may designate—

"(I) not more than 50 nominated areas as enterprise zones under this section and

"(II) not more than 15 nominated areas as enterprise zones during the first 12-month period beginning on the date determined under subparagraph (B), not more than 30 by the end of the second 12-month period, not more than 45 by the end of the third 12-month period, and not more than 50 by the end of the fourth 12-month period.

"(ii) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated as enterprise zones, at least one-third must be areas that are—

"(I) within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined using the most recent census data available);

"(II) outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)); or

"(III) determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(D) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designations under this section unless—

"(i) the local government and the State in which the nominated area is located have the authority to—

"(I) nominate such area for designation as an enterprise zone,

"(II) make the State and local commitments under subsection (d), and

"(III) provide assurances satisfactory to the Secretary of Housing and Urban development that such commitments will be fulfilled, and

"(ii) a nomination therefor is submitted by such State and local governments in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall prescribe by regulation.

"(4) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) TIME PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

"(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date specified by the State and local governments as provided in the nomination submitted in accordance with subsection (a)(3)(D)(ii),

"(C) such other date as the Secretary of Housing and Urban Development shall specify as a condition of designation, or

"(D) the date upon which the Secretary of Housing and Urban Development revokes such designation.

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that the State or a local government in which the area is located is not complying substantially with the agreed course of action for the area.

"(c) AREA AND ELIGIBILITY REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate a nominated area as an enterprise zone only if it meets the requirements of paragraphs (2) and (3).

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government;

"(B) the boundary of the area is continuous; and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of not less than—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(3)(C)(ii)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

"(II) 1,000 in any other case; or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State or local governments in which the nominated area is located certifies, and the Secretary of Housing and Urban Development accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment and general distress;

"(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

"(C) the unemployment rate for the area, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for the period;

"(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate; and

"(E) the area meets at least one of the following criteria:

"(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

"(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

"(4) ELIGIBILITY REQUIREMENTS FOR RURAL AREAS.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(3)(C)(ii) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

"(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

"(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

"(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

"(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the State and the local government or governments of the jurisdictions in which the nominated area is located agree in writing that, during any period during which the nominated area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) COURSE OF ACTION.—The course of action under paragraph (1) may include, but is not limited to—

"(A) the reduction or elimination of tax rates or fees applying within the enterprise zone,

"(B) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(C) an increase in the level or efficiency of local services within the enterprise zone, for example, crime prevention, and drug enforcement prevention and treatment,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial or other assistance to, employers, employees, and residents of the nominated area,

"(E) mechanisms to increase equity ownership by residents and employees within the enterprise zone,

"(F) donation (or sale below market value) of land and buildings to benefit low and moderate income people,

"(G) linkages to—

"(i) job training,

"(ii) transportation,

"(iii) education,

"(iv) day care,

"(v) health care, and

"(vi) other social service support,

"(H) provision of supporting public facilities, and infrastructure improvements,

"(I) encouragement of local entrepreneurship; and

"(J) other factors determined essential to support enterprise zone activities and encourage livability or quality of life.

"(3) LATER MODIFICATION OF A COURSE OF ACTION.—The Secretary of Housing and Urban Development may by regulation prescribe procedures to permit or require a course of action to be updated or modified during the time that a designation is in effect.

"(e) PRIORITY OF DESIGNATION.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give preference to the nominated areas—

"(1) with respect to which the strongest and highest quality contributions have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief,

"(2) with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action will actually be carried out during the period of the enterprise zone designation,

"(3) with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(4) which best exhibit such other factors determined by the Secretary of Housing and Urban Development, including relative distress, as are consistent with the intent of the enterprise zone program and have the greatest likelihood of success.

"(f) GEOGRAPHIC DISTRIBUTION.—In making designations, the Secretary of Housing and Urban Development will take into consideration a reasonable geographic distribution of enterprise zones.

"(g) DEFINITIONS.—For the purposes of this title—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) STATE.—The term 'State' shall also include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

"(3) LOCAL GOVERNMENT.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia.".

"(h) CROSS REFERENCES FOR—

"(1) definitions, see section 1391,

"(2) treatment of employees in enterprise zones, see section 1392, and

"(3) treatment of investments in enterprise zones, see sections 1393 and 1394.".

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"SUBCHAPTER D. Designation of enterprise zones.".

SEC. 122. REPORTING REQUIREMENTS.

Not later than the close of the second calendar year after the calendar year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each second calendar year thereafter, the Secretary of Housing and Urban Development shall submit to the Congress a report on the effects of such designation in accomplishing the purposes of this Act.

SEC. 123. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 7880 of the Internal Revenue Code of 1986 (as added by this Act) shall not—

(1) constitute approval of a Federal or federally assisted program or project (within

the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) COORDINATION WITH ENVIRONMENTAL POLICY.—Designation of an enterprise zone under section 7880 of such Code shall not constitute a Federal action for purposes of applying the procedural requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

PART II—FEDERAL INCOME TAX INCENTIVES

SEC. 131. DEFINITIONS AND REGULATIONS; EMPLOYEE CREDIT; CAPITAL GAIN EXCLUSION; STOCK EXPENSING.

(a) GENERAL RULE.—Chapter 1 (relating to normal tax and surtax rules) is amended by inserting after subchapter T the following new subchapter:

"Subchapter U—Enterprise Zones

"Sec. 1391. Definitions and regulatory authority.

"Sec. 1392. Credit for enterprise zone employees.

"Sec. 1393. Enterprise zone capital gain.

"Sec. 1394. Enterprise zone stock.

"SEC. 1391. DEFINITIONS AND REGULATORY AUTHORITY.

"(a) ENTERPRISE ZONE.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone' means any area which the Secretary of Housing and Urban Development designates pursuant to section 7880(a) as a Federal enterprise zone for purposes of this title.

"(2) TERMINATION OF ENTERPRISE ZONE.—An area will cease to constitute an enterprise zone once its designation as such terminates or is revoked under section 7880(b).

"(b) ENTERPRISE ZONE BUSINESS.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone business' means an activity constituting the active conduct of a trade or business within an enterprise zone, and with respect to which—

"(A) at least 80 percent of the gross income in each calendar year is attributable to the active conduct of a trade or business within an enterprise zone,

"(B) less than 10 percent of the property (as measured by unadjusted basis) constitutes stocks, securities, or property held for use by customers,

"(C) no more than an insubstantial portion of the property constitutes collectibles (as defined in section 408(m)(2)), unless such collectibles constitute property held primarily for sale to customers in the ordinary course of the active trade or business,

"(D) substantially all of the property (whether owned or leased) is located within an enterprise zone, and

"(E) substantially all of the employees work within an enterprise zone.

"(2) RELATED ACTIVITIES TAKEN INTO ACCOUNT.—Except as otherwise provided in regulations, all activities conducted by a taxpayer and persons related to the taxpayer shall be treated as one activity for purposes of paragraph (1).

"(3) SPECIAL RULES.—

"(A) RENTAL REAL PROPERTY.—For purposes of paragraph (1), real property located within an enterprise zone and held for use by customers other than related persons shall be treated as the active conduct of a trade or business for purposes of paragraph (1)(A) and as not subject to paragraph (1)(B).

"(B) TERMINATION OF ENTERPRISE ZONE BUSINESS.—An activity shall cease to be an enterprise zone business if—

"(i) the designation of the enterprise zone in which the activity is conducted terminates or is revoked pursuant to section 7880(b);

"(ii) more than 50 percent (by value) of the activity's property or services are obtained from related persons other than enterprise zone businesses; or

"(iii) more than 50 percent of the activity's gross income is attributable to property or services provided to related persons other than enterprise zone businesses.

"(c) ENTERPRISE ZONE PROPERTY.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone property' means—

"(A) any tangible personal property located in an enterprise zone and used by the taxpayer in an enterprise zone business, and

"(B) any real property located in an enterprise zone and used by the taxpayer in an enterprise zone business.

In no event shall any financial property or intangible interest in property be treated as constituting enterprise zone property, whether or not such property is used in the active conduct of an enterprise zone business.

"(2) TERMINATION OF ENTERPRISE ZONE.—The treatment of property as enterprise zone property under subparagraph (A) shall not terminate upon the termination or revocation of the designation of the enterprise zone in which the property is located, but instead shall terminate immediately after the first sale or exchange of such property occurring after the expiration or revocation.

"(d) RELATED PERSONS.—For purposes of this subchapter, a person shall be treated as related to another person if—

"(1) the relationship of such persons is described in section 267(b) or 707(b)(1), or

"(2) such persons are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of paragraph (1), in applying section 267(b) or 707(b)(1), '33 percent' shall be substituted for '50 percent'.

"(e) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of subtitle C of title II of the Economic Growth Act of 1991, including—

"(1) providing that Federal tax relief is unavailable to an activity that does not stimulate employment in, or revitalization of, enterprise zones,

"(2) providing for appropriate coordination with other Federal programs that, in combination, might enable activity within enterprise zones to be more than 100 percent subsidized by the Federal Government, and

"(3) preventing the avoidance of the rules in this subchapter.

"SEC. 1392. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) GENERAL RULE.—In the case of a taxpayer who is an enterprise zone employee, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 5 percent of so much of the qualified wages of the taxpayer for the taxable year as does not exceed $10,500.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE EMPLOYEE.—The term 'enterprise zone employee' means an individual—

"(A) performing services during the taxable year that are directly related to the conduct of an enterprise zone business,

"(B) substantially all of the services described in paragraph (1)(A) are performed within an enterprise zone, and

"(C) the employer for whom the services described in paragraph (1)(A) are performed is not the Federal government, any State government or subdivision thereof, or any local government.

"(2) WAGES.—The term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such subsection).

"(3) QUALIFIED WAGES.—The term 'qualified wages' means all wages of the taxpayer, to the extent attributable to services described in paragraph (1).

"(c) LIMITATIONS.—

"(1) PHASE-OUT OF CREDIT.—The amount of the credit allowable to a taxpayer under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) $525, over

"(B) 10.5 percent of so much of the taxpayer's total wages (whether or not constituting qualified wages) as exceeds $20,000.

"(2) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (c)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(d) REDUCTION OF CREDIT TO TAXPAYERS SUBJECT TO ALTERNATIVE MINIMUM TAX.—The credit allowed under this section for the taxable year shall be reduced by the amount (if any) of tax imposed by section 55 (relating to the alternative minimum tax) with respect to such taxpayer for such year.

"(e) CREDIT TREATED AS SUBPART C CREDIT.—For purposes of this title, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C of part IV of subchapter A of this chapter.

"SEC. 1393. ENTERPRISE ZONE CAPITAL GAIN.

"(a) GENERAL RULE.—Gross income does not include the amount of any gain constituting enterprise zone capital gain.

"(b) DEFINITION.—For purposes of this section—

"(1) IN GENERAL.—The term 'enterprise zone capital gain' means gain—

"(A) treated as long-term capital gain,

"(B) allocable in accordance with the rules under subsection (b)(5) of section 338 to the sale or exchange of enterprise zone property, and

"(C) properly attributable to periods of use in an enterprise zone business.

"(2) LIMITATIONS.—Enterprise zone capital gain does not include any gain attributable to—

"(A) the sale or exchange of property not constituting enterprise zone property with respect to the taxpayer throughout the period of twenty-four full calendar months immediately preceding the sale or exchange,

"(B) any collectibles (as defined in section 408(m)), or

"(C) sales or exchanges to persons controlled by the same interests.

"(c) BASIS.—Amounts excluded from gross income pursuant to subsection (a) shall not be applied in reduction to the basis of any property held by the taxpayer.

"SEC. 1394. ENTERPRISE ZONE STOCK.

"(a) GENERAL RULE.—At the election of any individual, the aggregate amount paid

by such taxpayer during the taxable year for the purchase of enterprise zone stock on the original issue of such stock by a qualified issuer shall be allowed as a deduction.

"(b) LIMITATIONS.—

"(1) CEILING.—The maximum amount allowed as a deduction under subsection (a) to a taxpayer shall not exceed $50,000 for any taxable year, nor $250,000 during the taxpayer's lifetime.

"(A) EXCESS AMOUNTS.—If the amount otherwise deductible by any person under subsection (a) exceeds the limitation under this paragraph (1)—

"(i) the amount of such excess shall be treated as an amount paid in the next taxable year, and

"(ii) the deduction allowed for any taxable year shall be allocated among the enterprise zone stock purchased by such person in accordance with the purchase price per share.

"(2) RELATED PERSON.—

"(A) IN GENERAL.—The taxpayer and all individuals related to the taxpayer shall be treated as one person for purposes of the limitations described in subsection (b)(1).

"(B) EXCESS AMOUNTS.—The limitations described in subsection (b)(1) shall be allocated among the taxpayer and related persons in accordance with their respective purchases of enterprise zone stock.

"(3) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (b)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(c) DISPOSITIONS OF STOCK.—

"(1) GAIN TREATED AS ORDINARY INCOME.—Except as otherwise provided in regulations, if a taxpayer disposes of any enterprise zone stock with respect to which a deduction was allowed under subsection (a), the amount realized upon such disposition shall be treated as ordinary income and recognized notwithstanding any other provision of this subtitle.

"(2) INTEREST CHARGED IF DISPOSITION WITHIN 5 YEARS OF PURCHASE.—

"(A) IN GENERAL.—If a taxpayer disposes of any enterprise zone stock before the end of the 5-year period beginning on the date such stock was purchased by the taxpayer, the tax imposed by this chapter for the taxable year in which such disposition occurs shall be increased by the amount determined under subparagraph (B).

"(B) ADDITIONAL AMOUNT.—For purposes of subparagraph (A), the additional amount shall be equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(i) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date such stock was disposed of by the taxpayer,

"(ii) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disposed of.

"(d) DISQUALIFICATION.—

"(1) ISSUER OR STOCK CEASES TO QUALIFY.—If a taxpayer elects the deduction under subsection (a) with respect to enterprise zone stock, and either—

"(A) the issuer with respect to which the election was made ceases to be a qualified issuer, or

"(B) the proceeds from the issuance of the taxpayer's enterprise zone stock fail or otherwise cease to be invested by the issuer in enterprise zone property, then, notwithstanding any provision of this subtitle other than paragraph (2) to the contrary, the taxpayer shall recognize as ordinary income the amount of the deduction allowed under subsection (a) with respect to the issuer's enterprise zone stock.

"(2) SPECIAL RULES.—

"(A) LIQUIDATION.—Where enterprise zone property acquired with proceeds from the issuance of enterprise zone stock is sold or exchanged pursuant to a plan of complete liquidation, the treatment described in paragraph (1) shall be inapplicable.

"(B) TERMINATION OF ENTERPRISE ZONE.—The treatment of an activity as an enterprise zone business shall not cease for purposes of paragraph (1) solely by reason of the termination or revocation of the designation of the enterprise zone with respect to the activity.

"(C) PARTIAL DISQUALIFICATION.—Where some, but not all, of the property acquired by the issuer with the proceeds of enterprise zone stock ceases to constitute enterprise zone property, the treatment described in paragraph (1) shall be modified as follows—

"(i) the total amount recognized as ordinary income by all shareholders of the issuer shall be limited to an amount of deduction allowed up to the unadjusted basis of property ceasing to constitute enterprise zone property,

"(ii) the amount recognized shall be allocated among enterprise zone stock with respect to which the election in subsection (a) was made in the reverse order in which such stock was issued, and

"(iii) the amount recognized shall be apportioned among taxpayers having made the election in subsection (a) in the ratios in which the stock described in paragraph (2)(C)(ii) was purchased.

"(3) ADDITIONAL AMOUNT.—If income is recognized pursuant to paragraph (1) at any time before the close of the 5th calendar year ending after the date the enterprise zone stock was purchased, the tax imposed by this chapter with respect to such income shall be increased by an amount equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(A) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date of the disqualification event described in paragraph (1),

"(B) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disqualified.

"(e) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE STOCK.—The term 'enterprise zone stock' means common stock issued by a qualified issuer, but only to the extent that the amount of proceeds of such issuance are used by such issuer no later than twelve months followed issuance to acquire and maintain an equal amount of newly acquired enterprise zone property.

"(2) QUALIFIED ISSUER.—

"(A) IN GENERAL.—The term 'qualified issuer' means any subchapter C corporation which—

"(i) does not have more than one class of stock,

"(ii) is engaged solely in the conduct of one or more enterprise zone businesses,

"(iii) does not own or lease more than $5 million of total property (including money), as measured by the unadjusted basis of the property, and

"(iv) more than 20 percent of the total voting power and 20 percent of the total value of the stock of such corporation is owned by individuals, partnerships, estates or trusts.

"(B) LIMITATION ON TOTAL ISSUANCES.—A qualified issuer may issue no more than an aggregate of $5 million of enterprise zone stock.

"(C) AGGREGATION.—For purposes of applying the limitations under paragraph (2), the issuer and all related persons shall be treated as one person.

"(3) AMOUNT PAID.—For purposes of subsection (a), the amount 'paid' by a taxpayer for any taxable year shall not include the issuance of evidences of indebtedness of the taxpayer (whether or not such indebtedness is guaranteed by another person), nor amounts paid by the taxpayer after the close of the taxable year.

"(f) ISSUANCES IN EXCHANGE FOR PROPERTY.—If enterprise zone stock is issued in exchange for property, then notwithstanding any provision of subchapter C of this chapter to the contrary—

"(1) the issuance shall be treated for purposes of this subtitle as the sale of the property at its then fair market value to the corporation, and a contribution to the corporation of the proceeds immediately thereafter in exchange for the enterprise zone stock, and

"(2) the issuer's basis for the property shall be equal to the fair market value of such property at the time of issuance.

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a taxpayer elects the deduction under subsection (a), the taxpayer's basis (without regard to this subsection) for the enterprise zone stock with respect to such election shall be reduced by the deduction allowed or allowable.

"(h) LIMITATIONS ON ASSESSMENT AND COLLECTION.—If a taxpayer elects the deduction under subsection (a) for any taxable year, then—

"(1) the period for assessment and collection of any deficiency attributable to any part of the deduction shall not expire before one year following expiration of such period of the qualified issuer that includes the circumstances giving rise to the deficiency, and

"(2) such deficiency may be assessed before expiration of the period described in paragraph (1) notwithstanding any provisions of this subtitle to the contrary.

"(i) CROSS REFERENCE.—

For treatment of the deduction under subsection (a) for purposes of the alternative minimum tax, see section 56.".

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (23); by striking out the period at the end of paragraph (24) and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraph:

"(25) to the extent provided in section 1394(g), in the case of stock with respect to which a deduction was allowed or allowable under section 1394(a).".

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by inserting after the item relating to subchapter T the following new item:

"SUBCHAPTER U. Enterprise zones."

SEC. 132. ALTERNATIVE MINIMUM TAX.

(a) CORPORATIONS.—Section 56(g)(4)(B) (relating to adjustments based on adjusted current earnings of corporations) is amended by adding the following new clause at the end thereof:

"(iii) EXCLUSION OF ENTERPRISE ZONE CAPITAL GAIN.—Clause (i) shall not apply in the

case of any enterprise zone capital gain (as defined in section 1393(b)), and such gain shall not be included in income for purposes of computing alternative minimum taxable income.".

(b) INDIVIDUALS.—Section 56(b) (relating to adjustments to the alternative minimum taxable income of individuals) is amended by adding the following new paragraph at the end thereof:

"(4) ENTERPRISE ZONE STOCK.—No deduction shall be allowed for the purchase of enterprise zone stock (as defined in section 1394(e)).".

SEC. 133. ADJUSTED GROSS INCOME DEFINED.

Section 62(a) (relating to the definition of adjusted gross income) is amended by inserting after paragraph (14) the following new paragraph:

"(15) ENTERPRISE ZONE STOCK.—The deduction allowed by section 1394.".

SEC. 134. EFFECTIVE DATE.

The amendments made by this part shall apply to taxable years ending after December 31, 1990.

PART III—REGULATORY FLEXIBILITY

SEC. 141. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONE FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (5); and

(2) striking out paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction defined in paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified enterprise zone business; any unit of government that nominated an area which the Secretary of Housing and Urban Development designates as an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986) that has a rule pertaining to the carrying out of any project, activity, or undertaking within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified enterprise zone business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 1392(b)(1) of such Code).".

SEC. 142. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States Code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of any government which nominated an area that the Secretary of Housing and Urban Development has designated as an enterprise zone under section 7880 of the Internal Revenue Code of 1986, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives with respect to such zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within such zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, familial status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If such a request is made to any agency other than the Department of Housing and Urban Development, the requesting government shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development, or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

"(1) violate a statutory requirement (including any requirements of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental or occupational health or safety, or of environmental pollution.

"(e) If a request is disapproved, the agency shall inform all the requesting governments, and the Department of Housing and Urban Development, in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section, the time such waiver or modification takes effect and its duration, and the scope of applicability of such waiver or modification.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary. Such determinations shall be published with the proposal to amend such rule.

"(i) No waiver or modification of a rule under this section shall remain in effect with respect to an enterprise zone after the enterprise zone designation has expired or has been revoked.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title.".

(b) The analysis for chapter 6 of title 5, United States Code, is amended by redesignating the items relating to sections 611 and 612 as items relating to sections 612 and 613, respectively, and by inserting after the item relating to section 610 the following new item:

"611. Waiver or modification of agency rules in enterprise zones.".

(c) Section 601(2) of such title 5 is amended by inserting "(except for purposes of section 611" immediately before "means".

(d) Section 613 of such title 5, as redesignated by subsection (a), is amended—

(1) in subsection (a) by inserting "(except section 611)" immediately after "chapter"; and

(2) in subsection (b) by inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence.

SEC. 143. FEDERAL AGENCY SUPPORT OF ENTERPRISE ZONES.

In order to maximize all agencies' support of enterprise zones, the Secretary of Housing and Urban Development is authorized to convene regional and local coordinating councils of any appropriate agencies to assist State and local governments to achieve the objectives agreed to in the course of action under section 7880 of the Internal Revenue Code of 1986.

PART IV—ESTABLISHMENT OF FOREIGN TRADE ZONES IN ENTERPRISE ZONES

SEC. 151. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 7880 of the Internal Revenue Code of 1986.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone so designated.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of for-

eign-trade zones and ports of entry in connection with enterprise zones so designated, the Foreign-Trade Zone Board and the Secretary of the Treasury shall approve the applications, to the maximum extent practicable, consistent with their respective statutory responsibilities.

PART V—REPEAL OF TITLE VII OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1987

SEC. 161. REPEAL.

Title VII of the Housing and Community Development Act of 1987 is hereby repealed.

Subtitle D—Research and Experimentation Credit Made Permanent

SEC. 171. RESEARCH AND EXPERIMENTATION CREDIT MADE PERMANENT.

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking subsection (h).

(b) CONFORMING AMENDMENT.—Section 28(b)(1) of the Internal Revenue Code of 1986 (relating to clinical testing expenses for certain drugs for rare diseases or conditions) is amended by striking subparagraph (D).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

TITLE II—SAVINGS INCENTIVES

SEC. 201. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) INDIVIDUAL RETIREMENT PLUS ACCOUNT.—For purposes of this title, the term 'individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.—

"(A) IN GENERAL.—Except in the case of rollover contributions, the aggregate amount which may be accepted as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 INCREASE AFTER 1996.—In the case of any taxable year beginning after December 31, 1996, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) LIMITATIONS ON ROLLOVER CONTRIBUTIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) IN GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) TREATMENT OF QUALIFIED DISTRIBUTION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual, or

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)).

"(B) DISTRIBUTIONS WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) June 30, 1993,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED AMOUNTS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) TIME FOR INCLUSION.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) ROLLOVER CONTRIBUTIONS.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(f) DETERMINATIONS.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins.".

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE III—HOMEOWNERSHIP INCENTIVES

Subtitle A—First-Time Homebuyers Tax Credit

SEC. 301. CREDIT FOR PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

(a) GENERAL RULE.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

"(a) ALLOWANCE OF CREDIT.—If an individual who is a first-time homebuyer purchases a principal residence during the taxable year, there shall be allowed to such individual as a credit against the tax imposed by this subtitle for such taxable year an amount equal to $1,000.

"(b) INCOME LIMITATIONS.—

"(1) IN GENERAL.—No credit shall be allowed under subsection (a) to any individual whose adjusted gross income for the taxable year exceeds $41,000.

"(2) PHASE-DOWN OF CREDIT.—The $1,000 amount set forth in subsection (a) shall be reduced by $10 for each $100 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $31,000.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' has the meaning given to such term by section 408A(e)(3)(E)(ii).

"(2) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(3) PURCHASE.—The term 'purchase' means any acquisition of property, but only

if the basis of such property in the hands of the person acquiring it is not determined—

"(A) in whole or in part by the reference to the adjusted basis of such property in the hands of the person from whom acquired, or

"(B) under section 1014(a) (relating to property acquired from a decedent).

"(4) TREATMENT OF MARRIED INDIVIDUALS.—The adjusted gross income of any individual for any taxable year shall include the adjusted gross income of such individual's spouse for such spouse's taxable year corresponding to the taxable year of the individual. For purposes of the preceding sentence, marital status shall be determined under section 7703; except that an individual shall not be treated as being married if such individual would not be treated as being married under section 21(e)(4).

"(5) JOINT PURCHASES.—If a residence is purchased together by 2 or more individuals for use as their principal residence—

"(A) such individuals shall be limited to 1 credit under this section for such purchase and the amount of such credit shall be allocated among such individuals in the manner prescribed by the Secretary,

"(B) no credit shall be allowed under this section for such purchase unless all of such individuals are first-time homebuyers, and

"(C) the aggregate adjusted gross income of all of such individuals shall be taken into account in determining the amount of the credit allowable under this section for such purchase."

(b) CLERICAL AMENDMENTS.—The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Purchase of principal residence by first-time homebuyer.

"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to principal residences purchased after July 31, 1991.

Subtitle B—Penalty-Free IRA Plus Withdrawal for Home Purchase, Higher Education, and Health Costs

SEC. 311. PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS.

(a) GENERAL RULE.—Subparagraph (A) of section 408A(d)(3) (as added by title II) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end thereof the following new clause:

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

(b) QUALIFIED SPECIAL PURPOSE DISTRIBUTION DEFINED.—Section 408A (as so added) is amended by redesignating subsections (e) and (f) as (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) QUALIFIED SPECIAL PURPOSE DISTRIBUTION FROM IRA PLUS ACCOUNTS.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 PERCENT ACCOUNT LIMIT.—

"(A) IN GENERAL.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(i) 25 percent of the sum of—

"(I) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(II) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(ii) the amount determined under clause (i)(II).

"(B) LIMITATION NOT TO APPLY FOR PURPOSES OF SECTION 72(t).—Section 72(t) shall not apply to any distribution which would be a qualified distribution but for the limitations of subparagraph (A).

"(3) DISTRIBUTIONS FROM IRA PLUS ACCOUNTS USED TO PURCHASE A HOME BY FIRST-TIME HOMEBUYER.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer (or by a parent or grandparent of a first-time homebuyer) from an individual retirement plan to the extent such payment or distribution is used by the individual receiving the payment or distribution before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such first-time homebuyer.

"(B) BASIS REDUCTION.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer (or parent or grandparent thereof) by reason of this section.

"(C) RECOGNITION OF GAIN AS ORDINARY INCOME.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) EXCEPTION.—Clause (i) shall not apply to any taxable year to the extent of any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) COORDINATION WITH OTHER PROVISIONS.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS FROM IRA PLUS ACCOUNTS.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year). For purposes of determining the amount so allowable, any child or grandchild of the taxpayer shall be treated as a dependent of the taxpayer.

"(5) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLUS ACCOUNTS FOR EDUCATIONAL EXPENSES.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable educational distributions' means distributions to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE IV—WORK INCENTIVES

Subtitle A—Reduction in Social Security Penalty on Working Elderly

SEC. 401. PHASED-IN INCREASES IN THE EARNINGS TEST OVER THE PERIOD 1992-1997 FOR INDIVIDUALS WHO HAVE ATTAINED NORMAL RETIREMENT AGE.

(a) IN GENERAL.—Subparagraph (D) of section 203(f)(8) of the Social Security Act (42 U.S.C. 403(f)(8)) is amended to read as follows:

"(D)(i) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(l)) before the close of the taxable year involved shall be—

"(I) for each month of the taxable year ending after 1991 and before 1993, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(II) for each month of the taxable year ending after 1992 and before 1994, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(III) for each month of the taxable year ending after 1993 and before 1995, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(IV) for each month of the taxable year ending after 1994 and before 1996, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(V) for each month of the taxable year ending after 1995 and before 1997, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(VI) for each month of the taxable year ending after 1996 and before 1998, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000.

"(ii) For purposes of subparagraph (B)(ii)(II), the increase in the exempt amount provided under clause (i)(VI) shall be deemed to have resulted from a determination which shall be deemed to have been made under subparagraph (A) in 1996.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after 1991.

SEC. 402. TRANSFERS TO TRUST FUNDS.

(a) IN GENERAL.—There are hereby appropriated to each payor fund amounts equivalent to the aggregate increase in social security benefits payable from such fund which is attributable to the amendment made by section 401.

(b) TRANSFERS.—The amounts appropriated by subsection (a) to a payor fund shall be transferred from time to time (but not less frequently than quarterly) from the general fund of the Treasury on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in such subsection. Any such quarterly payment shall be made on the first day of such quarter and shall take into account social security benefits estimated to be received during such quarter. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) DEFINITIONS.—For purposes of this section—

(1) PAYOR FUND.—The term "payor fund" means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(2) SOCIAL SECURITY BENEFITS.—The term "social security benefits" means any amount received by a person by reason of entitlement to monthly benefits under title II of the Social Security Act.

(d) REPORTS.—The Secretary of the Treasury shall submit annual reports to the Congress and to the Secretary of Health and Human Services on—

(1) the transfers made under this section during the year, and the methodology used in determining the amount of such transfers and the payor funds to which made, and

(2) the anticipated operation of this section during the next 5 years.

SEC. 403. STUDY TO DETERMINE IMPACT OF TOTAL REPEAL.

(a) STUDY.—The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall undertake in 1997 a study for the purpose of determining whether further amendments relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act are necessary or appropriate. Such study shall be conducted in full consultation with the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce. The Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce shall provide the Secretary with such appropriate assistance and information requested by the Secretary as the Secretary considers necessary and appropriate to carry out the study under this section.

(b) SPECIFIC MATTERS TO BE STUDIED.—

(1) IN GENERAL.—The Secretary, in carrying out the study provided for in this section, shall address, analyze, and report specifically on various effects—

(A) which have resulted from the amendment made by section 401, and

(B) which would reasonably be expected to result from repeal, effective with respect to taxable years ending after calendar year 1997, of the provisions relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act.

The Secretary shall include in the report any other information which the Secretary considers would be relevant and useful to the Congress in considering legislation relating to deductions on account of work and the exempt amount.

(2) EFFECTS TO BE INCLUDED IN STUDY.—The effects referred to in paragraph (1) shall include—

(A) the effect on numbers in the workforce, by category of income;

(B) the effect on the purchasing power of members of the workforce, expressed in constant dollars;

(C) the effect on the working elderly with wage or salary income at or below the national average wage level;

(D) the short-term and long-term effect on the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund;

(E) the effect on the Federal budget; and

(F) the effect on the national economy.

(c) REPORTS.—The Secretary shall submit to each House of the Congress, not later than November 1, 1997, a final report of the findings of such study.

Subtitle B—Economic Growth Dividend

SEC. 411. USE OF ECONOMIC GROWTH DIVIDEND.

(a) GENERAL RULE.—If the Secretary of the Treasury (hereinafter in this title referred to as the "Secretary") determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, such dividend shall be used to increase the amount of the personal exemptions as provided in section 412.

(b) ECONOMIC GROWTH DIVIDEND.—For purposes of this Act—

(1) there is an economic growth dividend for any fiscal year if the Secretary determines that the real growth in the gross national product during such fiscal year was at a rate in excess of 3 percent, and

(2) the amount of the economic growth dividend for such fiscal year is the amount which the Secretary estimates will be the annual increase in Federal tax receipts resulting from the real growth in the gross national product during such fiscal year at a rate in excess of 3 percent.

Determinations under the preceding sentence shall be made before the close of the calendar year in which the fiscal year ends.

(c) SPECIAL RULE FOR FISCAL YEARS BEFORE 1996.—In the case of any fiscal year beginning before October 1, 1995, subsection (b) shall be applied by substituting for "3 percent" each place it appears the estimated rate of real growth in the gross national product for such fiscal year as set forth in the President's budget submission for such fiscal year under section 1105 of title 31, United States Code.

SEC. 412. INCREASE IN AMOUNT OF PERSONAL EXEMPTIONS.

(a) GENERAL RULE.—If the Secretary determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, the amount of the exemption amount for taxable years beginning after the close of the calendar year in which such fiscal year ends shall be increased by an amount which the Secretary estimates will reduce Federal tax receipts for taxable years beginning in the following calendar year by an amount equal to 100 percent of the amount of such economic growth dividend.

(b) SPECIAL RULE FOR FISCAL YEARS BEFORE 1996.—In the case of any fiscal year beginning before October 1, 1995, 50 percent of the economic growth dividend shall be used in accordance with subsection (a), and 50 percent of the growth dividend shall be used to make a downward adjustment in the maximum deficit amount of section 250(c)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) EXEMPTION AMOUNT.—For purposes of this section, the term 'exemption amount' means the amount which would otherwise be the exemption amount under section 151(d) of the Internal Revenue Code of 1986 before the application of paragraphs (2) and (3) thereof.

(d) INFLATION ADJUSTMENTS.—Any increase determined under this section shall be adjusted for increases in the cost of living under procedures similar to those provided in section 151(d)(4) of such Code.

Mr. GINGRICH (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. ROSTENKOWSKI. Reserving the right to object, Mr. Speaker, I do not know the content of the motion. As I understand it, what the gentleman from Georgia [Mr. GINGRICH] is offering is what he offered in the Rules Committee.

□ 1120

Mr. GINGRICH. That is correct, Mr. Speaker.

The SPEAKER. Without objection, the motion is considered as read.

There was no objection.

POINT OF ORDER

Mr. ROSTENKOWSKI. Mr. Speaker, I have a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. ROSTENKOWSKI. Mr. Speaker, I make a point of order that the motion

is not germane since it exceeds the scope and content of the pending legislation.

The SPEAKER. Does the gentleman from Georgia [Mr. GINGRICH] wish to be heard on the point of order?

Mr. GINGRICH. Mr. Speaker, if I might just briefly state, the House just decided by 324 to 84 to add a revenue measure to the bill, and this broadened the act, and the Economic Growth Act, which I offer, is an amendment which relates directly to unemployment by changing the Tax Code to create 1,100,000 new jobs. So, it seems to me, clearly on an unemployment bill, it is germane to the question of unemployment.

Mr. ROSTENKOWSKI. Mr. Speaker, I insist on my point of order that it goes beyond the scope and content of the pending legislation.

The SPEAKER. The Chair is prepared to rule.

The gentleman from Illinois [Mr. ROSTENKOWSKI] makes a point of order that the amendment proposed by the motion offered by the gentleman from Georgia [Mr. GINGRICH] is not germane to the bill.

The bill, as reported, is confined to provisions relating to unemployment insurance and compensation within the jurisdiction of the Committee on Ways and Means.

The amendment proposed in the motion offered by the gentleman from Georgia [Mr. GINGRICH] contains provisions "to provide incentives for work, savings and investments in order to stimulate economic growth, job creation and opportunity." These provisions range beyond matters of unemployment compensation and involve the jurisdiction of committees other than the Committee on Ways and Means, to wit: the Committee on Banking, Finance and Urban Affairs and the Committee on the Judiciary.

Accordingly, the Chair finds the amendment is not germane, and, therefore, the motion to recommit is not in order.

The Chair sustains the point of order of the gentleman from Illinois [Mr. ROSTENKOWSKI].

MOTION TO RECOMMIT OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ARCHER. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ARCHER moves to recommit the bill H.R. 3040 to the Committee on Ways and Means with instructions to report the same back forthwith to the House with the following amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Amendments of 1991".

SEC. 2. AMENDMENTS.

Public Law 102-107, the Emergency Unemployment Compensation Act of 1991, is amended—

(a) by striking "after August 31, 1991" where it appears in Section 3(c)(4)(A), and inserting "after the month in which this section takes effect",

(b) by striking "September 1, 1991" where it appears in Section 3(d)(1)(A)(i), and inserting "the first day of the first month following the month in which this section takes effect", and

(c) by striking "August 31, 1991" each place it appears in Section 3(d)(3)(A), and inserting "the month in which this section takes effect",

(d) by striking "not later than the date of the enactment of this Act" where it appears in Section 10(b) and inserting "not later than December 31, 1991".

Mr. ARCHER (during the reading). Mr. Speaker, I ask unanimous consent that my motion to recommit be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The gentleman from Texas [Mr. ARCHER] is recognized for 5 minutes in support of his motion to recommit.

Mr. ARCHER. Mr. Speaker, less than a year ago, Congress raised taxes by $165 billion. That was the price—or so we thought—for getting a relatively simple promise: for the next 5 years any new spending on top of what is already built in, other than for emergencies, has to be paid for. That promise is really the heart of any deficit reduction we may achieve in the future.

The emergency clause of the budget agreement was intended as a way for financing unanticipated spending that the President and Congress both agree are emergencies. Congress is now about to unilaterally declare an emergency to enact permanent unemployment benefit expansions.

My motion to recommit gives us perhaps the last chance we will have to save that budget agreement, and live up to that simple promise.

A few weeks ago, the President signed into law a bill that could have provided a temporary program of extended benefits for the unemployed. Under that law, which complied with the budget agreement, the President had only until the date of its enactment to declare an emergency, or none of the provisions would take effect.

As we know, the President did not declare an emergency at that time. The provisions for providing benefits never took effect.

Under this bill and the current law those provisions cannot take effect even if the President declares an emergency in the future.

The motion to recommit calls for an amendment to give the President until the end of this year to declare an emergency if in his discretion one exists between now and then.

If employment conditions worsen over the next few months, a justifiable emergency may arise. Giving the President the option to invoke a temporary emergency program that is already law would not be unreasonable in that situation.

Most importantly, though, it is surely preferable to trashing last year's budget agreement and enacting permanent benefit expansions under the ruse of emergency spending.

If at anytime before January 1, 1992, the President declares an emergency, the law's provisions would take effect. Benefits would begin to be payable starting the month after the emergency is declared, and the program would end by July 4, 1992.

In addition the motion to recommit makes the benefit levels conform to those already passed in H.R. 3201.

Giving the President the option to declare an emergency in the future is far preferable to breaching the budget agreement and enacting a permanent expansion of unemployment benefits.

I urge the adoption of this motion to recommit.

The SPEAKER. Does any Member seek recognition in opposition to the motion?

Mr. DOWNEY. Yes, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. DOWNEY] for 5 minutes in opposition to the motion to recommit.

Mr. DOWNEY. My colleagues, when we met last in August and sent to the President the bill extending benefits, we gave the President the opportunity to declare the emergency. He signed the bill and chose not to. What the gentleman from Texas [Mr. ARCHER] proposes to do is to give the President until Christmas to make up his mind.

Mr. Speaker, we have in this House voted billions of dollars to bail out the savings and loans. We have helped the Kurds and Turkey. We have helped the Bangladeshis. It is time to help Americans.

My colleagues, let us not wait until Christmas to learn that there is no Republican Santa Claus for the unemployed.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARCHER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER. The Chair announces that subsequent to this 15-minute vote any vote ordered on final passage will be limited to 5 minutes.

The vote was taken by electronic device, and there were—ayes 129, noes, 279, not voting 24, as follows:

[Roll No. 266]

AYES—129

Allard
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Bunning
Burton
Callahan
Campbell (CA)
Chandler
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Hobson
Houghton
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Laughlin
Leach
Lent
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Montgomery
Moorhead
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Parker
Petri
Porter
Quillen
Ramstad
Rhodes
Riggs
Roberts
Rohrabacher
Ros-Lehtinen
Roth
Santorum
Sarpalius
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Skeen
Smith (TX)
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (MS)
Taylor (NC)
Thomas (WY)
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—279

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Bentley
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Camp
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Jones (GA)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Lehman (CA)
Levin (MI)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moran
Morella
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Poshard
Price
Pursell
Rangel
Ravenel
Ray
Reed
Regula
Richardson
Ridge
Rinaldo
Ritter
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates

NOT VOTING—24

Alexander
Berman
Doolittle
Dymally
Herger
Holloway
Hopkins
Hunter
Johnston
Jones (NC)
Lantos
Lehman (FL)
Levine (CA)
Lewis (CA)
Lloyd
Marlenee
Mrazek
Pickle
Rahall
Rowland
Saxton
Slaughter (VA)
Thomas (CA)
Yatron

□ 1148

Mr. PAXON and Mr. GUNDERSON changed their vote from "aye" to "no."

The Clark announced the following pairs:

On this vote:

Mr. Doolittle for and Mr. Lantos against.

Mr. Lewis of California for and Mr. Rowland against.

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

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

RECORDED VOTE

Mr. DOWNEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER. The Chair repeats the previous announcement that this vote will be limited to 5 minutes. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 283, noes 125, not voting 24, as follows:

[Roll No. 267]

AYES—283

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Bentley
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Camp
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Henry
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Jones (GA)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
LaRocco
Leach
Lehman (CA)
Levin (MI)
Lewis (FL)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olver
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Poshard
Price
Pursell
Rangel
Ravenel
Reed
Regula
Richardson
Ridge
Rinaldo
Ritter
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Swett
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise

Wolpe	Yates	Young (FL)
Wyden	Young (AK)	Zimmer

NOES—125

Allard	Green	Oxley
Archer	Hall (TX)	Packard
Armey	Hammerschmidt	Parker
Baker	Hancock	Penny
Ballenger	Hansen	Petri
Barnard	Hastert	Porter
Barrett	Hayes (LA)	Quillen
Barton	Hefley	Ramstad
Bateman	Hobson	Ray
Bereuter	Hutto	Rhodes
Bilirakis	Hyde	Riggs
Bliley	Inhofe	Roberts
Boehner	Ireland	Rohrabacher
Brewster	James	Roth
Broomfield	Johnson (TX)	Santorum
Bunning	Kasich	Sarpalius
Burton	Klug	Schaefer
Callahan	Kolbe	Schiff
Campbell (CA)	Kyl	Schulze
Chandler	Lagomarsino	Sensenbrenner
Coble	Laughlin	Shaw
Coleman (MO)	Lent	Shays
Combest	Lightfoot	Skeen
Cooper	Livingston	Smith (TX)
Cox (CA)	Lowery (CA)	Solomon
Crane	McCandless	Spence
Cunningham	McCollum	Stenholm
Dannemeyer	McCrery	Stump
DeLay	McEwen	Sundquist
Dickinson	McMillan (NC)	Tanner
Dornan (CA)	Meyers	Taylor (MS)
Dreier	Michel	Taylor (NC)
Duncan	Miller (OH)	Thomas (WY)
Ewing	Miller (WA)	Valentine
Fawell	Montgomery	Vander Jagt
Fields	Moorhead	Vucanovich
Gallegly	Morrison	Walker
Gingrich	Myers	Weber
Goodling	Nichols	Wolf
Goss	Nussle	Wylie
Gradison	Olin	Zeliff
Grandy	Orton	

NOT VOTING—24

Alexander	Hunter	Marlenee
Berman	Johnston	Pickle
Doolittle	Jones (NC)	Rahall
Dymally	Lantos	Rowland
Edwards (OK)	Lehman (FL)	Saxton
Herger	Levine (CA)	Slaughter (VA)
Holloway	Lewis (CA)	Thomas (CA)
Hopkins	Lloyd	Yatron

□ 1158

The Clerk announced the following pairs:

On this vote:

Mr. Lantos for, with Mr. Doolittle against.

Mr. Rowland of Georgia for, with Mr. Lewis of California against.

Mr. Rahall for, with Mr. Thomas of California against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1200

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2946

Mr. COBLE. Mr. Speaker, I ask unanimous consent that my name be removed as cosponsor of H.R. 2946.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

REMOVAL OF NAMES OF MEMBERS AS COSPONSORS OF H.R. 1092 AND H.R. 261

Mrs. BOXER. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 1092, and that the name of the gentleman from North Carolina [Mr. MCMILLAN] be removed from the list of cosponsors of H.R. 261.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MAKING IN ORDER AT ANY TIME MOTION TO DISAGREE TO SENATE AMENDMENTS TO H.R. 3291, DISTRICT OF COLUMBIA SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT, 1991

Mr. DIXON. Mr. Speaker, I ask unanimous consent that it be in order at any time to offer an indivisible motion to take from the Speaker's table the bill (H.R. 3291) 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, 1992, and for other purposes with Senate amendments numbered 1 through 3 thereto, and to disagree to said Senate amendments; that such Senate amendments be considered as read; that such motion be debatable for one hour, equally divided and controlled by myself and the gentleman from New Jersey [Mr. GALLO]; and that the previous question be considered as ordered on such motion to final passage without intervening motion.

The SPEAKER. Is there objection to the request of the gentleman from California.

Mr. GALLO. Mr. Speaker, reserving the right to object, I do so for the purpose of asking the chairman of the committee to explain the procedures that we are going to follow.

Mr. DIXON. Mr. Speaker, will the gentleman yield?

Mr. GALLO. I yield to the gentleman from California.

Mr. DIXON. Mr. Speaker, yesterday evening the Senate took up the new District of Columbia appropriations bill which we passed earlier in the day, and added three amendments, which taken together, have the effect of adding $50 million for George Washington University. I am proposing a two-step process by which I seek unanimous consent to make in order a motion to disagree to the three Senate amendments. If consent is granted, I will then formally move to disagree with the amendments of the Senate. This motion is technically debatable for 1 hour, although I do not believe it will take but a few minutes. I will then ask for a rollcall vote on my motion to disagree with the actions of the Senate, insisting that the project be dropped in this year's bill.

Mr. GALLO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. VOLKMER). Is there objection to the request of the gentleman from California?

There was no objection.

DISTRICT OF COLUMBIA SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT, 1991

Mr. DIXON. Mr. Speaker, pursuant to the order of the House just agreed to, I move to take from the Speaker's table the bill (H.R. 3291) 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, 1992, and for other purposes, with Senate amendments numbered 1 through 3 thereto, and disagree to the Senate amendments 1 through 3.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The Clerk will report the motion and the Senate amendments.

The Clerk read as follows:

Mr. DIXON moves to take from the Speaker's table the bill (H.R. 3291) making appropriations for 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, 1992, and for other purposes, with Senate amendments numbered 1 through 3 thereto, and disagree to the Senate amendments numbered 1 through 3, as follows:

Senate amendments:

Page 3, line 16, strike out "$9,500,000" and insert "$9,250,000".

Page 4, after line 11, insert:

GEORGE WASHINGTON UNIVERSITY MEDICAL CENTER

For the construction and renovation of the George Washington University Medical Center, $250,000, pursuant to Trauma Care Systems Planning and Development Act of 1990 (Public Law 101-590; 104 Stat. 2929), together with $16,750,000 to become available October 1, 1992, $16,500,000 to become available October 1, 1993, and $16,500,000 to become available October 1, 1994: Provided, That any funds appropriated under this head pursuant to section 6(e) of the Trauma Care Systems and Development Act of 1990 shall not be in excess of the amount allocated under section 602(b) of the Congressional Budget Act of 1974, as amended, to the Subcommittees on the District of Columbia of the Committees on Appropriations of the Senate and House of Representatives required to provide for the Federal payment, as authorized by the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 774, Public Law 93-395, as amended) and the Federal Contribution to retirement funds, as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122, as amended).

Page 13, line 20, strike out "$875,033,000" and insert "$874,783,000".

The SPEAKER pro tempore. Pursuant to the order of the House just

agreed to, the gentleman from California [Mr. DIXON] will be recognized for 30 minutes, and the gentleman from New Jersey [Mr. GALLO] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. DIXON].

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

Mr. Speaker, the three amendments added to H.R. 3291 last evening by the Senate would appropriate $50 million over a 4-year period to the George Washington University Medical Center. There is nothing wrong with the spirit and the desire of the Senate to provide additional money for the health delivery system here in Washington, DC. But what is wrong is for that money to come out of the 602(b) budget allocation of the District of Columbia.

As Members know, the financial status of the District is very serious. This year, fiscal year 1991, we provided an urgent supplemental appropriation of $100 million, and the Congress is providing an additional $200 million for fiscal year 1992 in this bill.

There are at least four or five other proprietary hospitals that are in the same position as the George Washington University Medical Center, and to single out George Washington University for the next 4 years is entirely unfair and inequitable to the other proprietary hospitals. But just as important, it takes away the discretion of our committee to make those judgments.

Certainly one of the major issues in the District is providing health delivery services for approximately 20 percent or 120,000 people who have no insurance. But it is up to the District of Columbia to work out an equitable arrangement with those proprietary hospitals, and it is totally inequitable to single out one of five or six proprietary hospitals and provide them with $50 million.

I have no problem with the project itself. I have a very serious problem with the way it is to be funded.

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

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

Mr. Speaker, I rise in opposition to the amendment added by the other body to H.R. 3291 and ask that the House vote in favor of disagreeing with the Senate amendment.

After the House approved H.R. 3291 yesterday with the modification requested by the President on the issue of abortion, the Senate then considered this measure and added $50 million in additional spending for George Washington Hospital.

In conference on the first D.C. appropriations bill, we reported this same amendment back to the House in true disagreement. The House insisted on its disagreement and the measure was dropped from the bill. I ask the House to follow that same course today.

Let me make it clear that I am not an opponent of George Washington University Hospital.

George Washington Hospital is a vital institution and plays a critical and important role in the health care delivery system of the District of Columbia.

And, like many other hospitals, it faces the problems of uncompensated care and aging facilities.

But, we simply cannot commit $50 million over the next 4 years out of the District's budget allocation to pay for improvements to a private health care facility.

To take this funding from the District's appropriation would jeopardize the good faith and credit that has been built between Congress and the administration of Mayor Dixon.

Granted, I do not disagree that George Washington Hospital has pressing needs. But, this same need exists at other D.C. health care facilities as well. The fact is that other D.C. health care facilities bear an even greater share of the uncompensated care burden.

More important, this amendment makes promises for the future that I am not sure we can meet. Once we provide the Federal payment and the mandatory Federal contribution to the D.C. retirement fund, there is very little money left over.

In the past we have used this extra money to help the District address such needs as fire code violations in the District's schools and the need for more police foot patrols. Who is to say that next year we will have $17 million available within the D.C. budget.

Some more dire need may also arise next year that will require these moneys. If we agree to this amendment, we won't have the flexibility to respond to these needs and more important, the District will not have that flexibility.

In speaking with the Mayor this morning, she shares these same concerns. We do not deny that George Washington Hospital has real needs—but this bill is not the appropriate place to address them.

Mr. Speaker, I urge my colleagues to reject this amendment and to vote "aye" on our motion to disagree with this amendment.

□ 1210

Mr. BLILEY. Mr. Speaker, will the gentleman yield?

Mr. GALLO. I am happy to yield to the gentleman from Virginia.

Mr. BLILEY. Mr. Speaker, I rise in strong support of H.R. 3291, the revised bill making fiscal year 1992 appropriations for the District of Columbia and against the Senate amendment to hijack $50 million of the District's money.

Along with the chairman of the District of Columbia Committee, Mr. DELLUMS of California, I pledged to this body earlier this year that in supporting H.R. 2123, the formula Federal payment bill for the District of Columbia, I would fight against any further unauthorized and excessive appropriations. Let us not destroy in one vote a principle which we have worked so hard over the past 7 months to put in place.

The Congress must end its past practice of squirreling away Federal funds or pirating District funds for pet projects. Even when well-intentioned these practices have no place in the new day of District government where a very real crisis is being met with fortitude and determination by the Mayor and Council.

Unfortunately, we are faced with a situation in the other body where one Member is trying to insist on obligating $50 million in District of Columbia money for a private hospital. We must reject such a power play. Not only does the other body's amendments hijack District funds without its desire or approval, but it does not even provide the mantle of respectability by setting up a competitive process for awarding these funds to the most qualified recipient. These funds would be strictly earmarked for one private institution to the exclusion of the District budget process and of any other qualified and deserving recipient in the District. The House has spoken on this issue and it has unanimously rejected this ploy. I urge all Members to uphold the intent of this body by approving H.R. 3291 as written and insisting on the House position.

The District of Columbia appropriations bill needs to be signed before October 1, so that the new and crucial funding measures can go into effect at the start of the fiscal year. I applaud the chairman of the subcommittee, Mr. DIXON, and the ranking Republican, Mr. GALLO, for a job well done. I thank them for their efforts and their willingness to work steadfastly for the good of the District in this most critical of times. I urge all of my colleagues to vote in favor of the House position on H.R. 3291.

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

Mr. DIXON. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Speaker, I am constantly amazed at the cavalier way in which Members of the other body interject themselves in a personal manner into the D.C. budget process. At a time when Members of this body have joined together in a bipartisan manner to amend the District of Columbia Home Rule Act, extending local autonomy and bringing much needed relief to the District's budget crisis, it would seem unconscionable for a Member of the other body to personally intervene so as to direct $50 million of D.C. appropriations moneys to be set aside for an institution he holds dear.

It is the gravest breach of the right of local autonomy as well as a flagrant abuse of congressional prerogatives.

Finally, Mr. Speaker, I urge my colleagues in that regard to join with the chairman, the gentleman from California [Mr. DIXON], and the ranking Republican member, the gentleman from New Jersey [Mr. GALLO], and other members of the D.C. Appropriations Subcommittee in rejecting the Senate amendments to H.R. 3291.

I urge a vote in favor of the motion to disagree with the Senate amendments.

Mr. DIXON. Mr. Speaker, I yield 2 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Speaker, I ask this body to hold faith with the original appropriation understanding and to vote aye on this motion.

The District appropriation must surely be the smallest of all the appropriations. The reason this request from George Washington University Hospital has come to us is because they tried other doors and found they were closed. They are now picking on the smallest boy on the block.

This body has been generous to the District. We would not break faith with you, and we would certainly, therefore, not ask you to approve this amendment.

Understand what the language says. It says that every dollar above the prescribed Federal payment and retirement fund would go to a private institution, George Washington University Hospital.

We have debt-recovery bonds out. We do not know what that may hold, but we know this: It means that we will not be able to borrow if we get in trouble. We will have to come here for any excess that might be available in our appropriation.

My friends, this is nothing more and nothing less than a private bill. We cannot approve it at a time when the District is sending out layoff notices to people who have been employed in our city for 10 and 20 years. We cannot approve a grant of this magnitude to a single institution when our schools are having layoffs. We cannot approve this at a time when our city is overrun with emergencies such as gun violence and babies who are abandoned at hospitals.

If there is $1 over the Federal payment, these are the causes to which that dollar should go, not to a single private institution which ought to go out and raise its own funds.

Mr. GALLO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DIXON. Mr. Speaker, I am asking for an aye vote on the motion to disagree.

Mr. DIXON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 405, nays 0, not voting 27, as follows;

[Roll No. 268]

YEAS—405

Abercrombie	Darden	Hefner
Ackerman	Davis	Henry
Alexander	de la Garza	Hertel
Allard	DeFazio	Hoagland
Anderson	DeLauro	Hobson
Andrews (ME)	DeLay	Hochbrueckner
Andrews (NJ)	Dellums	Horn
Andrews (TX)	Derrick	Horton
Annunzio	Dicks	Houghton
Anthony	Dingell	Hoyer
Applegate	Dixon	Hubbard
Archer	Donnelly	Huckaby
Armey	Dooley	Hughes
Aspin	Dorgan (ND)	Hutto
Atkins	Dornan (CA)	Hyde
AuCoin	Downey	Inhofe
Bacchus	Dreier	Ireland
Baker	Duncan	Jacobs
Ballenger	Durbin	James
Barnard	Dwyer	Jefferson
Barrett	Early	Jenkins
Barton	Eckart	Johnson (CT)
Bateman	Edwards (CA)	Johnson (SD)
Beilenson	Edwards (TX)	Johnson (TX)
Bennett	Emerson	Jones (GA)
Bentley	Engel	Jontz
Bereuter	English	Kanjorski
Bevill	Erdreich	Kaptur
Bilbray	Espy	Kasich
Bilirakis	Evans	Kennedy
Bliley	Ewing	Kennelly
Boehlert	Fascell	Kildee
Boehner	Fawell	Kleczka
Bonior	Fazio	Klug
Borski	Feighan	Kolbe
Boucher	Fields	Kolter
Boxer	Fish	Kopetski
Brewster	Flake	Kostmayer
Brooks	Foglietta	Kyl
Broomfield	Ford (MI)	LaFalce
Browder	Ford (TN)	Lagomarsino
Brown	Frank (MA)	Lancaster
Bruce	Franks (CT)	LaRocco
Bryant	Frost	Laughlin
Bunning	Gallegly	Leach
Burton	Gallo	Lehman (CA)
Bustamante	Gaydos	Lent
Byron	Gejdenson	Levin (MI)
Callahan	Gekas	Lewis (FL)
Camp	Gephardt	Lewis (GA)
Campbell (CA)	Geren	Lightfoot
Campbell (CO)	Gibbons	Lipinski
Cardin	Gilchrest	Livingston
Carper	Gillmor	Long
Carr	Gilman	Lowey (NY)
Chandler	Gingrich	Luken
Chapman	Glickman	Machtley
Clay	Gonzalez	Manton
Clement	Goodling	Markey
Clinger	Gordon	Martin
Coble	Goss	Martinez
Coleman (MO)	Gradison	Matsui
Coleman (TX)	Grandy	Mavroules
Collins (IL)	Green	Mazzoli
Collins (MI)	Guarini	McCandless
Combest	Gunderson	McCloskey
Condit	Hall (OH)	McCollum
Conyers	Hall (TX)	McCrery
Cooper	Hamilton	McCurdy
Costello	Hammerschmidt	McDade
Coughlin	Hancock	McDermott
Cox (CA)	Hansen	McEwen
Cox (IL)	Harris	McGrath
Coyne	Hastert	McHugh
Cramer	Hatcher	McMillan (NC)
Crane	Hayes (IL)	McMillen (MD)
Cunningham	Hayes (LA)	McNulty
Dannemeyer	Hefley	Meyers
Mfume	Quillen	Solarz
Michel	Ramstad	Solomon
Miller (CA)	Rangel	Spence
Miller (OH)	Ravenel	Spratt
Miller (WA)	Ray	Staggers
Mineta	Reed	Stallings
Mink	Regula	Stark
Moakley	Rhodes	Stearns
Molinari	Richardson	Stenholm
Mollohan	Ridge	Stokes
Montgomery	Riggs	Studds
Moody	Rinaldo	Stump
Moorhead	Ritter	Swett
Moran	Roberts	Swift
Morella	Roe	Synar
Morrison	Roemer	Tallon
Mrazek	Rogers	Tanner
Murphy	Rohrabacher	Tauzin
Murtha	Ros-Lehtinen	Taylor (MS)
Myers	Rose	Taylor (NC)
Nagle	Rostenkowski	Thomas (GA)
Natcher	Roth	Thomas (WY)
Neal (MA)	Roukema	Thornton
Neal (NC)	Roybal	Torres
Nichols	Russo	Torricelli
Nowak	Sabo	Traficant
Nussle	Sanders	Traxler
Oakar	Sangmeister	Unsoeld
Oberstar	Santorum	Upton
Obey	Sarpalius	Valentine
Olin	Savage	Vander Jagt
Olver	Sawyer	Vento
Ortiz	Schaefer	Visclosky
Orton	Scheuer	Volkmer
Owens (NY)	Schiff	Vucanovich
Owens (UT)	Schroeder	Walker
Oxley	Schulze	Walsh
Packard	Schumer	Washington
Pallone	Sensenbrenner	Waters
Panetta	Serrano	Waxman
Parker	Sharp	Weber
Patterson	Shaw	Weiss
Paxon	Shays	Weldon
Payne (NJ)	Shuster	Wheat
Payne (VA)	Sikorski	Whitten
Pease	Sisisky	Williams
Pelosi	Skaggs	Wilson
Penny	Skeen	Wise
Perkins	Skelton	Wolf
Peterson (FL)	Slattery	Wolpe
Peterson (MN)	Slaughter (NY)	Wyden
Petri	Smith (FL)	Wylie
Pickett	Smith (IA)	Yates
Porter	Smith (NJ)	Young (AK)
Poshard	Smith (OR)	Young (FL)
Price	Smith (TX)	Zeliff
Pursell	Snowe	Zimmer

NAYS—0

NOT VOTING—27

Berman	Johnston	Pickle
Dickinson	Jones (NC)	Rahall
Doolittle	Lantos	Rowland
Dymally	Lehman (FL)	Saxton
Edwards (OK)	Levine (CA)	Slaughter (VA)
Herger	Lewis (CA)	Sundquist
Holloway	Lloyd	Thomas (CA)
Hopkins	Lowery (CA)	Towns
Hunter	Marlenee	Yatron

□ 1237

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DIXON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the disposition of the Senate amendments to the fiscal year 1992 District of Columbia appropriations bill, and that I be allowed to include tabular and extraneous material.

The SPEAKER pro tempore (Mr. VOLKMER). Is there objection to the re-

quest of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL 5 P.M., FRIDAY, SEPTEMBER 20, 1991, TO FILE REPORTS ON H.R. 3298, FARM CREDIT BANKS AND ASSOCIATIONS SAFETY AND SOUNDNESS ACT OF 1991 AND H.R. 3300, FEDERAL AGRICULTURAL MORTGAGE CORPORATION SAFETY AND SOUNDNESS IMPROVEMENT ACT OF 1991

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until 5 p.m., Friday, September 20, 1991, to file the reports on H.R. 3298, entitled the "Farm Credit Banks and Associations Safety and Soundness Act of 1991," and H.R. 3300, entitled the "Federal Agricultural Mortgage Corporation Safety and Soundness Improvement Act of 1991."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

RE-REFERRAL OF H.R. 1182, AUTHORIZING AND DIRECTING EXCHANGE OF LANDS IN COLORADO TO COMMITTEE ON AGRICULTURE AND COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the bill, H.R. 1182, a bill to authorize and direct the exchange of lands in Colorado, originally referred to the Committee on Agriculture be re-referred to the Committees on Agriculture and Interior and Insular Affairs.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO HAVE UNTIL MIDNIGHT, WEDNESDAY, SEPTEMBER 18, 1991, TO FILE REPORT ON H.R. 3039, DEFENSE PRODUCTION ACT AMENDMENTS OF 1991

Mr. CARPER. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be given until midnight on Wednesday, September 18, 1991, to file a report to accompany H.R. 3039.

I understand this request has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

AID FROM THE G-7 COUNTRIES OF THE WORLD TO THE SOVIET UNION SHOULD BE TIED TO REMOVAL OF NUCLEAR WEAPONS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I think as we look at this interim period, we are seeing a rising debate on what should happen vis-a-vis aid to the Soviet Union, or dis-Union, as the world may have it.

□ 1240

However, Mr. Speaker, I think it is terribly important that the United States step forward and show very strong leadership, to ask the G-7 countries of the world, the other wealthy countries, to please tie all aid to making sure that they dismantle the nuclear weapons that are there. If we can get the Soviet Union stabilized, and moving forward, and get nuclear weapons out of there, we will have accomplished a tremendous task for this country, and for the planet and for peace.

Mr. Speaker, I am really, really horrified by the lack of leadership on the United States' part in framing that, so I hope they start to crank up. I think it is one of the most important issues out there, and I think the horror of the Soviet Union becoming more destabilized with all those nuclear weapons is something none of us wants to see happen.

So, Mr. Speaker, I hope the leadership occurs very shortly by the United States.

STAY TUNED

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

Mr. DORNAN of California. Mr. Speaker, this is a shameless, utterly shameless, commercial for my 1-hour special order tonight.

The hour is young. It is only 9:40 on the west coast, 7:40 in the morning in Hawaii, and I am going to do a triple special order on attacks on the Catholic Church. It is growing nationwide. I am tired of it. Nobody is walking on my faith anymore, the faith of my beautiful Roman Catholic Church. I am going to talk about liberals all across this country, not good liberals like we have here, but crazed liberals who are saying that conservatives and anti-Communists had nothing to do with the collapse of communism around the world, that we are invalidated, and wasting our time, and now what are we going to do with our time?

Mr. Speaker, I have got time to talk about attacks on the Catholic Church, and the third thing I am going to talk about in this 1-hour special order is about a doctor in Los Angeles who stops doing abortions because he is tired of tearing apart perfect little human beings in the second trimester, and he wanted to practice his Jewish faith, and he could not do it in conscience while he was killing little human beings. It is a dynamite editorial; I mean a guest column in the Los Angeles Times, and it has torn apart their own editorial office. People are offended that they ran this article and that they showed a picture of a perfect little person, a 4½-month-old fetus.

So, stay tuned. Stay for the excellent special order of the gentleman from Pennsylvania [Mr. GEKAS], and then I will be back.

APPOINTMENT OF CONFEREES ON H.R. 2508, INTERNATIONAL COOPERATION ACT OF 1991

The SPEAKER pro tempore. (Mr. MCMILLEN of Maryland). Pursuant to the authority granted on September 12, 1991, the Chair revises the appointment of conferees on H.R. 2508, the International Cooperation Act of 1991, to read as follows:

From the Committee on Foreign Affairs, for consideration of the House bill, and the Senate amendment (except title IX), and modifications committed to conference: Messrs. FASCELL, HAMILTON, YATRON, SOLARZ, GEJDENSON, DYMALLY, TORRICELLI, BROOMFIELD, GILMAN, LAGOMARSINO, and LEACH; except as otherwise appointed in the case of Mr. LEACH.

As additional conferees from the Committee on Foreign Affairs, for consideration of title IX of the Senate amendment, and modifications committed to conference: Mr. GEJDENSON and Mr. BROOMFIELD.

As additional conferees from the Committee on Agriculture, for consideration of section 502 of the House bill, and section 516 of the Senate amendment, and modifications committed to conference: Messrs. DE LA GARZA, ROSE, GLICKMAN, ROBERTS, and MORRISON.

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of sections 401, 403, 644(g), 844(b), and 846(b) of the House bill, and sections 515-16, 520(b), 606, 721-23, 731, 741-42, 771-74, and titles IX and XVIII of the Senate amendment, and modifications committed to conference: Ms. OAKAR, and Messrs. NEAL of North Carolina, LAFALCE, TORRES, LEACH, and BEREUTER.

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 848(b) and 1104 of the House bill, and title XVI of the Senate amendment, and modifications committed to conference: Messrs. DINGELL, SWIFT, ECKART, LENT, and RITTER.

As additional conferees from the Committee on Judiciary, for consider-

ation of that portion of section 621 which adds a section 7202(f) to the Foreign Assistance Act and section 642(b) of the House bill, and modifications committed to conference: Messrs. BROOKS, MAZZOLI, KOPETSKI, MCCOLLUM, and SMITH of Texas.

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of that portion of section 101 which adds a section 1303 to the Foreign Assistance Act of 1961, and that portion of section 621 which adds a section 7403 to the Foreign Assistance Act of the House bill, and sections 305 and 680A of the Senate amendment, and modifications committed to conference: Messrs. JONES of North Carolina, STUDDS, TAUZIN, DAVIS, and LENT.

As additional conferees from the Committee on Public Works and Transportation, for consideration of sections 848(b) of the House bill, and title XVI of the Senate amendment, and modifications committed to conference: Messrs. ROE, NOWAK, HAYES of Louisiana, HAMMERSCHMIDT, and PETRI.

As additional conferees from the Committee on Ways and Means, for consideration of sections 642(c), 901, and 1071 of the House bill, and sections 514–16, 607A and 690 of the Senate amendment, and modifications committed to conference: Messrs. ROSTENKOWSKI, GIBBONS, JENKINS, ARCHER, and CRANE.

The Clerk will notify the Senate of the changes in conferees.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 25, 1991

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the business in order under the calendar Wednesday rule be dispensed with on Wednesday, September 25, 1991.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT FROM THURSDAY, SEPTEMBER 19, 1991, TO MONDAY, SEPTEMBER 23, 1991

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that when the House adjourns on Thursday, September 19, 1991 it adjourn to meet at noon on Monday, September 23, 1991.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PENSIONS SHOULD NOT ACCRUE WHEN PUBLIC OFFICIALS ARE CONVICTED

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

Mr. GEKAS. Mr. Speaker, Members of the House, I have introduced legislation which will add a strong deterrent to those Members of Congress, or other high elected or appointed officials, from committing bribery, fraud, or other illegally conceived means by which to self-aggrandize their own pockets. I am introducing legislation that would say that if an individual, like a Member of Congress, should be convicted of bribery, that in addition to the fines and penalties, including a jail sentence, that might be appended to such a conviction, that indeed the pension that would accrue to that individual be forfeited. That would close a loophole that too often stands in the way of making sure that our fellow public officials wend their proper way through the courts of justice.

Mr. Speaker, what happens is that we have seen a history of this kind of occasion when a Member of Congress or other high official is convicted, goes to jail, pays a fine and then comes out of the prison sentence only to find his pension waiting to sustain him the remainder of his life. There is something wrong with that. My bill would end that kind of ludicrous outcome.

□ 0920

SUPPORT POW/MIA TRUTH BILL

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

Mr. EWING. Mr. Speaker, I would like to bring to the attention of my colleagues the plight of Navy Lt. Daniel Borah, Jr., of Olney, IL, whose plane was shot down in 1972 during the Vietnam conflict. Lieutenant Borah is still missing in action.

Lieutenant Borah's sister, Kathy Borah Duez of LeRoy, has remained confident over the years that her brother survived the crash and is still alive in southeast Asia. She has struggled to obtain information about her brother's fate. Recently two photos have surfaced, taken in Laos, of a man who bears a stunning resemblance to Lieutenant Borah.

I don't know whether Borah is alive or not. But there certainly is substantial evidence that he could be, and this case must be fully investigated. The Borah case is another example of the difficulty many POW/MIA families have in obtaining complete information about their loved ones.

I would like to commend Congressman JOHN MILLER for his introduction of H.R. 1157, the POW/MIA truth bill, which will help thousands of families like the Borah's to get the information they deserve about the fate of their loved ones. I encourage my colleagues to cosponsor this very important legislation.

[From the Bloomington, IL, Pantagraph]

SPECIALIST TO EXAMINE MIA PHOTOS

(By Melinda Zehr)

A forensic specialist is expected to determine whether a LeRoy woman's brother, who has been missing since his airplane was shot down in 1972 during the Vietnam War, is the same man pictured in photographs allegedly taken recently in Laos.

Michael Charney, a former anthropologist at Colorado State University, said during a telephone conversation yesterday that he has been informed he is to receive photographs of Navy Lt. Daniel Borah Jr. of Olney and will begin an analysis as soon as they are received.

"We already know that it is him but we need—more for the media than anyone else—proof, or, rather, confirmation, that it's him," said Borah's sister, Kathy Borah Duez of LeRoy.

Charney, who has conducted many similar comparisons, was described by Mrs. Duez as a respected expert in photo identification.

Modestly, 80-year-old Charney said the process is "simple," given the expertise and right equipment.

Once he receives the photographs of Borah—both in Laos and before his Vietnam tour—Charney said the faces, including eyebrows, hairline, eyes, nose, mouth, lips, chin, ears and any muscle creases, will be outlined.

The outlines, one in red and the other in black, will be made using a computer that "will draw a line for me to an accuracy of 1/100th of an inch," Charney said.

Then, the two images will be superimposed, allowing conclusion to be drawn.

He will start with the ears because they are highly distinctive.

If there is a difference between the lobes, "we don't go any further; it isn't necessary." But if the lobes are the same, Charney said he will look at other aspects of the ears, including the folded outer rim.

Then, additional parts of the faces will be scrutinized until all have been compared.

Charney said it doesn't matter that the age difference between the photographs of Borah is nearly 19 years. Borah was 26 years old when his airplane was shot down; he would be 45 now.

"It doesn't much matter what happens to a person over the years," Charney said. "Your nose may get a little heavier, . . . you'll form pouches and you'll get creases and you'll get jowls.

"But the bone doesn't change; the underlying bone remains the same," he added.

Charney said that in most cases, he can determine "yes or no" whether two photographs are of the same person.

"Do I make errors? I suppose so," Charney said, answering his own question. "Everyone makes errors and I'll correct them where I see them."

Earlier this year, Charney determined that a photograph taken in February 1990 in Laos is that of Vietnam POW/MIA Army Capt. Donald Carr of East Chicago, Ind.

"I don't think it's the same guy; I know it is the same guy," Charney told USA Today.

Charney also is expected to make comparisons of the men pictured in the first photograph that surfaced recently in the media—one purportedly of Air Force Col. John Leighton Robertson, Air Force Maj. Albro Lynn Lundy Jr. and Navy Lt. Larry James Stevens, all fliers.

He began lending his expertise to families of missing U.S. service people in 1985, when he was asked by the wife of a Vietnam POW/MIA to determine whether the skeletal re-

mains sent to her were indeed that of her husband.

"That's when I first discovered that the Army was just plain lying—not making errors, but deliberately lying," Charney said. "And I said so in front of a congressional committee in 1966. All they say is that I'm ludicrous."

Until most recently, Charney said "99.9 percent" of the POW/MIA work he has done involved determining whether the identification of skeletal remains was properly done by the U.S. military.

He does his work free of charge to the families of missing U.S. service people.

KERRY TRACKING "HOT" MIA LEADS

BOSTON.—Saying he has "hot leads" on the fate of American servicemen missing in southeast Asia, Massachusetts Sen. John Kerry is traveling to Thailand, Cambodia and Vietnam. He leaves today on the eight-day trip.

"I approach this with an absolute judgment of possibility that somebody is alive," said Kerry, a Vietnam veteran and chairman of a new Senate committee on missing serviceman. "We have a number of cases where there are 'hot leads.'" He declined to be specific.

ORDER OF BUSINESS

Mr. DORNAN of California. Mr. Speaker, I ask unanimous consent that the 60-minute special order previously granted to the gentleman from Georgia [Mr. GINGRICH] for today be vacated and that he be granted a 5-minute special order today instead.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1250

THE PASSIVE LOSS CORRECTION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise today to speak in support of H.R. 1414, the passive loss correction bill. I am one of over 300 cosponsors of this important legislation. If H.R. 1414 is passed it would permit real estate professionals to operate under the same tax rules imposed on other professional entrepreneurs, thereby allowing those who spend at least one half of their business time on activity related to real estate to deduct losses generated by a real estate project in which they actively participate.

Mr. Speaker, H.R. 1414 would increase the supply of affordable rental housing, opening up opportunities for middle-class Americans to attain decent housing. This bill would also keep real estate values constant and help shore up the Nation's financially troubled banks and savings and loan associations.

The passive loss rules did not originate from the House of Representatives. However it is our responsibility to correct this inequity so that our economy can begin a new growth period—and that will benefit all Americans.

UTAH SEEKS RELIEF FROM WASTE DISPOSAL PROBLEMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah [Mr. OWENS] is recognized for 5 minutes.

Mr. OWENS of Utah. Mr. Speaker, I am increasingly concerned about the problem of interstate waste incineration and disposal operations. The situation in Utah is a textbook illustration. Certain States are being singled out to bear the waste disposal burdens created by others. I absolutely object to this brand of exploitation. States such as Utah are literally left holding the bag—bags which are filled with municipal or toxic refuse—for other States which, instead of recycling and otherwise dealing with their own waste problems, send them out of State, and out of mind, for disposal.

Utah is threatened by a proliferation of waste incinerators with an overall capacity far beyond the State's own needs. A total of 19 facilities, including hazardous waste incinerators, nerve gas and munitions incinerators, medical waste incinerators, cement kilns, and a garbage incinerator, have either received permits or have submitted applications to burn various types of wastes in Utah all of them in beautiful unspoiled Utah.

For instance, two hazardous waste incinerators have received permits to operate in Tooele County. One of these is already under construction. Their combined capacity is approximately 180,000 tons per year, an absolute guarantee that they will accept hazardous wastes from out-of-State. A medical waste incinerator is under construction in Salt Lake County, while two more have either applied for or received permits, one in central Utah and the other in Ogden. Two more commercial facilities have applied for permits to burn waste tires as fuel.

The Army currently operates four incinerators in Tooele County for the destruction of chemical weapons, with a group of five more under construction and an additional one on the drawing board. These facilities are supposedly going to close following the destruction of the 42 percent of the Nation's chemical weapons which are stockpiled in Utah. But, there are already concerns that the capital investment involved will encourage the Army to continue to run the incinerators for other Federal wastes shipped from out of State. Will be prepared to fight that one.

But, incinerators represent only part of our growing interstate waste story. A commercial hazardous waste landfill in Tooele County disposes of hazardous wastes and PCB's. A second commercial landfill in the same county is licensed to handle naturally occurring radioactive materials, the only such facility licensed in the entire United States. It also has a cell for mixed hazardous and low-level radioactive wastes.

We are also confronting the unpalatable prospect that Utah will be forced to accept municipal garbage from other States or even Canada. A large commercial landfill of 2,400 acres is planned in east Carbon County. The owners have received the necessary permits to dispose of municipal and industrial wastes, including foreign garbage. It is widely perceived, in part because of the landfill's size and rail access, that it could become yet another magnet for out-of-State wastes.

Increasingtly, Utahans are calling for changes in Federal law to give us control over what now appears to be a mushrooming trend toward out-of-State wastes. I've introduced legislation, H.R. 816 and H.R. 2671, which would provide the needed authority. I firmly believe that it's the only fair way to go. I urge my colleagues to support that progressive, fair approach to waste disposal.

LISTENING TO HOOSIERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. ROEMER] is recognized for 5 minutes.

Mr. ROEMER. Mr. Speaker, in the last few weeks and months I have been listening, listening to the people in the heartland, in the Middle West. At open meetings from Nappanee to Michigan City, I have heard from Hoosiers who are proud, especially proud that the principles that we cherish, democracy and freedom, have finally prevailed in the long and tense cold war. But these same people are very worried, Mr. Speaker, and in Indiana they have come to open meetings to ask tough and important questions.

Hoosiers are worried about jobs. They are worried about their children's opportunities in the future, and they are worried about the American dream and fulfilling that dream through college education and home ownership.

Mr. Speaker, they asked me why we need to be spending $7.1 billion each year defending Japan and the Asian basin and $17.7 billion each year defending Western Europe when the old Warsaw Pact no longer is a military threat, and when here at home our own borders are not secure from illegal aliens and drug smugglers.

Hoosiers asked me why our students here in the most powerful Nation in the world, are behind students from other countries in math and science skills. They asked me why so many people in Washington are talking about

sending our American tax dollars to the Soviet Union when our national debt continues to escalate and spiral. Hoosiers asked why the United States has now become more dependent than ever on foreign oil.

And again, Mr. Speaker, I heard good, tough questions about health care.

□ 1300

Young working couples are asking how they can choose between paying their rent and paying for their children's health care costs.

Mr. Speaker, at one town meeting that I had just recently, a young couple came up to me and said, "Tim, we want to live in the Midwest. If our grandparents or parents get sick, we want to be near them and keep the nuclear family together." But that quest is becoming more and more difficult, because we are not being proactive enough in keeping our manufacturing jobs in this country.

Older Americans have asked me how they can be protected from an illness wiping them out and wiping away a home or a farm or a lifetime of savings.

Mr. Speaker, the people of the Third District of Indiana are ready for our Nation's leaders to turn their attention to problems here at home. And I believe these Hoosiers represent the concerns and hopes of most Americans.

The American people are looking for courageous and innovative leadership on a new national security strategy that doesn't put the policing of the whole world on the back of our taxpayers.

They are looking for an energy policy that doesn't leave our economy in the hands of foreign governments.

Americans are looking for someone to step forward with ideas for affordable health care for our Nation. My constituents don't think there are any simple and easy answers, but they do believe we can do better.

The people of Indiana, and people everywhere in America, want democracy and peace around the globe. But they want that peace to mean that we can now focus on improving our schools, on repairing our roads and bridges, on making health care affordable, and on reducing the deficit.

Mr. Speaker, to those in this body or those who sit in offices down Pennsylvania Avenue who doubt that the American people want the Congress to focus our energies on problems here at home, I advise a trip out of the office for a few days of listening. What the people of this country are saying makes a lot of common sense.

NATIONAL ACCESSIBLE HOUSING MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, 1 year ago Congress and the President enacted landmark legislation, the Americans With Disabilities Act. The goal of this legislation is to help Americans with disabilities to enter the mainstream of American society. For this legislation to be effective, it is crucial that the public be aware of the obstacles faced by Americans with disabilities on a daily basis.

In that regard, I am joined today by my colleague from Maryland, Congressman HOYER, in introducing a joint resolution designating the month of November 1991 National Accessible Housing Month.

Over the past year we have seen the development of public-private partnerships intended to heighten public awareness of such problems. This legislation seeks to highlight such partnerships.

One such partnership is the national public education campaign conducted by the National Easter Seal Society and Century 21 Real Estate Corp. The program, entitled "Easy Access Housing for Easier Living," focuses on home designs which accommodate persons with disabilities. The program answers questions about barrier-free designs and structural accommodations which allow easy entry and movement throughout homes.

Since 70 percent of all Americans will at some time during their lives suffer from a permanent or temporary disability, it is clear that barrier-free homes are or will be an important consideration for many Americans.

Although retrofitting existing structures to remove obstacles such as stairs, narrow doorways and other structural impediments can be very costly, designing barrier-free homes from the outset can be cost effective.

Let's encourage the establishment of such public and private partnerships to solve problems in an innovative manner form the outset.

Please join Congressman HOYER and me in cosponsoring House Joint Resolution 326, designating the month of November 1991 as National Accessible Housing Month. A copy of the resolution is printed below.

H.J. RES. 326

Whereas the Congress in the Americans with Disabilities Act of 1990 found that there are 43,000,000 individuals with disabilities in this Nation;

Whereas 70 percent of all Americans will, at some time in their lives, have a temporary or permanent disability that will prevent them from climbing stairs;

Whereas 32,000,000 Americans are currently over age 65 and many older citizens acquire vision, hearing, and physical disabilities as part of the aging process;

Whereas many older Americans who acquire a disability are forced to leave their homes because the homes are not longer accessible to them;

Whereas 1 out of every 3 persons in the United States will need housing that is accessible to the disabled at some point in their lives;

Whereas the need for accessible single-family homes is growing;

Whereas the need for public information and education in the area of accessible single-family homes is increasing;

Whereas this Nation has placed a high priority on integrating Americans with disabilities into our towns and communities;

Whereas the private sector has helped increase public awareness of the need for accessible housing, as exemplified by the national public education campaign conducted by the National Easter Seal Society and Century 21 Real Estate Corporation, entitled "Easy Access Housing for Easier Living"; and

Whereas increased public awareness of the need for accessible housing should prompt the participation of civic leaders, and representatives and officials of State and local governments, in the drive to meet this need: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1991, is designated as "National Accessible Housing Month". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate programs and activities.

CHICAGO'S 26TH ANNUAL GENERAL VON STEUBEN DAY PARADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, this week marks the 261st anniversary of the birth of Gen. Friedrich Wilhelm von Steuben, a German immigrant who fought with skill and valor during the American Revolutionary War.

We honor his memory because General von Steuben helped to establish our American democracy during the birth of our Nation. As a soldier and patriot, General von Steuben epitomizes the contributions made by tens of thousands of German-Americans to the development of the United States.

To honor these contributions, I am proud to announce that the United German-American Societies of Greater Chicago are sponsoring their 26th annual von Steuben Day parade this Saturday in downtown Chicago. The parade, which begins at noon, will showcase German-American heritage with colorful floats, drum and bugle corps, marching bands, and dancers in traditional costumes. The parade will include a salute to our friendship with the Federal Republic of Germany, which has moved swiftly in the past year to begin rebuilding Eastern Germany after the fall of communism.

I wish to extend my congratulations and best wishes to Mr. Karl C. Laschet, who is serving once again as the outstanding grand marshal of the parade. I also would like to offer greetings to all German-Americans from the 11th Congressional District, which I am honored to represent, and to German-Americans across the United States.

Because German immigrants have contributed so much to America, I have cosponsored a bill designating October 6 as German-American Heritage Day. That date marks the anniversary of the arrival of the first German-American immigrants, who settled near Germantown, PA in 1683. The resolution reads as follows:

H.J. RES. 180

Whereas since the arrival of the first German immigrants to America on October 6th, 1683, in the area of Germantown, Pennsylvania, German-Americans have made significant contributions to the quality of life in the United States;

Whereas German-Americans are proud of the existing friendship and cooperation be-

tween the Federal Republic of Germany and the United States, of which the German-American Friendship Garden in Washington, DC, is evidence;

Whereas German-Americans pledge their unconditional support for further expansion of the existing friendship between Germany and the United States, and will continue to contribute to culture of the United States, support its government and democratic principles, and will also work to help assure the freedom of all people;

Whereas President Bush lauded German unification and the spirit of friendship and cooperation between the people of the Federal Republic of Germany and the people of the United States during proclamation ceremonies for German-American Flag Day on October 3, 1990; and

Whereas the Congress unanimously passed joint resolutions designating October 6th of 1987, 1988, 1989, and 1990 each as "German-American Day": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 6, 1991, and October 6, 1992, are each designated as "German-American Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such days with appropriate ceremonies and activities.

As one of America's best-known German immigrants, General von Steuben contributed to our struggle for freedom by establishing professionalism among America's Armed Forces. A Prussian Army officer who had served as an aid-de-camp to King Frederick II, von Steuben accepted a commission in the American Continental Army in 1778. Gen. George Washington assigned him to the task of training American troops, and von Steuben earned such praise for this effort that the advanced to the rank of major general. That winter von Steuben wrote "Regulations for the Order and Discipline of the Troops of the United States", a training manual that reflected his genius for military discipline and organization. Known as the "Blue book," this work served as the Army drill manual until 1812.

Von Steuben contributed battlefield skills to the American cause as well. During the crucial siege of Yorktown in 1781, von Steuben commanded one of three divisions of American troops under George Washington. On the night of October 11, von Steuben's forces boldly set the stage for victory by establishing fortifications a mere 300 yards from the British lines. Encircled and facing defeat, the British general, Charles Cornwallis surrendered on October 19. Von Steuben shared in this triumph that was America's greatest victory of the war.

The U.S. Government showed its gratitude to von Steuben by granting him citizenship, and Congress approved a $2,500 yearly pension for him after the war. The State of New York added the gift of a 16,000-acre estate near Utica, where von Steuben lived until his death in November 1794.

PRESIDENT SET NEW RECORD FOR SLOW GROWTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, the debate today concerned the unemployment extension bill. I heard remarks from the other side that concerned me when somebody referred to this bill as a Government handout, a handout to working men and women who are temporarily unemployed through no fault of their own and are trying to get work again, and just need help for another 13 weeks to keep the kids in school, to pay the tuition, to pay the car payment, to make the mortgage payment, to keep the health insurance in effect.

That is no Government handout. These are men and women who have invested in this country every year in the form of tax dollars in their own commitment.

Then there are also proposals made from the other side about a growth package, they called it, to help the economy along. Don't help the victims of it, but help the economy along. So they offered us tax cuts that equaled the sum of the tax cuts enacted before.

Mr. Speaker, I think we ought to talk about what the results of those 12 years of economic policies have been, because I think it is pretty clear from the administration's own statistics.

If you look at this chart beside me prepared by the Democratic Study Group, you will see the comparison of economic growth during the first 3 years of the Bush administration compared to all the Presidents going back to President Eisenhower.

What you see is that under President Bush to date, there has been growth in our economy, our gross national product, GNP, of only 0.7 of 1 percent. That is this tiny red bar right here.

The other area, the shaded area, the pink area, is the projected growth by the administration, by the Office of Management and Budget, for the first 3 years of the Bush Presidency. If they are correct, and if in the next few months they actually get 2.3 percent GNP growth, which is a pretty tall order, but if they do, it brings it up to here, 3 percent.

Three percent in the first 3 years, compared to President Reagan having 5.8 percent in his first 3 years, compared to President Carter having 11.7 percent in his first 3 years, compared to President Ford having 5.1 percent, President Nixon, 5.3 percent, President Johnson, 17 percent, President Kennedy, 14 percent, and President Eisenhower, almost 6 percent. Three percent. But, significantly, 0.7 of 1 percent is all we have seen so far.

How does that stack up compared to the other countries? Is President Bush just presiding over a generally stagnant world economy?

Not exactly, because in the same period of time, France, for instance, has grown by 4.6 percent, the Netherlands has grown by 5.8 percent, Germany by 8.2 percent, and Japan, experiencing its first slight recession, is still 11.7 percent.

Once again, the Bush record is 0.7 of 1 percent.

But then you start looking back and you can see that the policies we are being asked to adopt today by the other side, the same policy of tax cuts without paying for it, of adding to the deficit, of not investing, doing the kind of public investment in infrastructure and education that needs to be done, you can see where those policies have gotten us.

Mr. Speaker, let me make another projection. When I come back, hopefully when I come back next year and the year after, and we are looking at this chart, we are going to see the stagnant growth has continued. Why? Because there is no economic policy.

It is interesting that they fight so hard for the stealth bomber, because they have a stealth economic policy, a stealth domestic agenda. They say it is up there, they say it is out there, you ought to be able to hear it, but you cannot see it.

You can see the results. The results are very clear, that the economic policies pursued by this administration have gotten us 0.7 of 1 percent growth. That is it, folks. Count it up, if you can see it, 0.7 of 1 percent growth in the time President Bush has been in office. And at the very best, and these are the administration's figures, by the President's own figures, the most we can expect for his first 3 years is 3 percent.

Now let us talk about who it is that knows how to run the economy. These figures bear out quite clearly, I believe, that the economic policies must be changed, and that we need to be going toward growth policies, those policies that truly reflect growth. We need to be investing in job training, investing in helping our working American families keep their jobs. And in the time they are in transition, we need to help keep their body and soul together. We need to be investing in education, in making sure that working families get assistance they need through Pell grants and guaranteed student loans to send their children to college.

Mr. Speaker, we need to be talking about health care. We need to be talking about preventive medicine, in which a dollar put in today saves $5. There are a whole lot of things we need to be talking about.

Mr. Speaker, I think this needs to set the record straight. We heard a lot of claims today from the other side, but the one thing they did not talk about is what the actual record is. Now I think you know, and now I think you know whose agenda we ought to be adopting.

BANKING COMMITTEE OVERSIGHT OF THE INSURANCE INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, the recent collapse of several major insurance companies highlights the importance of the oversight and legislative functions of the Committee on Banking, Finance and Urban Affairs regarding insurance regulation. Insurance companies, like depository institutions, have begun to suffer the financial consequences of their risky investments, including portfolios similar to those of savings and loans in the late 1970's and early 1980's, that is, exorbitant promises to pay—liabilities—coupled with declining asset values.

In addition, the General Accounting Office has identified lax regulation, low capital standards, overvalued assets, flimsy accounting practices, and fraud as principal causes of insurer failures. In the last 7 months, five large life insurers—Executive Life, First Capital Life, Monarch Life, Mutual Benefit Life, and Guarantee Security Life—have been seized by regulators due to insolvency.

The Guarantee Security Life Insurance Co., sixth largest in Florida, collapsed due to its vast junk bond holdings, while the Mutual Benefit Life Insurance Co. of New Jersey had $1.1 billion of its $14 billion in assets tied up in four problem loans and experienced runs prior to seizure. Also, the collapse of the Executive Life Insurance Co. has resulted in devastating losses, and in at least one case failure, for hundreds of community banks around the country that purchased municipal bonds guaranteed by Executive Life.

The regulation of the business of insurance is a function which has historically been performed by the States, with the Federal Government choosing not to exercise its preemptive authority. However, in light of the destabilizing impact of insurance company failures on the national economy, the Banking Committee, and its Subcommittee on Policy Research and Insurance, will increase its oversight of the insurance industry and reexamine what should be the proper role of the Federal Government in the regulation of the business of insurance.

State regulation has resulted in duplicative, conflicting, and often inadequate regulation. For example, although approximately 17 States have adopted some form of independent certified public accountant requirement, no two States have adopted exactly the same requirements. Also, the adequacy of regulation over an insurer will vary depending on the sufficiency of the resources devoted to that function by the State with primary regulatory responsibility over that particular insurer. The safety and soundness of the insurance industry is perilously subject to all these vagaries.

The business of insurance has traditionally meant the spreading of risk so as to minimize the destabilizing effect of sudden and often catastrophic economic losses. However, in recent times, the business of insurance companies has come to encompass much, much more. Modern insurance companies have developed into full scale financial intermediaries and perform many of the same functions as other financial institutions in today's global economy.

Financial intermediation is an activity through which the savings of individuals are used to meet the borrowing needs of businesses, governments, and households. Financial intermediaries that are permitted to accept deposits are called depository institutions. Nondepository financial intermediaries include insurance companies, pension funds, and mutual funds, whose accounts are not considered deposits, even though checks can be written against them.

Because financial intermediaries act as middlemen in arranging financing for purchases by firms, governments, and households, they participate in two markets: the market for receiving loanable funds and the market for investing. Depository institutions receive their loanable funds primarily through accepting deposits. Insurance companies receive their loanable funds by selling insurance policies. In fact, commercial banks and life insurance companies engaged in the greatest amount of net lending in 1988 in the U.S. intermediary capital market.

Insurance companies now offer many of the same financial and investment services as banks and other depository institutions. For example, insurance companies attract savers' funds by offering guaranteed investment contracts [GIC's], which are similar to bank investment contracts. Also, the insurance industry is an enormous source of lendable funds, and as a provider of credit, it competes with depository institutions in attracting borrowers.

Likewise, as the distinction between banks and insurance companies becomes further blurred, banks are offering more insurance services. Current national bank insurance activities include the underwriting of insurance in the form of credit-life policies to accompany loans, the sale of insurance policies where the bank is based in a town of fewer than 5,000, and the sale of annuities, which are traditionally an insurance company product. Also, some States allow their state-chartered banks broader authority to sell insurance, and recently one State has become the first to allow its state-chartered banks to underwrite and sell all types of insurance inside and outside the State.

The Banking Committee's exclusive jurisdiction over the insurance industry is provided for in rule 10 of the rules of the House, which contains the specific grant of jurisdiction to the committee over banking that is, the solicitation of deposits (including GIC's which are in turn loaned out), "credit" (insurance companies are an enormous provider of credit in the U.S. economy), and "economic stabilization" (the spreading of risk by insurance companies is possible the single most stabilizing function in the U.S. economy). As a practical matter, it also makes sense that the Committee with jurisdiction over the banking industry, deposit insurance, flood insurance, and crime insurance also have jurisdiction over life insurance, property/casualty insurance, and the companies which provide such insurance.

The Subcommittee on Policy Research and Insurance has done extensive work in the field of insurance. In March of this year, the subcommittee produced a comprehensive report on the business of insurance entitled "A Descriptive Analysis of the Insurance Industry in the United States." The subcommittee has recently reauthorized the Federal flood and crime insurance programs, and has held numerous hearings on the need for a Federal earthquake insurance program. These programs are illustrative of the Banking Committee's responsibility, concurrent with its jurisdiction over insurance matters, to assess where the private insurance market has failed and therefore requires Federal intervention. The subcommittee will soon conduct additional hearings on the adequacy of State insurance guarantee funds.

In recognition of the need for regulation to ensure the safety and soundness of the insurance industry, on July 31, 1991, I introduced the Federal Reserve Liquidity Assistance Act of 1991. The act would provide for the short-term liquidity needs of insurance companies, as was needed but unavailable from the State insurance guarantee fund in the case of Mutual Benefit, and establishes minimum solvency standard which an insurance company must meet before it may obtain discounts or advances from the Federal Reserve.

Under this bill, an eligible insurance company must meet minimum financial resource requirements, as established by the Federal Reserve in consultation with State insurance regulatory authorities. This requirement would provide an incentive to any insurance company that wanted access to the Federal Reserve discount window to maintain minimum standards of health, and would be a first step in establishing uniform safety and soundness standards.

There are several aspects of the insurance industry, and the regulation thereof, which the Banking Committee must address. The first involves the question of what role the Federal Government should play in the regulation of the insurance industry. The overriding goal of any regulation should be to promote the safety and soundness of the industry. This involves many fac-

ets of the insurance industry: Chartering and licensing, reporting, examinations, customer protection, rate setting, investments, product lines, health and solvency measures/standards, enforcement, reinsurance, Government guarantees, life/health versus property/casualty, and insurance service organizations. Some areas may benefit from uniform Federal regulation, while others might operate more efficiently on a state-by-state basis. Some form of dual regulation, as in the banking industry, may be desirable. These are the initial issues which the Banking Committee will address. Much must be done, and the Committee is eager to move ahead with the task.

Mr. Speaker, for the RECORD I submit H.R. 3119 and an article from the September 16, 1991, New York Times.

H.R. 3119

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 Reserve Liquidity Assistance Act of 1991".

SEC. 2. PROCEDURES APPLICABLE TO LIQUIDITY ASSISTANCE TO INSURANCE COMPANIES.

The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 13a the following new section:

"SEC. 13B. PROCEDURES APPLICABLE TO LIQUIDITY ASSISTANCE TO INSURANCE COMPANIES.

"(a) IN GENERAL.—For the purpose of ensuring that liquidity assistance is available on an objective basis to any insurance company, particularly if 1 or more insurance companies are threatened by a potential liquidity crisis and short-term credit may not otherwise be available to such companies and in addition to any other procedure or condition established under this Act, the procedures and conditions established under this section shall apply to liquidity assistance provided by any Federal Reserve bank under this Act to any insurance company.

"(b) ELIGIBILITY.—An insurance company may obtain liquidity assistance under this Act only if the company is certified by the board to be eligible for such assistance in accordance with the procedures established under subsection (d).

"(c) FINANCIAL RESOURCE REQUIREMENTS.—

"(1) ESTABLISHMENT REQUIRED.—Before the end of the 180-day period beginning on the date of the enactment of the Federal Reserve Liquidity Assistance Act of 1991, the Board, in consultation with State insurance regulatory authorities, shall establish minimum financial resource requirements for insurance companies for purposes of this section.

"(2) DENIAL OF LIQUIDITY ASSISTANCE FOR FAILURE TO MEET MINIMUM REQUIREMENTS.—No insurance company may be certified by the Board as being eligible for liquidity assistance under this Act unless such company meets or exceeds the minimum financial resource requirements established under paragraph (1).

"(d) PROCEDURES FOR CERTIFICATION OF ELIGIBLE COMPANIES.—

"(1) IN GENERAL.—The Board shall establish procedures for certifying insurance companies as eligible for liquidity assistance under this Act.

"(2) GUIDELINES FOR VALUATION OF COLLATERAL AND DETERMINATION OF RATES.—The certification procedure shall include guidelines for—

"(A) the valuation of collateral provided by any insurance company in connection with any liquidity assistance provided under this Act; and

"(B) the determination of financing costs applicable for any such assistance.

"(3) LIST AUTHORIZED.—The Board may maintain a list of the insurance companies which are eligible for liquidity assistance under this Act.

"(e) TERMS AND CONDITIONS OF ASSISTANCE.—

"(1) COLLATERAL REQUIREMENT.—No liquidity assistance may be provided under this Act by any Federal Reserve bank to any insurance company unless the assistance is secured by collateral of a type and in an amount approved by the bank.

"(2) COMPARABLE TERMS.—Any liquidity assistance provided under this Act by any Federal Reserve bank to any insurance company shall be made for such period of time and at such financing costs as are generally applicable to advances to depository institutions (as defined in section 19(b)(1)(A)) under section 10, 10(a), and 10(b).

"(3) NOTICE OF LIQUIDITY ASSISTANCE TO BOARD AND STATE INSURANCE REGULATORY AUTHORITY.—Any Federal Reserve bank which provides liquidity assistance under this Act to any insurance company shall provide prompt notice of such assistance to the Board and any appropriate State insurance regulatory authority.

"(f) REQUESTS FOR LIQUIDITY ASSISTANCE.—

"(1) COPIES TO BOARD AND STATE INSURANCE REGULATORY AUTHORITY.—A copy of any request to any Federal Reserve bank for liquidity assistance under this Act by any insurance company shall be submitted to the Board and any appropriate State insurance regulatory authority.

"(2) CONTENTS OF NOTICE.—Any request for liquidity assistance under this Act by any insurance company shall contain a certification by the company that—

"(A) as of the date of such request, the company is and, during the 12-month period ending on such date, has been in compliance with the minimum financial resource requirements of the Board and any appropriate State insurance regulatory authority; and

"(B) the collateral offered by the company to secure any such assistance is adequate.

"(g) COMPLIANCE REPORTS FROM STATES.—No liquidity assistance may be provided under this Act to any insurance company if any State insurance regulatory authority which has jurisdiction over such company, or any activities conducted by such company, has failed to provide any examination or other enforcement or compliance report requested by the Board or any Federal Reserve bank.

"(h) LIQUIDITY ASSISTANCE DEFINED.—For purposes of this section, the term 'liquidity assistance' means, with respect to any insurance company'—

"(1) any advance made by any Federal Reserve bank under this Act to the insurance company; or

"(2) the discounting by any such bank under this Act of any note, draft, bill, or other obligation issued, drawn, or endorsed by the insurance company.

"(i) REGULATIONS.—The Board shall prescribe such regulations as the Board may determine to be appropriate to carry out the purposes of this section.

"(j) ANNUAL REPORT TO BANKING COMMITTEES.—The Board shall submit an annual report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on any liquidity assistance provided by any Federal Reserve bank to any insurance company during the year covered by the report.".

AID FUND CONSIDERED BY INSURERS

(By Eric N. Berg)

The nation's large life insurance companies have quietly begun exploring the establishment of a giant emergency fund that could provide short-term assistance to cash-strapped insurers.

The fund, which would be financed by the companies themselves, would probably be modeled after the Federal Reserve's lending program for distressed banks.

As the Federal Reserve acts as a lender of last resort to banks whose cash is being depleted by depositor withdrawals, the insurance fund would be used to rescue insurers that are financially sound but unable to handle an onslaught of policyholders seeking refunds.

HOPING TO AVERT PANICS

"The plan should keep policyholders from panicking at the first hint of trouble," said David S. Hochstim, a financial institutions analyst at Bear, Stearns & Company, "Such panics can themselves cause a crisis for even healthy institutions."

The idea of creating an emergency fund is in the embryonic stage. Nothing firm has been put on paper and the obstacles to establishing such a fund are numerous and formidable—from deciding how much each insurer would contribute in making sure the fund was not used to bail out incompetent managements. Indeed, industry experts say the chances are against such a fund being created.

But the fact that top insurance executives are taking about such a program is testimony to the extraordinary change in psychology that has swept through the industry.

BOLSTERING PUBLIC CONFIDENCE

Insurance executives hope that the existence of such a fund could avert the type of policyholders' runs that led regulators earlier this year to seize three giant life insurers. Executive Life and First Capital Life of California and Mutual Benefit Life of New Jersey. Industry analysts say that at a minimum, establishing a fund would bolster public confidence.

"Financial institutions are confidence games," said Michael W. Blumstein, an analyst at Morgan, Stanley & Company. "So anything you can do to bolster the confidence of policyholders has got to be viewed positively."

As recently as March, before the failure of Executive Life, most industry executives would have denied that a life insurer could suffer the equivalent of a run on a bank, with hordes of customers clamoring for their money at once. Even if the effort to create a loan fund fails, analysts say, the industry will continue to seek ways to protect insurers that are basically sound but are being driven from business by policyholders cashing in.

Life insurance industry executives were unwilling to talk about the loan-fund discussions, saying that even publicizing the subject could rattle already-nervous policyholders. But people familiar with the effort say it is being led by Ian M. Rolland, the chairman and chief executive of the Lincoln National Life Insurance Company, the nation's 13th largest life insurer, with nearly $20 billion in assets.

Mr. Rolland is also the chairman of the newly formed solvency committee of the American Council of Life Insurance, the industry's Washington-based trade group. Also on the committee are Robert C. Winters, chairman and chief executive of the Prudential Insurance Company of America, who is understood to strongly support a loan fund, and Edward H. Budd, chairman and chief executive of the Travelers Corporation. None of the three executives returned telephone calls seeking comment.

MEETING PLANNED

All three men are expected to attend a meeting of the solvency committee to be held before the council's regularly scheduled board meeting on Friday in Laguna Niguel, Calif., south of Los Angeles. Establishing a loan fund is not on the solvency committee's agenda, but given Mr. Rolland's strong interest in a fund, it is possible he could raise the subject before the council's board.

Should the current exploratory talks develop into concrete plans, the effort would almost surely be coordinated by the council. Richard S. Schweiker, the former United States Senator from Pennsylvania who is the council's president, has already participated in conference calls in which top industry executives have discussed the idea of a loan fund.

But neither Mr. Schweiker nor the council's board has lent support to the concept. And while acknowledging that creating a loan fund is being discussed, Mr. Schweiker issued a statement on Friday emphasizing that the effort so far amounted only to "initial, exploratory discussions," largely by industry technicians.

HELP FOR CURBING PANICS

If a loan fund like the Federal Reserve's bank operation could be organized, experts said it could go a long way toward preventing another policyholder panic like the one that most recently claimed the Mutual Benefit Life Insurance Company, a huge life insurer based in Newark.

While no one disputes that Mutual Benefit suffered enormous losses from its investments in commercial mortgages, many insurance experts note that to this day, the company remains solvent. The only reason Mutual Benefit had to be seized, these experts say, is that a large number of customers became unnerved by the company's losses and demanded refunds of their savings at once.

In theory, the experts say, if a loan fund had been in place, either the run might not have occurred or Mutual Benefit could have borrowed from the fund to meet its cash needs.

"Establishing a liquidity facility would be positive because, at present, there really is no lender of last resort in the insurance industry," said Joan Zief, a life insurance analyst at Merrill Lynch & Company. "Today, the question policyholders and insurance-stock investors are asking is not, 'What is the value of your assets?' but rather, 'How much money can you raise overnight?'"

Terence Lennon, head of the Life Insurance Bureau of the New York State Insurance Department, also favors a loan fund. He said a fund could help an insurer avoid being forced to sell assets because of huge policyholder withdrawals.

"Just having the loan fund there might eliminate the need to sell assets," he said.

But Mr. Lennon and other experts said dozens of issues would have to be worked out before a fund could be established. For example, policyholders might not be as vigilant in selecting an insurer if they felt the loan fund would bail them out should the insurer face a cash-flow problem.

Another issue is avoiding abuse of the insurance loan fund. In particular, the fund would help companies that were essentially healthy but were suffering short-term cash pinches. But cash-flow problems often reflect more fundamental problems.

□ 1320

TERRORS WE FACE IN THIS WORLD

The SPEAKER pro tempore (Mr. McMILLEN of Maryland). Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

ANNIVERSARIES CELEBRATED TODAY

Mr. DORNAN of California. Mr. Speaker, I am shocked that during the whole debate today and in all of the 1-minute speeches, both before and after the regular legislative session, that no one mentioned that this is a glorious day for the Congress of the United States. It is our birthday. On September 17, 204 years ago, the Constitution of the United States was passed. That document created not only the House of Representatives but also the U.S. Senate, where our distinguished brothers and sisters serve in the upper Chamber at the north end of this, the most beautiful building in the world. But the Constitution also established the Supreme Court, where Mr. Clarence Thomas, judge of the Ninth Circuit Court, has just finished some excellent testimony which began 5 days ago. And I look forward to him joining that great branch of Government as an Associate Justice. But this great document also established the Presidency and the White House and our tripartite system of Government with its checks and balances. All of that was today.

And it is a special day for the cloakroom, because one of the great police officers on this Hill, serving 8 years defending us, joined the Republican cloakroom 5 years ago—13 years of service. So to Peggy Sampson, whose birthday it is today—still in the low thirties but I will not specify the exact number—happy birthday. And as I went up to Peggy to remind her about her wonderful birthday, she reminded me—and I am glad she did, although it was in the back of my mind this morning to call California—that this is the fourth birthday of one of my eight grandchildren, Erin Mary Griffin. She was born 4 years ago on the 200th anniversary of the birth of the U.S. Constitution and our great system of Government.

And it is also the birthday of one of the people, just to break a rule, Mr. Speaker, one of our visitors in the House gallery today. Happy birthday to the young bride up there.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. If the gentleman will suspend, his remark is not in order. It is not in order to address members of the gallery.

Mr. DORNAN of California. I am sorry, Mr. Speaker. I cannot take back the happy birthday though.

But I should note that our great former colleague, Congresswoman Lindy Boggs, who still commutes between her beautiful area of New Orleans and Washington, DC, to lend her considerable talents to the furtherance of the commonwealth of our country, always says to me every time she sees me, "How is that little granddaughter of yours, Erin? Is she still going to be the first lady President?" She certainly got a good start being born on the 200th anniversary of our Government, and I hope she does serve in Congress someday. And I hope her mother, Robin, serves in Congress someday, as well as her brothers, Kevin and Colin.

Anyway, to the more serious business that I talked about earlier, Mr. Speaker, in my 1-minute speech. I couldn't decide whether to talk today about the great terror in the Soviet Union—almost 74 years of communism this coming November 7—or to talk about an emerging terror in this country, the attack upon Christianity in general, but with a specific vitriolic twist to the attacks upon my Christian faith, Roman Catholicism, or whether to talk about the great terror of abortion in this country, 1,600,000 of America's children each year, every one of them an American citizen had they been allowed to be born. Even if the mother were to travel to a foreign country for an abortion, if the child were born, whether in Iceland, or Sweden, Africa, or Asia, anywhere, he or she would be an American if the parents were American.

So I think I will weave these all together, starting with the great terror of communism.

I said in a 1-minute speech yesterday, Mr. Speaker, that the great American, British-born, British-educated scholar, Robert H. Conquest, who has spent several decades at the Hoover Institute for War, Revolution, and Peace at Stanford University, has updated, completely revised his book "The Great Terror," published about 20 years ago, on the Stalin purges, anti-Semitism, and terror, and how it had its roots in Vladimir Lenin. There are still Marxist teachers on college campuses, in the United States, who think it is politically correct to whitewash Vladimir Ilyich Ulyanov Lenin. But he has been set down in history, this killer, as the one who said you have to secure your revolutions in blood. Stalin took on the world and became the world's greatest serial killer, even eclipsing the madman Adolf Hitler. Mr. Conquest has kept the original title, "The Great Terror," but has added a subtitle, "Reassessment." And it is a great compliment to his book that after all the new information released on Stalin's reign of terror, he did not have to

change substantially, in any way, his analysis.

I am going to submit for the RECORD a book review by a great Soviet scholar, professor emeritus of Russian history at the University of Vermont, Mr. Robert V. Daniels. His book review on "The Great Terror" says it all.

The article referred to follows:

HISTORY'S MOST EFFICIENT MASS MURDERER—THE GREAT TERROR, A REASSESSMENT

(By Robert H. Conquest)

(Reviewed by Robert V. Daniels)

"You think twenty million? I think more." So answered a young Soviet intellectual a few weeks ago to a passing comment about the number of Joseph Stalin's victims.

The terror of the 1930s, directed against peasants, intellectuals, Communists who had opposed Stalin in the 1920s, and Stalin's own army and bureaucracy, is a nightmarish memory that still transfixes Soviet citizens in all walks of life. There is scarcely anyone in the Soviet Union today who did not have a relative, or a friend's relative, either perish or emerge half-dead from the holocaust perpetrated on his own people by the dictator whom one eminent Soviet historian recently described to me as "even worse than Hitler."

Now, finally, the peoples of the Soviet Union have won the freedom to work their way through their horrible collective memories, made worse because these experiences could not be publicly exorcised for decades even after the terror itself had largely ended with the tyrant's death in 1953. In this task, the Soviets can now even accept the help of outsiders who have been able to study the terror from afar with a good degree of accuracy. Thus it is eminently fitting that the work of Robert Conquest, the West's No. 1 expert on Stalin's purges, is now being published in Russian translation in Moscow.

English-born and educated, Robert Conquest was already a world-class authority in Sovietology when he came to this country to become curator of the famous Hoover Library of War and Revolution at Stanford University, one of the world's major repositories of documentation on 20th-Century Russian.

Availing himself of the new historical data from Soviet sources freed up by glasnost, Conquest has now updated and fleshed out his classic study of the purges. The extraordinary thing is how closely the new information fits with the conclusions he had to work out 20 years ago through scraps of evidence and logical conjecture. As Conquest points out in his preface, he did not have to change any substantive conclusions in the new edition of "The Great Terror." This is not unusual: By and large, the whole body of Western Sovietology, long vilified by the Soviets as "bourgeois falsification," is being validated by the archives and actually embraced by the Soviets as the best guide they have to the honest understanding of their own past.

"The Great Terror" is a meticulous chronological account of the purges that Stalin carried out in the Soviet Union between 1935 and 1939, after his brutal collectivization campaign of 1929-1932 and the man-made famine of 1932-33 that Conquest chronicled in "The Harvest of Sorrow" (Oxford, 1986).

As Conquest shows us, the terror was neither a momentary explosion nor an unceasing internal war. Instead, it came on as a wave of successive campaigns directed by Stalin at his supposed enemies, rising in intensity from the initial pretext, the assassination in December, 1934, of Sergei Kirov (the Leningrad Party chief and putative liberal alternative to Stalin), to the orgy of arrest and liquidation in 1937 and 1938.

The Kirov affair initiated the more familiar side of the purges, the incredible series of trials and confessions by Stalin's Communist adversaries through which Conquest takes us in the first half of "The Great Terror." Gregory Zinoviev, Lev Kamenev and the former Leningrad Communist leadership were tried and executed in the first of the famous Moscow Trials in 1936, where all the accused confessed to preposterous charges of plotting to kill Stalin and restore capitalism.

Similar trials of Trotsky's followers and of Nikolai Bukharin and his "Right Opposition" group followed in quick succession in 1937 and 1938, with similar public confessions by the accused, now charged with plotting with the Germans and Japanese to partition the Soviet Union, with the medical murder of writer Maxim Gorky and others, and even retrospectively with a plot on Lenin's life immediately after the Revolution.

The problem of the confessions has long defied explanation, though every kind of theory has been advanced. Conquest stresses the Old Bolsheviks' dedication to "the party" as the source of "all morality and all truth," combined with the NKVD's refined techniques of relentless interrogation and torture, plus the simple matter of threats to families and hopes for clemency. However, it is not widely realized that quite a few of the old oppositionists, especially Trotskyists, resisted all this and were simply displaced without the formality of a trial. What remains the greatest puzzle connected with the trials, as Conquest points out, was the widespread acceptance of their authenticity in the outside world, among all political persuasions, not just Communists.

Part Two of "The Great Terror" takes us methodically through the lesser-known but much more extensive and even more baffling side of the purges, the Yezhovshchina or "Yezhov business," as it is commonly called after Nikolai Yezhov, Stalin's commissar of the NKVD from 1936 to 1938. Largely conducted in secret, this campaign struck everywhere in Soviet society, not just against known enemies of Stalin but also against the entire generation of leadership who had worked with him up to that point.

Through the cycle of arrest, torture, confession and implication of ever-widening circles of people in imaginary plots, Stalin and Yezhov mowed down the officer corps of the Red Army, the cultural elite, the managers of the new industrial establishment leaders of the national minorities and, most surprising of all, the bureaucratic apparatus of the Communist Party itself, not to mention most of the foreign Communist who had sought refuge from fascism in the Soviet Union. The final installment of the terror was the liquidation of the purgers themselves, including Yezhov and most of the leadership of the NKVD.

My own study of the age composition of the postwar Soviet elite shows that, apart from a minuscule group of cronies, Stalin literally purged everybody who was somebody in the U.S.S.R. over the age of 35 (or for the military, over 40). Other than members of Stalin's Politburo and a few other lackeys, no one born before 1902 was left to staff the bureaucracy. This fact in turn accounts for the longevity in office of the Brezhnev generation who were promoted to fill the shoes of the purge victims; they did not fall by the wayside until the 1970s and 1980s, when the last the path was opened for the Gorbachev generation of reformers.

The exhaustion of Stalin's frantic search for "enemies of the people" did not mean the end of arbitrary arrest and imprisonment. The gulag and prison population of about 8 million at the end of 1938, by Conquest's estimate, as periodically replenished thereafter by deportations from the West territories seized in 1939-1940 (including the Baltic states); by Axis prisoners of war; then by Soviet POWs and forced laborers accused of treason after they were repatriated at the end of the war; by certain categories of people purged after the war (Jewish intellectuals, Communists who backed the wrong horse during the infighting among Stalin's lieutenants); by common criminals (including the perpetrators of "economic crimes" that would be legal business in most countries), and by all those (like Alexander Solzhenitsyn) who gave the authorities any reason to doubt their loyalty. Conquest gives the figures of 12 million still alive in the camps in 1952, of whom about 8 million were amnestied after Stalin's death.

Naturally, today's readers, like those of a generation ago, will want to know why and how all these crimes could possibly have happened. Explanation of this order is perhaps the less definitive side of Conquest's work.

Following the facts closely, he shows Stalin to be what George Kennan called "a man of incredible criminality effectively without limits." But this picture does not fully explain how Stalin could amass the power that enabled him to give free rein to his murderous instincts. Was he, as Solzhenitsyn—and even some Soviets nowadays—holds, simply the logical sequel to Lenin and the Communist Revolution, or was he a demonic usurper who crushed all that was good in the revolutionary experiment, as a majority of Soviet intellectuals still see to believe?

This is an old issue among Western observers, and it is not likely to be resolved soon. However, if one simply adds up the victims, Stalin killed more Communists than all of this century's right-wing dictators put together. If his claims of Marxist-Leninist ideological virtue did not still confuse us, we would recognize him as the greatest counterrevolutionary despot of all time.

Daniels, professor emeritus of Russian history at the University of Vermont, has just returned from the international conference on Russia in the 20th Century, sponsored by the Soviet Academy of Sciences. His most recent book is "Year of the Heroic Guerrilla" (Basic Books).

If you want to pay close attention to the events that have passed before us in this stunning way over the last 2 years, this book gives a great foundation. Read some of the good works on Lenin, and you will understand what a foundation of sand Mr. Gorbachev and Mr. Yeltsin have upon which to try and build a democracy. Just the opening paragraph of the Daniels review of Robert Conquest's "The Great Terror" says "'You think 20 million? I think more.' So answered a young Soviet intellectual a few weeks ago to a passing comment about the number of Joseph Stalin's victims." We have to keep in mind that Hitler killed 6 million European Jews in his ovens, and 6 million others including about one-half million gypsies, Catholic priests, and martyrs such as Maximillion Colby, and the great Protestant, Detrich Bonhoeffer. The slaughter was 12 million. Stalin killed

20 to 30 million of his own people, including almost 138 of his closest friends to secure the General Secretary's spot in the Communist Party so he could rule the country.

He signed one of the most infamous treaties ever signed in the history of the world. It gave him top billing because of his record of slaughter, the Stalin-Hitler Pact, otherwise known to scholars as the Molotov-von Ribbentrop Pact. When he signed this pact to chop Poland literally in two pieces, and give Stalin the right to conquer the free countries of Estonia, Latvia, and Lithuania, just freed, or relieved of their oppression as they put it, within the last few days. They always felt free in their hearts. But that bloody pact finally resulted in Operation Barbarossa which began 50 years ago last June 22, the date that Kiev fell to German Panzer divisions.

□ 1330

The slaughter that went on under Operation Barbarossa from June 22 through today was unparalleled. Never has any country lost so many in battle, either killed or captured. Most of the Soviet soldiers died in German concentration camps, as the Soviets responded in kind, slaughtering thousands of Germans, letting them freeze to death or working them to death in their gulag concentration camps in Siberia. This great slaughter cost the Soviet Union millions of their soldiers, and it rolled them all the way back literally to the gates of Leningrad, which was soon surrounded, and to the very gates of Moscow.

If Hitler, who had no military background other than as a corporal in the trenches in World War I, had not taken over command the next year and sent German units north to rescue other German units that were finally meeting stiff Soviet resistance, and if he had driven a spearhead all the way to Baku in Azerbaijan, he would have had the oil that he needed for his Panzers to wrap up the Soviet Union. In that event, the United States might not have come into the war, and England would have been left to stand alone and they would have starved if Hitler had produced more U-boats. A Hitler victory in World War II was a very close call.

Why was Hitler almost able to pull off a catastrophic victory? Stalin's signing, literally in blood, of the Stalin-Hitler pact.

So here are just one or two more lines to wet your appetite and hopefully make you call Oxford University Press and get this book, "The Great Terror." It says, "The terror of the 1930's, directed against peasants." a planned famine that killed 6 or 7 million of the kulak farmers in Ukrainia—and is it any wonder that the Ukraine wants to be free now—"intellectuals, Communists who had opposed Stalin."—and that is intraparty bickering—"and Stalin's own army and bureaucracy,"—Stalin killed every officer over 40 years of age, every intellectual over 35—"is a nightmarish memory that still transfixes Soviet citizens in all walks of life. There is scarcely anyone in the Soviet Union today who did not have a relative or a friend's relative, either perish or emerge half dead from the Holocaust perpetrated on his own people by the dictator whom one eminent Soviet historian recently described to me as 'even worse than Hitler'."

But you do not have to turn to an anonymous Soviet scholar. I heard Gorbachev personally on television in the Soviet Union, in August 1988, on a rerun of a program under perestroika by the group Remembrance. They actually had Gorbachev on film—and my Russian is not that good, so I had embassy people with me who were fluent translate it—saying that Stalin had killed far more people than Hitler.

Is it not amazing that Hollywood is still cranking out movies about Nazis? And properly so, to keep that horrible memory alive. But to this day they make fun of Sylvester Stallone for one of his Rambo films about the Soviet genocide of a million people in Afghanistan. Hollywood still thinks fondly of Warren Beatty's glorification of the killing Bolsheviks in the movie "Reds" where they stole the revolution from Alexander Kerensky and the real true democratic reformers. The Soviet Union went from serfdom to czarist oppression, under the czarist secret police, to Dzerzhinsky and the Cheka, under Lenin and Stalin, slaughtering millions of people.

They had that one little tiny window of democracy under Kerensky in the first few months in 1917, and now they are getting a second shot at it three-quarters of a century later. Our prayers are with them certainly, which brings me to a very important footnote in a special order I took out last week. I talked about an unknown columnist named Bill Endicott and how he puts in writing what Sam Donaldson says, in such an anti-intellectual way or Phil Donahue and his anti-intellectual way, that all anti-Communists, all right-wingers, all conservatives had no piece of the action of the collapse of communism.

Phil Donahue goes so far as to ignorantly state that it was all inevitable, that communism fell of its own weight, and that President Reagan and the rebuilding of our defenses after President Carter had no part of this.

But this guy Bill Endicott I mentioned last week said in his column that you have to feel sorry for conservatives; all of their efforts of their whole lives have been invalidated by the events in Eastern Europe and the Soviet Union over the last 2 years.

Of course, the second anniversary of the fall of the Berlin Wall is coming up on November 9. Is that not ignorant?

Well, guess what. At the California State Republican Convention, in Anaheim, who do I see? Former Los Angeles Times political reporter, and now columnist for the McClatchy news services, Bill Endicott. I expected him to defend intellectually this arrogant and ignorant line that we have all been invalidated, and I went up and I said, "Hello, Bill." He said, "I hear you made me famous on the House floor." I said, "Yeah. Probably. Nobody has ever heard of you outside of a few people in California." I said, "Tell me something," I said, "I do not mind personal little cheap shots at me." And he goes, "Well, that is all in the game." I said, "Sure, I am a big boy." I said, "But this line that every conservative is invalidated, does that include all of the veterans that volunteered in the Korean war to fight against communism, all the officer corps, young men and women, that have gone to the Air Force Academy, Annapolis, West Point, because they thought communism was an evil equally as bad as fascism and nazism and wanted to help crush this evil and liberate the Earth from it? Does that mean all the guys in Vietnam on that wall and the 8 women on that wall, 58,000 people, who died fighting communism—that is a plaque that ought to be at that wall someday—that they all wasted their time? Every CIA agent killed, almost 50 of them around the world, and in some dark alley in Bucharest, Budapest, Prague, East Berlin, that died fighting communism, they are all invalidated?" His eyes are starting to glaze over. I said, "You have not only insulted the Bill Buckleys of the world and the Pat Buchanans and the BOB DORNANS and the Rush Limbaughs, but you are talking about flesh-and-blood human beings including all the people who resisted in the gulag camps, every freedom fighter who died in Angola," and I could see his eyes glazing more, "Afghanistan, the Contras in Nicaragua. You get the point, Bill. Have you got any rationale for that?" "No, not really. It is just all in the game." And he walks away.

That ignorant approach is being taken across this country.

Remember one of our colleagues, BOB MCEWEN, has said that being ultraliberal means never having to say you are sorry or "I was wrong"; but to go one step further and try and take advantage of it.

There is now a brand new Presidential candidate this week who said that the American people have fought to conquer nazism, fascism, and communism, and I remember that same man standing in this well ridiculing an American who was tortured to death in Vietnam, Tucker Gugelman, who went back to help some people, and he said

he went back and he was trying to get a woman out of Saigon, trying to make the case that this ex-marine, ex-CIA guy who was tortured to death over months in a Saigon jail and died in June 1976, was the exception to whether or not we left anybody back in Vietnam.

Even as a naval officer, he should know that we left 389 men in Korea, left them to rot there for 38 years now. Did they not offer themselves, their whole lives, and a miserable dozens of years in Communist cells in North Korea to fight communism? You bet they did.

This same person also has gone down to help the Ortega brothers prevail in Nicaragua, tried to do everything he could, I guess, to make sure there was never this glorious election for Violeta Chamorro. He's somebody who is enamored with the left, likes to talk about nazism and fascism but never about communism. Now, the day he declares for the Presidency he starts talking about the great American people with their traditional family values, another Catholic for abortion, talking about conquering communism when he was one of those liberals across this country that slowed the process and took the pictures at Con Thien tiger cages with a Government camera, Government film, sold them against the wishes of the chairman, SONNY MONTGOMERY, on whose coattail he had joined as a staffer, and Life magazine paid him $15,000 in 1973, about $60,000 in now dollars, used that to run for Congress in 1974—a Watergate baby—comes to the House, and now he is running for the Presidency, and taking credit for taking down communism.

I only know a handful of liberals, and most of them are neo-conservatives like Irving Kristol and Norman Podhoretz, who wrote the book "We Were Right To Be in Vietnam." How do you like that title? Hated by his former liberal friends, this neo-conservative.

There are people who have a piece of this action, but very few liberals that I know of ever had an anti-Communist thought in their life, ever espoused anticommunism, ever written about it. It was an appelation that they thought was pejorative. They never wanted to be described as anti-Communist in their lives, and now they are looking at this glorious collapse of communism and saying, "What are you conservatives going to do now that communism is dead?" And I repeat my answer from last week: work on the liberal philosophy that has saturated this country with child pornography, abortion, crime, lousy schooling, no homework, kids that cannot compete around the world, not just with Japan and France, but some Third World countries that turn out kids with a better knowledge of geography and history than some kids coming out of our schools.

□ 1340

No, working on our liberal philosophy, trying to undo everything from the sixties to today is, believe me, a full-time job. So I am glad that I do not have to spend as much time worrying about the barbarians outside the gates. Now I can concentrate on the barbarians inside the gates.

And speaking of barbarism and holocausts, we have had 26 million abortions in this country since Roe versus Wade, a lying case based on a rape that never happened. Norma McCovey is running around this country with her radical feminist friends, the NARAL people and the NOW people still talking about how she should have been allowed to abort all three of her daughters, and guess what, her daughters are alive in their twenties.

You have to kind of read in the popular tabloid press, to find out that all three of her daughters would like to meet their mother, Norma McCovey; her alias was used as Roe in the Roe versus Wade case. They would like to meet their mother, but they would still like to hear her say that she is glad that she did not get to abort them before they met their birth mother. I guess she gave all three of them up for adoption, but she is still being applauded at Hollywood-left gatherings. She still gets interviewed about how the great Roe versus Wade case came out of her when she lied about rape.

I wonder if that would have been a Supreme Court decision of such great import in some other area if liberals would not be saying that it had to be invalidated on the fact that all the lawyers, and I assume they did not know—well, I think the key Texas woman lawyer did know that she was lying—told her, "Let's press ahead anyway." But in any other case that probably would be invalidated.

So let me shift now into abortion and a stunning column, written by Dr. George Flesh that ran in the Los Angeles Times Thursday, the very day I was making that special order last week touching on this. Here on the commentary page, Thursday, September 12, the Orange County edition of the Los Angeles Times—it might not have been in the regular Los Angeles Times edition. But I have found out through my sources that there was a tremendous fight in the editorial offices of the Los Angeles Times, Orange County edition, that this article was ever run by this doctor, which is titled, "Perspective on Human Life. Why I No Longer Do Abortions."

But I hear that some people were particularly offended by this picture, probably from Life Magazine—well, it is an Associated Press picture of a 4½-month, that is dead center in what the Supreme Court taught us to call the second trimester, this little perfect human being. They were offended by that picture.

Well, I guess if there is somebody who worked on a paper and paid for an abortion or had an abortion, they would be offended at seeing a human face with little hands perfectly formed, fingernails, nose, mouth, eyes closed, about to suck its thumb, probably the heart had been beating for months, the brain waves have been there since the 40th day, I guess they would find that offensive because it reminds them of what they killed inside of them.

So listen to Dr. Flesh's article, "Why I No Longer Do Abortions." Second headline, selected out of his article by the Los Angeles Times.

Tearing a second trimester fetus apart simply at a mother's request is depravity that should not be permitted.

This is by George Flesh.

Last Yom Kippur, I decided to stop doing abortions.

My first abortions, as an intern and resident, caused me no emotional distress. I felt that I was helping a patient solve a serious problem. The fetus was no more than unwanted tissue.

Still hear that on all the networks.

Although doing second-trimester abortions sometimes disturbed me, my qualms were easily overcome by ideas of women's rights and free choice. Among most people I respected, the practice of abortion might as well have been part of the Bill of Rights.

My discontent began after many hundreds of abortions.

I decided to do no more second-trimester abortions when I started my private practice.

An important footnote. The Operation Rescue going on in Wichita since mid-July, ridiculed by most of the dominant media liberal culture, I am speaking about the big 12, Time magazine, Newsweek, U.S. News, New York Times, Los Angeles Times, Washington Post, Wall Street Journal, ABC, NBC, CBS, CNN, PBS, you know, the big 12, that is mostly staffed by liberals. Most of them have not been to church in years. About 4 percent say they attend church with any kind of regularity at all. That means infrequently. They have been ridiculing the whole Operation Rescue in Wichita.

Guess what Dr. Tiller does, this former Navy pilot. He does second and third trimester abortions. Remember, he does third trimester abortions and he has crematoria that was pumping ashes out all over the houses of the neighborhood. These are both residential neighborhoods, one right on a corner, and this is what built up to Operation Rescue selecting this, and although I do not approve of civil disobedience in rare instances when it goes into charging cars or climbing fences, which has happened there against the orders of the leadership, if I were going to go to the south, and I did as a conservative Republican and helped register black voters in Alabama and Mis-

sissippi and marched with Martin Luther King, which I did on August 28, 1963, and as far as I know there are only two of us in this House who were there, JOHN LEWIS, who was a 29-year-old brave civil rights worker on the speaker's platform, me in the third row sitting next—as a total unknown in my Air Force captain's uniform, and I have the color pictures in my office if anybody finds it unbelievable, sitting with the late Robert Ryan, the late Sammy Davis, Paul Newman, Jim Garner, had a big delegation fly out from Hollywood and I stowed away and wore my uniform, which was my identity at the time. A little black lad comes up to me and says, "Are you marching or guarding?"

And I said, "I'm marching, son."

And he said, "Can I hold your hand?" And I held his hand all the way down the Mall; a proud day to listen to Martin Luther King talk about "I have a dream" for me.

So when I see this crematorium there in Wichita and realized that this is civil disobedience, just as Martin Luther King engaged in civil disobedience against immoral Supreme Court decisions, like the Dred Scott decision and everything else, keeping African-Americans "in their place" in this country, you had better believe that when I read that "Tiller, the killer," is his nickname, was doing second and third trimester abortions, I thought of that when I read that this doctor quit because it was second trimester. "Extracting a fetus, piece by piece, was bad for my sleep. But as a gynecologic consultant at a university health center, I saw many early abortion referrals, since unwanted pregnancy is, by far, the most common surgical problem in young women."

I do not think it is a problem, doctor. It is a natural condition. But you are not there all the way. I will take 90 percent of the way. "I felt great sympathy for these women, often abandoned by boyfriends"—that is the playboy philosophy, is it not, Heffie? "or afraid to tell them about their pregnancy. I took good care of these patients. Their gratitude gave me much satisfaction."

"But, insidiously,"—I would say spiritually—"the satisfaction diminished. Depression clouded my office day when I had an abortion scheduled. My pulse raced after giving the local anesthetic. Although I still felt sorry for the unmarried 20-year-old college junior, I felt increasing anger toward the married couples who requested abortions because a law firm partnership was imminent, or a house remodeling was incomplete, or even because summer travel tickets were paid for.

"Anxiety attacks, complete with nausea, palpitations and dizziness, began to strike me in some social situations. In public, I felt I was on trial, or perhaps should have been. I no longer was proud to be a physician. Arriving home from work to the gleeful embrace of my kids, I felt undeserving that God had blessed me with their smiling faces. The morning shaving ritual became an ordeal, as I stared at the sad face in the mirror and wondered how all those awards and diplomas had produced an angel of death.

"Why did I change?

"Early, in my practice, a married couple came to me and requested an abortion. Because the patient's cervix was rigid, I was unable to dilate it to perform the procedure. I asked her to return in a week, when the cervix would be softer." A natural process as the pregnancy goes on. "The couple returned and told me that they had changed their minds and wanted to keep the baby."

It is always a baby when you have not made up your mind, or certainly when you want to have it. You turn it into something inhuman, a product of conception, POC or unwanted tissue, as he said he trained himself when he was an intern in residency. "I delivered the baby 7 months later."

"Years later, I played with little Jeffrey in the pool at the tennis club where his parents and I were members. He was happy and beautiful. I was horrified to think that only a technical obstacle" a week, that rigid cervix—"had prevented me, from terminating Jeffrey's potential life."

□ 1350

Scrap the word "potential," Dr. Flesh, you are coming along, terminating his life. Brain waves and the heart were there, Dr. Flesh.

The connection between a 6-week-old human embryo and a laughing child stopped being an abstraction for me. While hugging my sons each morning, I started to think of the vacuum aspirator that I would use 2 hours later. This was an emotional tension I could not tolerate.

By the way, you heard it here, that Dr. Tiller will be leaving the abortion business soon. He does not want to give satisfaction to the Operation Rescue people who have been picketing him since July. So he will wait the decent period of a few months, and during that period he will indecently slaughter a whole bunch more babies in their second and third trimester, and then he will go back to his real wealthy medical calling, plastic surgery, rhinoplasty.

Dr. Flesh continues: "Nor could I live with the conflict between Jewish law and my medical practice." By the way, when I said I was going to read this almost in its totality to my wife, she said, "Well, maybe you ought to get a Jewish Member to read it. Maybe somebody will think it's a little bit rough for the Irish-Catholic Dornan to read it." Well, a fallen-away Irish-Catholic, nonpracticing or lapsed Catholic, Irish-Catholic, is the one who runs the biggest third trimester abortion mill in California. And it is in a city named after St. Augustine's great mother, St. Monica. In Santa Monica, CA, it is an Irish-Catholic, ex-Catholic, self-excommunicated Catholic, who is running the abortion clinic there. So I will let somebody read that story, but I could not pass up Dr. Flesh's great testimony. He said:

With the conflict between Jewish law and my medical practice, Judaism has become the lens through which I see the world. The mitzvot—God's commandments—guided my behavior. But as a religious Jew, my desire to fulfill Torah was absurd as long as I performed elective abortions, a clear transgression.

My ritual observances from Shabbat kiddash to lulav and etrog on Sukkot, seemed hollow and hypocritical. I yearned to sing prayers passionately. I could not draw closer to God. Wrapping myself in tallit and tefillin meant nothing.

Those are spring ceremonies symbolizing wheat and other gifts from God.

The contradiction was too great. My spiritual aspirations were shattering. My intellectual integrity was disintegrating. I had to stop doing abortions.

Perhaps you might expect to hear me speaking at the next antiabortion rally. You will not.

Now, that is what Dr. Nathanson said, Dr. Nathanson who had performed 60,000 abortions and helped form NARAL, the National Abortion Rights League, the one that runs all the Statue of Liberty commercials, and was at their first meeting, saying, "Our focus must be specifically anti-Catholic," that is the next part of my special order.

Dr. Bernie Nathanson was in on that when he first stopped doing abortions, and his was a scientific revulsion, not a religious revulsion. He said he would never speak at rallies. Now he is one of the best speakers in the country. So Dr. George Flesh, you may say in this Los Angeles Times commentary that you are not going to be speaking at rallies, but I feel too much spirituality in your article. I will see you at one of the meetings soon.

"There are some abortions I would do even now—pregnancies that threaten the mother's life, pregnancies resulting from rape or incest, pregnancies involving extreme birth defects." Should we have gotten Helen Keller, and not let her live? If somebody has any infirmities, for example, if the genetic research is correct that in the hypothalmus you can find the absence of cells that tells somebody is homosexual, can you imagine the families across this country who will abort a child because they have two or three daughters and they want a first-baseman son? Can you imagine the doctor walking in and saying, "We have done the amniocentesis test and," for a black family, "no sickle-cell anemia," and for a Jewish family, "don't worry abut tay-sachs." "We still haven't nailed down what it is, those genes that form alcoholism. But this is going

to be a healthy baby, no spina bifida, no birth defects, looking strong, good heartbeat. Do you want to see them on the sonogram?" They all go in and look at the sonogram.

Now, there is a little problem we have here: The hypothalmus, when you see an absence of cells, we know the gender." Do you want to know? OK. "Well, it is going to be a son. Your first son is going to be a homosexual. Is that OK?" How does that go down with the average American family? Homosexual couples do not have children. They try to adopt them. So they are not going to be confronted with that problem.

What about the homosexuals across this country? How many parents? What do homosexuals and lesbians think is going to happen when parents say, "Well, your daughter is going to be healthy and all, but this first daughter will be a lesbian. But then you can always have more children. And maybe your second daughter can be the prom queen. Don't plan on this first one. Maybe your second son, you know, can be President of the United States or first baseman on the New York Yankees or play linebacker for the Redskins, but this first one will more than likely be in some less aggressive pursuit. The first son is going to be a homosexual." How many parents without God in their life would look at one another and say, "Doc, that sounds good. Maybe down the line we will accept a homosexual or a lesbian, but this first one—I think we would like to abort this one and try again later so that we don't have a homosexual, because we do plan on having grandkids."

Now, that is inherent with some of these strange medical experiments that are coming out. Even the homosexual doctor who created this headline story on the Ted Koppel "Nightline" show said, "This is very rough research. Don't jump to conclusions here. Everybody I tested who died of AIDS was a homosexual. More than two-thirds of the handful of heterosexuals, I think 14, 15 corpses that I did work on were heterosexuals that died of AIDS." So maybe the AIDS itself causes the absence of certain cells in the hypothalmus.

So the debate rages on. The doctor, in spite of his warnings, did get on the Ted Koppel "Nightline" show, making the case that homosexuality is genetic, that homosexuals and lesbians cannot be responsible for their actions.

Now, back to Dr. Flesh's story. "I will not be speaking at the next rally." He gave the reasons, he would still perform abortions. This is why he will not appear at any demonstrations or come and work the Rayburn Room to check the Congressmen to change their vote:

He says, "Second, I am unable to impose my personal beliefs on a woman who feels her pregnancy will ruin her life."

I bet that he would impose his beliefs if the baby was 2 minutes old or 2 weeks old and was a spina bifida baby with a badly deformed spine, needing thousands of dollars of surgery, the kind that Dr. Koop, our former Surgeon General, was so brilliant at performing; I will bet that Dr. Flesh would say, "You cannot kill that baby. It is out of the womb now. You should have thought about this 10 minutes ago and should have had it killed while in its ninth month of development in the womb. You can't kill it now. It is a human being, and according to the Supreme Court, is a full person now."

Infanticide is wrong—even though it is accepted throughout countries like China. Slavery is also wrong. As a brilliant young lawyer from Illinois, Abraham Lincoln's initial stand when he was campaigning in 1860, and when he got elected President said, "I am against slavery, but I cannot impose my will on other people." You will come along, Dr. Flesh.

He goes on, "My conscience would not tolerate the terrible complications that illegal abortions would inevitably produce."

That is why the networks love to zoom in on the chart with the hangers on them when they talk about abortion becoming illegal. Although it is OK to kill 26 million people, nobody, not even Centers for Disease Control, or the National Institutes of Health, can give us the exact figures of how many women died in 1969, 1970, 1971, 1972, leading up to the fraudulent, based on a lie, Roe versus Wade decision.

"Finally, I do not believe that all immoral actions must be illegal. Perhaps in my ideal society of chastity until marriage"—boy is that politically incorrect—"chastity until marriage, poverty eradicated, universal respect for human life, abortion would be illegal. Alas, the Messiah (whether it be for a first or second time) has not arrived." He is including Christians in that stated line. I like that.

"But I am revolted when I see how casually some couples choose an abortion—for the convenience of having a baby in June instead of in February." If I said that on this floor, the liberal left on the majority side would try to laugh me out of the well. They would, in a rage, stand up. Some of the women would rush to the platform here along with their great champion, LES AUCOIN, and their new champion over here, RON MACHTLEY, and say, "Nobody ever has an abortion because the baby is due in cold February instead of nice June." But here is an abortionist doctor who is obviously speaking from experience. I wish I could get a comment on him about gender selection. He goes on to say, "I do not believe that a civilized society should encourage this," frivolous abortion on demand throughout all 9 months." That is all we have had for 18 years, 19 years since Roe versus Wade.

□ 1400

"The reality of 'choice' has profound moral and spiritual costs. The idea of 'moral and spiritual costs' may seem irrelevant or chimerical to some." Like a little myth, "it is as hard as rock to me. As for elective second-trimester abortions, I believe that they should be illegal." I have yet to see one "pro-choice" Senator or one pro-choice Congressman or Congresswoman in this Chamber ever come to this lectern, and suggest that it should be illegal for second trimesters. Of course, the doctor is not even discussing in his whole brilliant article third trimester abortions that Dr. Tiller, ex-soon-to-be-again plastic surgeon, has been conducting in Wichita, KS.

Dr. Flesh says:

I understand that for some women this would be a terrible burden. Some would bear deeply unwanted pregnancies; others would go out and have illegal abortions; those who could afford it would go out of the country.

"But I believe that tearing"—let me start this one over. I want to slow down here.

Dr. George Flesh:

But I believe that tearing a developed fetus apart, limb by limb, simply at the mother's request is an act of depravity that society should not permit. We cannot afford such a devaluation of human life, nor the densitization of medical personnel that it requires. This is not based on what the fetus might feel (pain) but on what we should feel in watching an exquisite, partly formed human being being dismembered.

I wish everybody could witness a second trimester abortion before developing an opinion about it.

Since I stopped doing abortions, my life has blossomed; I love my practice. Years of struggle and guilt have ended. A certain calm and inner peace have returned. I feel closer to God. Our third child, Hanna, was born, bringing my wife and me immeasurable joy. She is named after my two grandmothers, one who survived Auschwitz and the other who was murdered there.

Yom Kippur is approaching again. Last week I went to a sofer to check my tefillin. I had to buy new ones. My old tefillin were not kosher.

George Flesh, a doctor, practices obstetrics and gynecology in Los Angeles. Dr. Flesh, who is enjoying his life immensely, I hope your article becomes a seminal piece, a scholarly piece, that casts its powerful spiritual shadow over every debate that we ever have in this Chamber again.

Today, we passed again the D.C. bill. It now goes back to the U.S. Senate to discuss the financial issue of trying to add $50 million—which we do not have—to a hospital. They would have to carve it out of other issues. In that D.C. bill, not a single vote against our House language going back to the Senate conferees, is my BOB DORNAN language, now law in its third year. We passed it as law 2 years ago, but it is there this year and last year because President Bush vetoed this D.C. appropriations bill two times last year and

one time this year. We are learning here that the President means it when he vetoes something, and that no abortion will take place in the District of Columbia except with private funds. None of the District local taxes or Federal money, will go to taking human life. The drop in abortions in this city, thanks to my language, has now brought live births into parity with aborted children. For all the 15 years since our bicentennial, this was the first major city in the United States of America where more babies were aborted than were allowed to be born. Our beautiful Federal Capital, one of the most beautiful cities in the world is finally reaching the point of reversing that ugly statistic.

Detroit and New York, and maybe parts of Los Angeles County and other places, kill more than there are live births. However, Planned Parenthood and the abortion cult in this country are going crazy in that unmarried teenage girls—inexplicably is the way they describe it in the dominant liberal press—are deciding to have their children rather than kill them. Maybe it is a photograph like the one that halved the editorial board. Maybe the majority said, "Don't publish this picture of a 4½-month-old baby in its mother's womb, this perfect little creature." I want to get at this, this exquisite formed human being and, in some cases, about to be dismembered.

Now this brings me to part three of my special order tonight: The great terror in the Soviet Union that goes on in Cuba and Vietnam, the great terror of abortion; part three, attacks on my Roman Catholic faith.

Mr. Speaker, I know we share the same faith, so I want to have a straight call on the time. How much time do I have left?

The SPEAKER pro tempore. Fifteen minutes.

Mr. DORNAN of California. Not the 20 I had hoped for, but that will do it.

Here is an article again from one of America's three major newspapers, the Los Angeles Times, way ahead of the Washington Post in foreign correspondents around the world I might add. This is an article by Amy Kuebel Beck, K-u-e-b-e-l B-e-c-k, Time's staff writer, and she does a pretty good balanced piece. I am going to hope to unbalance half of the balance that says there is not anti-Catholicism raging in America. It says, "Under Fire," headline, "Is Anti-Catholic Sentiment Increasing? Some Say Yes, and They're Not Going to Take It Anymore."

Well, thank you, because that is what I said last week, not knowing about this piece which was published the day before. I said, "I'm not going to take it anymore."

Here is her opening: Los Angeles public television station KCET; that means Community Educational Television, airs "Stop the Church," a controversial documentary about the Catholic Church and AIDS in which members of the activist group ACT-UP disrupt communion services at New York's St. Patrick's Cathedral and sprawl on the floor in a die-in.

OK, Amy, here is my first footnote: During my last town hall meeting over 2 years ago, homosexual activists, they had not formed ACT-UP yet, came and sprawled on the floor in this mock die-in and disrupted my town hall meeting. Almost causing some fist fights, I have never had a town hall meeting ever since, and I am going to have to figure out how to correct that. ACT-UP did the same thing to the gentleman from California [Mr. DANNEMEYER] just north of me in Fullerton, CA. I do not think he has had a town hall meeting since either. Since when can guerrilla theater homosexuals dying or not dying of AIDS come and break up meetings in this particular town hall meeting of mine on a particular focus before we went to general questions and answers, the good of the order? It was on narcotics. I had Federal narcotics people there. It was a good 45-minute opening. I went to the question and answer period on teenagers and drugs, and I get this guerrilla theater.

Now in this case, Amy, if I may talk about a little omission here, they did not disrupt communion services. They took the host of Jesus—and believing Catholics believe that is Jesus—out of their mouths or out of their hands, and they threw it on the floor. In this film called Stop the Church is one activist throwing the communion host on the floor and grinding it with his heel.

Now can you imagine going into a synagogue, talking some of these beautiful symbols of Judaism that Dr. Flesh was talking about, and taking them out on the front of the synagogue steps and grinding them into the ground? Suppose the Torah was one that had survived a burned or destroyed synagogue in Germany, and there are some Torahs that have survived. The Germans stacked them up in warehouses if they could not burn them and destroy them, and some were miraculously spared, and they have worked their way to be the prime Torah, and first five books, that are in synagogues around this country.

□ 1410

Imagine taking part or all of a Torah out in the front and stepping on it and grinding it with their heel. And all Jewish-Americans think that that is sacred scripture. They do not believe it to be the body and blood of the Messiah or Moses. That is how offensive that is to a believing Catholic. And yet most of the dominant media culture stiffed this story. I only saw it on CNN, and as I said last week, I was baptized at St. Patrick's Cathedral. That was my parish church for the first 10 years of my life. My mother was married there on June 27, 1929, with the great radio comedian, Fred Allen, as the best man. The Tin Man from the Wizard of Oz, my uncle, Jack, married to my mother's sister, was there. Jack Haley was the best man.

My dad was described as a World War I hero. I found the clippings the other night. There was my mother, and then Mrs. Flo Allen, still alive, gloriously, was there from the Zeigfeld Follies at that time. Other Zeigfeld follies girls were there as bridesmaids. This was a beautiful wedding. As I look at the pictures, they are stunning. It is like some movie.

That was St. Patrick's Cathedral, a cathedral built with the dimes and nickels and pennies of Irish peasants who fled the great Famine, and Italian-Americans, Polish-Americans, Americans fleeing from all the oppression and insanity of Europe, built this great cathedral with their pennies way out in the farmland in the middle of the island of Manhattan, and the city grew out to it. Now it is called Midtown.

Now, in this beautiful cathedral, we have these people, many of them, with a disease that, through their own behavior, they have inflicted on themselves. The Catholic church has as many or more AIDS hospices than any other group in this country, including all these so-called gay—very sadly, but ungay—groups across this country. Cardinal O'Connor prays and speaks out to help Mother Theresa bring her Little Sisters of the Poor to New York to run these AIDS hospices. That is where part of my pay raise went a couple of years ago. I say, "Don't tell me, Cardinal O'Connor, that my heart doesn't go out."

I have had nine acquaintances and friends die of AIDS—nine of them, starting with my good friend, Terry Dolan, in this city, all the way to people who have worked for my aunt, and one of them is dying of AIDS right now—no, he has already died. God bless Jameson, rest in peace. I have worked in a motion picture with Rock Hudson. Liberace went to my church, Good Shepherd, in Beverly Hills, and he stopped my little blonds and redheads on the lawn once and said, "These are the most beautiful children I have ever seen." And he was then winning a big suit that he was not homosexual, and those millions of dollars shut down a newspaper, and it turned out his whole legal case was built on falsehood about the torment within.

I count those as just people I have met, not the nine I have known personally and seen them, some of them suffering in the last weeks.

This is a terrible thing, this AIDS scourge. All our figures are 10 to 20 percent low. There are 100,000 who are just homosexuals who have already died in this country, and there are another 25,000 hemophiliacs infected from bad blood supplies who have died, including

a lot of other thousands in that category, several thousand totally innocent children like Kevin White. And what did Phil Donahue and the whole homosexual activist movement try to do to little Kevin White? They tried to claim him because he was an innocent, and then act like everybody else is innocent, like we are not accountable for our own behavior when we are having sex, all sorts of dangerous sex, and that means oral and anal sex with infected people and with strangers, 10, 20, 30, 40, 50 times a month, 100, 200, 300 times a year. I have seen figures by the Los Angeles County Health Department up to 1,700 sexual—I started to say "combats"—sexual contacts by one person now long since dead of AIDS.

Now, we talk of people desecrating the cathedral. Wow. If this were a Jewish synagogue or—well, I cannot think of any other exception—no, we are kinder to Buddhists. There were seven Buddhists who were murdered by cheap thug burglars out in a Buddhist temple in Arizona, and it was properly described in outraged terms all across this country because somebody thought it was an antireligious act, and the Buddhists across this country and in Southeast Asia can sleep peacefully now, I heard one Buddhist monk say, because they solved the crime. It was cheap, petty thievery, and they did not get the gold they thought was in the temple, so they tied these people up and executed them in the back of the head.

But there was more press for the desecration on religious grounds of a tiny, little sect in this country than there is for 55 million Catholics across this country.

So the writer continues: "Virginia's Douglas Wilder asks, 'How much allegiance is there to the Pope?'" referring to Supreme Court nominee Clarence Thomas, because Thomas went to Catholic grade schools, and he is a practicing Episcopalian across the river in Virginia. But he publicly thanked the nuns who taught him and fought prejudice in the South. He was standing next to the President when he did that on the day of his announced pending appointment.

National Public Radio and ABC correspondent Cokie Roberts—now, she is the daughter of Lindy Boggs, my colleague and dear friend whom I mentioned a while ago while I was mentioning that today is the birthday of my little daughter Erin—or grandaughter. I will take her as a daughter in a heartbeat. Cokie Roberts on "This Week" with David Brinkley—now, they did not date this, but it was over a month ago; I saw this show—said that she is a Catholic and is flooded with vitriolic—that is her word—hate mail blasting her religion.

"Is the United States experiencing an anti-Catholic sentiment? Some Catholics would say yes. If you say," Cokie goes on, "that anti-Catholicism is alive and well, most people will look at you as if you are crazy. But it is true," she says.

On Thursday, a newly formed group—that is a week ago Thursday; I was there—whose spokesmen included William Bennett, former Secretary of Education and U.S. drug czar, and Mary Ellen Bork, the wife of Justice Robert Bork, who should be sitting on the Supreme Court but for a bigoted campaign against him—he is not a Catholic; his wife is. This is the Catholic Campaign for America, which was announced at a Washington, DC, press conference. It was Mr. Bennett actually. He said;

> We have had enough of Catholic bashing. We will attempt to speak in a level, even-tempered voice, nevertheless a strong one, to say that as Catholics we don't like to be bashed, ridiculed, made fun of. Sooner or later Catholics were bound to say, look, we are tired of being the easy target.

Bennett and others are quick to point to this. They point to comments about Thomas and Father Gregorio—this is a Paisan name—Corio. Father Gregorio Corio, a spokesman for the Los Angeles Archdiocese, said that

> * * * suggesting that American Catholics have a divided loyalty is as offensive as saying American Jews are torn between the United States and Israel, which is always looked upon as an anti-Semetic canard.

Try and say that in this well, and you will be branded an anti-Semite, and properly so. But we are getting very close to bashing Catholicism in this well when Members come forward and say, "We Catholics shouldn't force our religious beliefs on the abortion issue on others." There is a divided loyalty thing. When are we Catholics going to stand up on our hind legs, like our Jewish brothers and sisters, through their Antidefamation League, or even individually, and demand that this bigotry is going to stop, that we are going to shove it virtually back in their mouths?

These are questions about Clarence Thomas' religious beliefs. And, by the way, Doug Wilder, it is such a tragedy that he was the first American of African descent to become a Governor, because he won the Governor's race on one commercial showing the Statue of Liberty pregnant. I did not even know she dated. Pardon me for being flippant, but it was a stupid commercial. It was powerful, though. You pan all these beautiful women in prison, and then comes the Statue of Liberty itself and the cell door clangs, and then you see the American flag blowing.

In Virginia, for you million and a half people listening tonight, maybe 2 million across this country, all the way up in Alaska, Hawaii, the Virgin Islands, Puerto Rico, on C-SPAN—it is amazing, as you well know, Mr. Speaker—be advised that he won on that one abortion commercial. He was the first Governor elected on one issue, a killing issue, and he is the first African-American Governor. It hurt me that night. I wanted to revel in our first one. I thought our first black American Governor would be from California.

He is now up in the very Catholic State of New Hampshire trying to answer that stupid remark he made about Catholics. He took it back, but rather weakly.

Getting back to Clarence Thomas, John W. Whitehead, president of the Rutherford Institute, argues:

> Religious beliefs, questions about religious beliefs, amount to a religious test for public office. If I were a Catholic, I would be pretty upset myself. Other observers within the church and without say at the very least that prejudice against the Nation's 55 million Catholics persists, and that bigotry in any form deserves attack.

Arthur Teitelbaum, southern area director of the Antidefamation League of B'nai B'rith in Miami and supervisor of chapters in California, sees anti-Catholicism in society ranging from—and these are Arthur Teitelbaum's words—"gutter level extremist groups to casual cocktail party conversations which are pretty innocuous in their intent but poisonous in effect." That is where I put Act Up.

Mr. Teitelbaum goes on, "It is part of the mosaic. Bigotry today exists in America." He adds, "Any form is insidious and infectuous." That is a heck of a word, "infectuous."

□ 1420

Mr. Teitelbaum continues, when anti-Catholicism raises its ugly head, it is the responsibility of every Catholic and non-Catholic alike, particularly Jewish Americans, who suffer so much prejudice, and still do in this country, and black Americans, who, I might add, by the thousands and tens of thousands are Catholic Americans, that is a double hit when they hear that, he said non-Catholics alike, must repudiate it and attempt to quarantine it.

Oh, don't use that word, Mr. Teitelbaum. Somebody will say that is censorship.

Then I am going to skip over Andrew Greeley, the Catholic priest who writes all these nonsex sex novels, but he wrote a book called "An Ugly Little Secret, Anti-Catholicism in North America."

Cokie Roberts says, it is this snobbish, we know better than you, intellectualism. The idea persists that anybody that is a practicing Catholic has got to be a little stupid or a little naive, particularly on abortion and sexual orientation. A study released in April by the Center for Media and Public Affairs, I put it in the RECORD in its totality last week, I am waiting to hear how much it costs, commissioned by the Catholic League for Religious and Civil Rights, I was a charter member, the Knights of Columbus, I am still a member, but I may not pay my dues any more until they start kicking

out Catholics who are for abortion. Don't leave it up to the Florios to resign themselves in anger.

Mr. Speaker, I will submit the rest of this excellent article. I will come back to it next week, because some of her balance here is I believe challengeable. I feel bad because I only read the good stuff in the beginning, made the case, and the stuff where she balances it does not make the case. But I will be back.

Let me put in a terrible review by Howard Rosenberg, who usually knows better, writing about this vicious film, "Stop the Church," and another article on Archbishop, now new Cardinal Mahony, calling for a boycott, and that is all American, that is not censorship, of KCET in Los Angeles.

[From the Los Angeles Times, Sept. 9, 1991]

UNDER FIRE?—IS ANTI-CATHOLIC SENTIMENT INCREASING? SOME SAY YES AND DECLARE THEY'RE NOT GOING TO TAKE IT ANYMORE

(By Amy Kuebel Beck)

Los Angles public television station KCET airs "Stop the Church," a controversial documentary about the Catholic church and AIDS, in which members of the activist group ACT UP disrupt Communion services at New York's St. Patrick's Cathedral and sprawl on the floor in a "die in."

Virginia Gov. L. Douglas Wilder asks, "How much allegiance is there to the Pope?" in reference to Supreme Court nominee Clarence Thomas, who went to Catholic grade schools and who publicly thanked the nuns who taught him.

National Public Radio and ABC-TV correspondent Cokie Roberts mentions on "This Week With David Brinkley" that she is a Catholic and is flooded with "vitriolic" hate mail blasting her religion.

Is the United States experiencing a rise in anti-Catholic sentiment? Some Catholics would say yes. "If you say: 'Anti-Catholicism is alive and well' most people will look at you as if you're crazy," said Roberts, "but it's true."

On Thursday, a newly formed group whose spokesmen include William Bennett, former Secretary of Education and U.S. drug czar, took the offensive. The Catholic Campaign for America announced at a Washington, D.C., press conference that it has "had enough of Catholic-bashing."

"We will attempt to speak in a level, even-tempered voice—nevertheless, a strong one—to say, that as Catholics we don't like to be bashed, ridiculed, made fun of," said Bennett. "Sooner or later, Catholics were bound to say: 'Look, we're tired of being the easy target.'" Bennett and others are quick to point to comments about Thomas, whose confirmation hearings are scheduled to start Tuesday.

Father Gregory Coiro, a spokesman for the Los Angeles archdiocese, says that suggesting that American Catholics have divided loyalty is as offensive as saying American Jews are torn between the United States and Israel, which "is always looked upon as an anti-Semitic canard."

Questions about Clarence Thomas' religious beliefs amount to a religious test for public office, argues John W. Whitehead, president of the Rutherford Institute, a religious liberties group in Charlottesville, Va. "If I were Catholic, I'd be pretty upset right now," he said.

Other observers within the church—and without—say at the very least that prejudice against the nation's 55 million Catholics persists and that bigotry in any form deserves attack.

Arthur Teitelbaum, Southern area director of the Anti-Defamation League of B'nai B'rith in Miami and supervisor of chapters in California, sees anti-Catholicism in sources ranging from "gutter-level extremist groups" to "casual cocktail party conversation which is often innocuous in its intent but is poisonous in its effect.

"It is part of the mosaic of bigotry that exists in America," Teitelbaum said, adding that any form is insidious and infectious. "When anti-Catholicism raises its ugly head, it is the responsibility of every Catholic and non-Catholic alike to repudiate it and attempt to quarantine it."

Sociologist, author and Catholic priest Andrew Greeley, who wrote "An Ugly Little Secret: Anti-Catholicism in North America," said anti-Catholicism is a "consistent and durable component of American life."

Greeley and others say anti-Catholic ideas emanate from both fundamentalist Christian and intellectual circles.

"It's this snobbish, 'We know better' intellectualism," said Roberts. The idea persists "that anybody who is a practicing Catholic has got to be a little bit stupid or at least naive."

A study released in April by the Center for Media and Public Affairs, commissioned by the Catholic League for Religious and Civil Rights and the Knights of Columbus, concluded that "long-term trends in [news] coverage have been less than favorable to the Church" and that "the language used to describe the Church increasingly carries connotations of conservatism, oppressiveness and irrelevance."

Los Angeles experienced its biggest wave of anti-Catholic hate crimes—as defined by the Los Angeles County Commission on Human Relations—from October 1989, to July, 1990. Nine churches were vandalized a total of 15 times, with graffiti, smashed and decapitated statues and painted swastikas. Some of the incidents were related to the church's stand on homosexuality and abortion. On Aug. 29, parishioners at St. Bruno's Catholic Church in Whittier arrived at early Mass to find Satanic graffiti spray-painted on statues and on the church—and an unexploded pipe bomb.

Fringe groups continue to publish hate literature, available in some L.A. religious bookstores. In May, anti-Catholic comic books were found on car windshields in Oceanside. Comics by Jack Chick Publications of Chino, Calif., say for example that the Pope is Anti-Christ. The Tony and Susan Alamo Foundation, founded in Southern California, has been a well-known distributor of anti-Catholic literature across the country. One Alamo pamphlet claimed that Pope John Paul II, as a young Polish salesman, sold cyanide to the Nazis for use in Auschwitz. Tony Alamo was recently arrested in Florida on charges of child abuse and tax evasion.

"What we're seeing is hatred. Not just hatred, but we're seeing that hatred tolerated," said Michael Schwartz, author of "The Persistent Prejudice: Anti—Catholicism in America."

Schwartz said church officials have told him it is unofficial policy to downplay anti-Catholic vandalism or sentiment, hoping it will wither on its own. That attitude is "extremely mistaken," he said, adding that American Catholics should follow the example of American Jews calling attention to religious prejudice and making it unacceptable.

Fr. Coiro of the L.A. archdiocese said he has never heard of such a policy, but church officials do choose to ignore some incidents rather than draw attention to them.

"Part of the blame I place upon ourselves," said Coiro. "We have not been vociferous enough in demanding equal treatment from our neighbors."

Schwartz points his finger at some "upwardly mobile" Catholic politicians and academics as well.

"To certify themselves as independent thinkers, they have to lead the charge against the church," said Schwartz, now a resident fellow in social policy at the Free Congress Foundation, a conservative public policy think tank in Washington. "When they're leading the attack on the church, it's open season for anyone else."

One lay organization founded in 1973 has tried to be vociferous. The 18,000-member Catholic League for Religious and Civil Rights based in Philadelphia, believes anti-Catholic incidents are on the rise and fights them by issuing statements, writing columns, aiding lawsuits and publishing newsletters, according to director for government affairs Patrick Riley.

Anti-Catholic sentiment in the United States can be traced back to this country's Protestant foundations. It continued through waves of Catholic immigrants in the 19th Century and, many observers say, with the current wave of Latino and Asian immigrants.

Bias was fanned by such nativist groups as the Know Nothings in the 1850s and the American Protective Assn. in the 1880s. Churches were burned, convents attacked. The 1936 book "Awful Disclosures of Maria Monk of the Hotel Dieu Nunnery of Montreal," a fraud, alleged that there were tunnels between monasteries and convents and that the resulting babies were strangled—and the book sold hundreds of thousands of copies. The Ku Klux Klan was actively anti-Catholic in the 1920s; such feeling helped defeat presidential candidate Al Smith in 1928.

Many Americans believed the election of John F. Kennedy as president in 1960 was an indication that anti-Catholic feeling in the United States was dying—or dead. But for others, recent events have disproved that notion.

Catholic teaching on issues such as abortion and homosexuality is a lightning rod for protest. But the distinction between criticizing a church position and unabashed Catholic-bashing can be a judgment call.

On Thursday, Los Angeles Cardinal Roger M. Mahony said "Stop the Church" was the most "blatantly anti-Catholic" film he had ever seen and urged Southern Californians not to send donations to support KCET. Gay activists and free-speech proponents say Mahony is guilty of squelching free expression.

And Frances Kissling, president of Catholics for a Free Choice in Washington, a group that supports legal abortion, said: "Whenever [the bishops] are criticized for their position on abortion, they revert to *ad hominem* attacks—This is anti-Catholicism, this is Catholic-bashing—when this is part of the normal give-and-take of political life.

"Sometimes bigotry is in the eye of the beholder, I have to admit that," said Ted Mayer, executive director of the Southern California chapter of the Catholic League, who is an Episcopalian. He recalled sharing a stack of purportedly anti-Catholic cartoons with a group of Catholics; some roared with anger, others with laughter.

Some Catholics caution against hypersensitivity. In the June issue of Common-

weal, an independent magazine edited by Catholic lay people, David R. Carlin Jr., a Democratic state senator and sociology professor in Rhode Island, wrote: "Let's not toss the charge of anti-Catholicism about too casually, thereby adding Catholics to the list of those who refuse to debate, who prefer to silence their critics by charging them with some psychological infirmity or moral depravity."

The solution may be more speech, not less. Said Coiro, "If someone wants to say something vehemently anti-Catholic, fine, let him say it. But I want everyone else to be able to say: 'That man, that woman, is a bigot.'"

[From the Los Angeles Times]

FREE SPEECH WATCH—AIR RIGHTS

The activist group ACT UP is not a mainstream, polite outfit. Its cause is the elimination of AIDS—a cause that many share. But its extremist methods many people, including many gays, do not share: It can be confrontational and aggressively offensive. The film "Stop the Church," which chronicles an ACT UP demonstration at St. Patrick's Cathedral in New York City, was scheduled for airing Friday night on KCET Channel 28, Cardinal Roger M. Mahony, outraged at the film's anti-Catholic tone, denounced it and the L.A. public television station for scheduling it.

The denunciation is certainly within Cardinal Mahony's role as leader of the Los Angeles Archdiocese, the nation's largest. Many viewers, Catholic and non-Catholic alike, would find the film amateurish and less than riveting; in term of its quality, one could question KCET's decision to air it.

But does KCET deserve to lose public financial support because it sometimes airs films that offend? We don't believe so. Public TV, which depends so heavily on private donations, cannot fulfill its proper function if it is held economic hostage whenever it airs a controversial program, which it has done before and will likely do again.

Certainly public TV's primary purpose is not to offend. But we agree with KCET management's assertion that one of the mandates of public TV must be "to explore significant issues of controversy and present a wide diversity of opinion on programming, including opinions which may not be generally popular and material which may not be to everyone's taste."

[From the Los Angeles Times]

MAHONY GETS MIXED FEEDBACK ON FEUD WITH KCET

(By Penelope McMillan)

When Cardinal Roger M. Mahony wandered out among his flock on Sunday, he drew mixed reviews for his recent run-in with public television station KCET over a film he called "anti-Catholic propaganda."

As Mahony made his first visit ever to a small Catholic chuch at the edge of Silver Lake, parishioner Donna DiMarco said: "I'm glad he said something about Catholic bashing. Most times we just take it and don't say anything."

Ed Harper, another parishioner at the church, St. Teresa of Avila, said: "I don't feel he has the right to tell us to boycott KCET. That bothers me very much."

Last week, Mahony condemned KCET for airing a short film about AIDS activists protesting against the Catholic Church. The Los Angeles archdiocese head also called on supporters to consider withdrawing financial support from the station.

Reaction to Mahony's stand, at St. Teresa's and at other parishes in the area, was divided, with some wholeheartedly agreeing with the cardinal's stand and others quite critical.

Most interviewed said they had not seen the documentary, which showed an AIDS activist group disrupting a Mass in New York City, and were only vaguely aware of Mahony's appeal against KCET.

Some at St. Teresa's said they were worried that AIDS activists would show up at the church, and were relieved when Mahnony said the Mass and left, alone, driving his own car, without incident.

Among the more than 400 who stood in line after Mass to shake Mahony's hand or kiss his ring was Jane Nachazel, who described herself as a devout Catholic and church supporter.

But she approved of KCET showing the film because "it doesn't help anything to hide suff in the shadows." She also was concerned that Mahony had overreacted, adding: "It seems to me he humped to fifth gear without going from one through four."

As Nachazel moved through the line to reach the cardinal, the Los Angeles County employee said she "believed in discussion," and asked Mahony why he did not join a KCET panel after "Stop the Church" aired Friday.

"I wouldn't dignify it," Mahony replied.

Others said the cardinal had given free publicity to a film that was "stupid" or "not well done." "He exacerbated the situation," Jackie Johnson, a legal secretary, said outside St. Basil's Church on Wilshire Boulevard.

Mahony supporters criticized those who said the cardinal's efforts were violations of free speech. "We have free speech but you're not allowed to yell 'fire' in a crowded ballroon," said Stacy Colicchio, an engineer and regular parishioner at St. Teresa's. He thought the film was "vicious," and said he would drop his KCET membership.

Harold Warren, outside St. Didacus Church in Sylmar, said he applauded Mahony's willingness to stand up to AIDS activists. "They're a very forceful and vocal group now." Mahony's call to withdraw support from the station did not affect him, he added, because "I don't support KCET anyway."

[From the Los Angeles Times, Sept. 15, 1991]

'STOP THE CHURCH': ALL PARTIES DO THEIR PART

(By Howard Rosenberg)

Curious that it would happen this way, but, broadly speaking, everyone acted correctly:

KCET Channel 28 was correct to air a controversial film showing a 1989 demonstration by gay activists angrily denouncing the Catholic Church for its positions on AIDS and homosexuality. Despite charges to the contrary, the film basically does little more than document a militant, sometimes abusive protest and the rage and frustration behind it, with raw power compensating for cinematic coarseness. Moreover, a 90-minute package KCET aired Friday night—the 23-minute, "Stop the Church" bundled up in 57 minutes of background and discussion—turned out to be rather interesting.

Cardinal Roger M. Mahony, head of the Los Angeles Archdiocese, was correct to express his opposition to the documentary by denouncing KCET for airing it. Anyone angry about Robert Hilferty's film and its condemnation of church policy on AIDS and gays has a right, perhaps even an obligation, to speak out strongly and forcefully.

Debate: That's the American way.

Censorship: That isn't the American way.

Getting down to specifics, though, what an absolute mess this has become since PBS spinelessly yanked "Stop the Church" from "P.O.V." ("Point of View") shortly before it was to air nationally on that documentary series, which is specifically designed to feature the opinionated work of independent filmmakers.

"Stop the Church" is certainly opinionated in the way it captures members of the militant group ACT UP attacking and ridiculing some church policies and disrupting a service in St. Patrick's Cathedral in New York, acts certain to enrage many Catholics and others.

Mahony charged in a press conference later shown during the Friday night KCET program that in scheduling the Hilferty film on its own, Channel 28 was giving in to "blackmail" by gay and AIDS activists who had threatened to disrupt the station's crucial August fund-raising drive if "Stop the Church" were not shown.

In a press conference that also was included in the Channel 28 program, KCET president William Kobin branded Mahony's charge "totally untrue," although acknowledging getting "extreme pressure" from both sides in the controversy.

Whatever the truth, KCET's decision to air the film surely was not made in an isolation chamber sealed off from threats of economic reprisal. What this entire episode dramatizes is just how vulnerable PBS and its stations are without permanent long-range funding. When your existence depends on contributions, foundation grants and periodic government stipends—and this lifeblood can be clotted by a decision to air or not air a controversial program—the instinct to survive by being inoffensive is overwhelming.

Just look at what KCET has run up against, with Mahony not only criticizing the station, but coming within a millimeter of advocating a boycott while engaging in hyperbole that at least matches that of the film he finds so offensive. In his press conference, he said we should now hold KCET "morally and possibly legally responsible for every future act of terrorism against churches, temples and synagogues." This is a joke, yes?

With Jeffrey Kaye skillfully moderating, meanwhile, the background and two discussion periods that KCET inserted after "Stop the Church" went well, even though one panelist did compare the film to the famous video showing Rodney G. King being savagely beaten by police. Maybe there's something in the air.

Both sides of the controversy were equally represented on the panels, despite a refusal to participate by the Archdiocese and the Gay and Lesbian Alliance Against Defamation (GLAAD). The gay group stayed away in protest of KCET's decision not to invite Hilferty or representatives of ACT UP. This gesture by GLAAD in behalf of balance would have been more effective had not Hilferty's film itself all but excluded the voice of the institution it castigated.

At one point Friday night, a point was made by Van Gordon Sauter, former president of CBS News, about the imbalance of "P.O.V." in favor of politically liberal filmmakers. Very true. But "P.O.V." has claimed that is so because it gets very few submissions of films voicing politically conservative themes. If anyone has evidence to the contrary, let's hear about it. Diversity is what public television should be about.

Kobin said KCET decided to air "Stop the Church" ultimately because viewers have

the right to make up their own minds. That's a noble stand, one that KCET would do well not to forget.

EVERYTHING IS NOT FINE IN AMERICA

The SPEAKER pro tempore (Mr. McMILLEN of Maryland). Under a previous order of the House, the gentleman from Illinois [Mr. HAYES] is recognized for 60 minutes.

Mr. HAYES of Illinois. Mr. Speaker, unlike the gentleman who just preceded me, I am primarily concerned about the extension of life after its arrival on this Earth.

Mr. Speaker, the attitude of "everything is fine in America" is a false euphemism. This morning in our cities, towns, and boroughs someone woke up on a park bench, others needed medical attention, but found that it was out of reach, and thousands had no job to go to. As a nation, we once termed hopelessness, excessive unemployment, and medical needs as foreign by nature; today, they all are a part of daily life in America. Conversely, these maladies are placed on the back burner by the President—leaving local officials and community leaders without the support to mobilize resources against these problems. This Nation must be saved from itself.

Mr. Speaker, I rise today to specifically examine the lot of American workers. It seems as though they are being attacked from every angle. Many have spent the entire summer without work and, yes, unemployment benefits. Pension funds are no longer safe harbors for retirement annuities. Further, as we look on the recent catastrophe in Hamlet, NC, workers often work in places that are hazardous and detrimental to their health.

Unemployment in the city of Chicago alone is 7.7 percent as compared to the national average of 6.8 percent. This is not full employment in my opinion. In real numbers, there are around 112,000 people out of work in the city of Chicago. According to U.S. Department of Labor data, the State of Illinois has 17,293 workers that have exhausted unemployment benefits. The fact is that real suffering is going on in the presence of this current recession.

As a result, crime is on the rise. According to Police Superintendent LeRoy Martin of the Chicago Police Department, unemployment can be cited as one of the major causes impacting on the increase of crime, particularly with robberies and street violence. People need help. How can we as a nation turn our backs on people that become so desperate that they turn to crime. This is an emergency and we cannot afford to continue to ignore this crisis.

Nationally, almost 1.2 million Americans have been unemployed for more than 26 weeks, and are, therefore, ineligible for unemployment compensation benefits. That is 600,000 more—more than twice as many—as just 2 years ago, before the recession. In July—after the administration claimed that the recession was over—318,000 people exhausted their benefits. The recession is not over. We all know that unemployment declines only after the recovery is well underway.

If anyone has doubts as to whether or not the unemployed men and women of this country need extended benefits, I ask you to take note of the humility and suffering workers and their families are enduring as they exhaust their 26 weeks of unemployment compensation, which is modest in contrast to world standards. Yugoslavia and Hungary's unemployment standards far exceed those of American workers.

Talk to any family that has exhausted their 26 weeks of benefits and they will ask: How will I pay the rent? How will I make the car payment? How will I educate and clothe the children?

The recession has forced many to seek part-time employment. Six million sought and gained part-time employment. However, no one can support a family at poverty wages.

President Bush promised in his nomination speech to create 30 million new jobs over the next 8 years. But payroll employment now is off almost 1.5 million from where it was a year ago. In fact, employment is only 1.5 million above where it was when President Bush took office more than a year and a half ago—the President is 10 million jobs behind the pace he would need to reach his goal.

There is a great need for this Government to provide a serious jobs program, jobs that will build the infrastructure of this country, jobs that would return dignity to our constituents. Common senses would tell us that the best and most long-lasting way to decrease the deficit is to put people back to work to, in fact, increase our revenue by increasing the pool of taxpayers.

In recent years, the level of employment in the United States has declined. Along with the decline of employment, the quality of life in this Nation has also declined. The quality of life in the United States depends upon renewing and enlarging the productive capacity of private industries, investing in the infrastructure of public works and human services, and developing natural resources in a manner consistent with the maintenance of environmental quality. The quality of life in the United States depends upon policies that promote conditions for self-empowerment by people victimized by discrimination in hiring, training, compensation, or promotion on the basis of prejudice concerning race, ethnic background, gender, age, religion, political or sexual orientation, or physical disability. The quality of life in the United States depends upon policies that encourage businesses to maintain essential jobs on American soil and to refrain from moving all or part of their operations to other countries for the purpose of exploiting lower labor and environmental standards. I believe that the Federal Government should promote maximum employment, production, and purchasing power to protect and improve the quality of life in the United States.

I submit that this country needs to place its resources on the issue of full employment for all Americans. We don't have any more time to waste. I am committed to working to ensure this goal and put this Nation back to work. Our cities are falling apart.

Mr. Speaker, I submit for the RECORD a statement by the distinguished gentleman from Kentucky [Mr. PERKINS].

UNEMPLOYMENT—HOW CAN WE HELP?

(By Carl C. Perkins)

Mr. Speaker, I would like to thank my distinguished colleague, the gentleman from Illinois, for this opportunity to reflect on a critical problem facing our Nation today: the despair that is confronting millions of unemployed Americans who have not been able to find a new job under current economic conditions, and whose unemployment benefits have run out. I represent Eastern Kentucky, where official statistics put the unemployment rate at 11.4 percent; the reality, of course, is much worse because this figure does not include discouraged workers. Eastern Kentucky is undertaking a massive effort to diversify economically, but in the meantime, many Eastern Kentuckians need help to put food on the table and to cover the costs of clothing, health care, and interest on mortgages.

During the past year, Americans have been very generous to those in need around the world. We came to the defense of the Kurdish people against Saddam Hussein. When a hurricane destroyed much of the coastline of Bangladesh, we were there to help. And now the Secretary of the Treasury is on his way to the Soviet Union to discuss the financial needs of that country. Yet when American citizens ask for help, President Bush turns a deaf ear. This is completely unjust.

The fact of the matter is that a trust fund exists for the kind of emergency that we are facing today. On behalf of their workers, companies have been contributing to this fund for years, and the time has come to call upon it. The Bush Administration cites the budget agreement as its excuse for opposing this crucial domestic aid. But the trust fund has more than enough money to cover the $6.5 billion price tag of H.R. 3040, the Unemployment Insurance Reform Act, which the House passed this morning. The unemployment trust fund is insurance that American workers would prefer not to use. Unfortunately, too many workers no longer have a choice.

I hope that the House action today will give the President only one available choice and that would be to help the American workers by signing this legislation. If it is needed then we must be willing to save the President from making the wrong decision once again. Sign the legislation Mr. President, the unemployed of America are waiting.

□ 1310

Ms. NORTON. Mr. Speaker, will the gentleman yield?

Mr. HAYES of Illinois. I yield to the gentlewoman from the District of Columbia.

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding to me, and I thank the gentleman for his leadership in this special order.

We need to talk more about this subject, which has taken far too little of our time during this session in the midst of a great recession.

Mr. Speaker, if H.R. 3040, the Unemployment Insurance Reform Act, is the best we can do for Americans during this deep recession, it will not be anything to write home about. Nor for that matter will it be much to bring home. An extension of unemployment insurance is necessary only because those who manage our economy have failed for so long to pull us out of this recession. It adds insult to injury to refuse to throw the unemployed a lifejacket. That is what President Bush did when he signed our bill extending unemployment insurance and then refused to declare the emergency necessary to release the funds.

One constituent called my office, Mr. Speaker, to say that perhaps if this bill provided unemployment assistance to citizens of the Soviet Union, the President might see fit to declare an emergency.

My office has been flooded with calls from unemployed constituents who desperately need help because this recession has lasted so long, 14 months. Even so, they are not those who are the worst off. At least they had a job in the not-too-distant past.

They are not among the growing legions of permanently unemployed or those unemployed for so long that they are no longer counted as unemployed. For them there have been no congressional bills and no remedies for the entire duration of this recession and before that.

Look closely at this no-relief recession and one will see what we ourselves contribute to the crime rate. In the District of Columbia, the unemployment rate remains above 7 percent and real estate and banking, major sectors in a city with no manufacturing, are among the worst hit in the country.

Mr. Speaker, we have an emergency. H.R. 3040 is one small step for the unemployed.

Mrs. COLLINS of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HAYES of Illinois. I yield to the gentlewoman from Illinois.

Mrs. COLLINS of Illinois. Mr. Speaker, I thank my distinguished colleague, the gentleman from Illinois [Mr. HAYES] for bringing about this special order, because I think it is vitally necessary so that those of us in our Nation can begin to look at the situation as it truly exists today.

Earlier this Congress, we passed legislation to provide extended unemployment benefits through July 1992. The legislation stated that before the funds would be released, the President would have to declare an emergency to exist which warranted the additional benefits. Well, the President signed the bill, but then reneged on his implied obligation to do what is best for idle American workers by refusing to declare an emergency. Today, we again passed legislation with no "wiggle room." We have spent two days debating this new proposal, but I want to now join my colleagues in this special order highlighting not the merits of the House bill, but rather the plight of nonworking Americans nationwide.

As I noted in my remarks on H.R. 3040, the Unemployment Insurance Reform Act yesterday, I do not doubt the concern the President has for working men and women—in Chinese factories and Mexican maquilladoras. And he is definitely concerned with unemployment, hunger and human misery—in Kurdistan and Bangladesh. Yet, as the President is turning his eyes and opening his heart to the people and events of Eastern Europe, the U.S.S.R. and the Middle East, this attention is disturbing to laid-off, unemployed American workers who find no similar sympathy, concern or Executive leadership directed toward their plight—who wonder why their President doesn't want to extend for a mere 20 weeks their unemployment benefits.

What are we to make of an administration which says we need to send billions abroad to help avert the destabilizing effects of unemployment and hunger, when there is no commensurate concern of the destabilizing effects of joblessness here on our shores? Now let me say emphatically that I do not begrudge sharing our largesse with other less-fortunate nations, but I find it blatantly offensive that the very real needs of unemployed Americans are placed at the bottom of the list of priorities.

Just because the President wants us to believe that the recession is over, doesn't mean that all of a sudden the millions of unemployed, underemployed and discouraged workers are suddenly back at work. We are still suffering from the cumulative affect of failed economic policies that for many, many months have led to today's severe recession and high unemployment rates.

The saddest part of this whole matter is that this cavalier attitude toward our idle workers is not just one isolated incident, but indicative of the administration's disregard and even disdain for American workers. This attitude has manifested itself several times over the past few years. First, there was the lengthy, heated debate over whether to increase a grossly outdated and unrealistic minimum wage and if so, by how many pennies. After much acrimonious debate, scare tactics and painstaking compromise, we finally got an incremental increase in the minimum wage which in my view is still too low for a decent living.

And what about the debate over plant closing notification legislation? It was out of a sense of fairness that many of us sought to allow persons a modicum of time to prepare and adjust for the loss of income. But this "radical" idea was also bitterly fought. Thank God we prevailed on behalf of workers.

Then, look at the debate over the Civil Rights Restoration Act. The concerns of minority and women workers have been met with total disregard and indifference as evidenced in the mean characterization and arrogant dismissal of the civil rights bill as promoting a quota system.

What is the American workforce to think? Have we forgotten that this Nation was built in large part by factory workers and minimum wage earners who labored long and hard to help make this country the power that it is? Have we become such an elite society that we can be uncaring about the lives and needs of honest, hard-working Americans? Have we become so automated, so competitive, so greedy that we have lost our sense of decency and fairness, respect and regard for our fellow citizens?

Instead of leading the charge against the unemployed, the Administration should be setting an example for the Nation. It should be encouraging corporate America to increase and expand training programs. Mr. Bush, who likes to call himself the "Education President" should be at the forefront of efforts to retrain and upgrade the skills of workers, particularly those whose jobs have been lost because technology has rendered them obsolete. Yet, the President has been strangely silent on this issue.

We hear a lot about the need to promote "good, old-fashioned, American values." Well, one aspect of that value system was a respect for hard work and the decent people who kept and keep this Nation going. Unfortunately, the economic course on which we are now embarked has left far too many American workers without paychecks—unable to buy food, unable to afford clothes, unable to educate their kids, to pay their rent or mortgages. There are pockets of unemployment in my district of 45 to 65 percent. This is unconscionable and a condition that can be deemed only as disgraceful. Most of those without work, want work; they want hope. They want to realize the American dream of life, liberty and the pursuit of happiness. Life without hope is slow death, liberty without economic opportunity is slavery, and happiness without an income is an impossibility.

□ 1440

Mr. Speaker, I thank the gentleman from Illinois [Mr. HAYES] for permitting me to give my remarks on this special order.

Mr. HAYES of Illinois. Mr. Speaker, I want to thank the gentlewoman from Illinois as well as the Member who preceded her for joining me in this special order.

At this time I yield to the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Speaker, let me compliment the gentleman from Illinois [Mr. HAYES] for calling this very important special order on unemployment. The gentleman from Illinois is one of the real fighters in this country for people who are underrepresented or voiceless, people who are usually the last hired and the first fired. He is a person who has given much of his adult life to seeing that unions were allowed to organize and that people were given dignity and self-respect, and I congratulate the gentleman and our country congratulates him for making this place a better place.

Mr. Speaker, this is indeed the time to focus on the needs of the American Worker. The national unemployment figures are near their highest level in almost a decade. Currently, during this national recession many Americans want to work but cannot find jobs.

In July of this year, our great Governor Florio and the New Jersey State Legislature took the lead and passed a $250 million program extending jobless benefits for an extra 6½ weeks for some 200,000 unemployed workers in our State.

Although the New Jersey unemployment rate in August was 6.7 percent which is close to the national average, there are a few positive signs on economic recovery including some increase in consumer spending and new home sales and residential construction.

Additionally, the New Jersey's jobless rate in August was the third lowest among the Nation's 11 most industrialized States.

Indeed these figures seem to be a bit encouraging, however, the Northeastern part of the country and the Nation as a whole is still entrenched in a deep recession.

There are 8.5 million people out of work and over 2 million Americans have exhausted their unemployment benefits this year.

Additionally, young people today barely have the opportunity to get a job. A young law student came into my district office in Newark this summer because he was looking for employment so that he could continue his college education. He was unable to find a job anywhere. Yet, he was willing to volunteer simply because he wanted some experience and he wanted to keep busy, and he volunteered in our office this summer because we had exhausted our internship program funds.

When I was in college I had several jobs. I was very fortunate as I worked my way through college. I was a dockworker, a grocery man, and a waiter, and after graduating from college when I started my teaching career, I was able to supplement my income by being a truck driver when I worked at our Newark post office. Today, because of the economy, many young people do not ever have a chance to begin their careers.

When the minimum wage bill came up, we were looking for a $5.05 minimum wage. But President Bush said that was too high, that was inflationary, and so we compromised it down to $4.55. The President said that that would wreck the economy and vetoed the bill. We had to settle for $4.25 for the minimum wage. He said inflation would take over and $4.25 would do.

We have many jobs in our area, many manufacturing jobs that have left the Northeast and my district, thus leaving many people unemployed and looking for jobs. Most people must rely on their unemployment insurance to survive.

By passing the Unemployment Insurance Reform Act we have sent a signal to the American people that we understand the difficulties of securing a job in these troubled times, and that we want to assist them by extending unemployment benefits while they continue to seek employment.

I hope that the White House will see the urgency surrounding this issue and help us by expediting and being expedient to the process and signing the bill.

Mr. Speaker, many people cannot afford any more delays.

Mr. HAYES of Illinois. Mr. Speaker, I want to thank the gentleman from New Jersey.

Mr. Speaker, I yield to my colleague, the gentlewoman from California [Ms. WATERS] for her statement in support of this legislation.

Ms. WATERS. Mr. Speaker, I thank the gentleman for yielding. I would like to thank the gentleman from Illinois for organizing this time today to speak to an issue that I think is of paramount importance to the citizens of this country.

What are we talking about here today? We are talking about the Unemployment Insurance Reform Act of 1991, H.R. 3040. It is simply a piece of legislation that recognizes the difficulties that Americans find themselves in at this point, and it says to the President of the United States: "Please sign this bill to allow for extended unemployment benefits for those who find themselves out of work for much longer periods than they anticipated, unable to get back into the labor market."

Why must we come to this floor and make these comments and talk urging the President to sign this legislation? We must do this because the President had the opportunity to support the citizens of this country and extend to them the right to have additional unemployment benefits under these circumstances.

□ 1450

He had a resolution, and all he had to do was declare an emergency. The President refused to do that. The President said he did not feel that the 10 million people in this country who are unemployed constitute an emergency. This sounds strange to a lot of people. It sounds strange, because those people who are unemployed, indeed, feel it is an emergency. They cannot buy clothes or food or pay for their shelter, and they feel that they are in an emergency situation.

Some people raised the question that perhaps the President is concerned about the deficit, perhaps the President is concerned that we cannot afford it. Well, that is a legitimate question to raise except there is $8 billion in a reserve intended to be used for extended unemployment benefits for those Americans who find themselves out of work for longer periods than the ordinary unemployment benefits would allow for in their States.

Why then can we not use this $8 billion to do it? The President, had he signed that bill, could have triggered the use of that $8 billion, but the President had some kind of argument that talked about it being an unwise thing to do in this recession.

The 10 million people who are out of work will not understand that. I do not understand it, and I do not believe Americans deserve to be treated that way.

Let me tell the Members something else that is even more cruel than the President's inability, unwillingness to support the 10 million who are out of work. This legislation that we have before us, as the resolution that was sent to the President, would have allowed for veterans to receive extended unemployment benefits. Most people do not realize it, but veterans are not eligible for the same extended benefits that the average civilians are eligible for. How can that be in an America that loves its soldiers? How can that be in an America that embraces its veterans? How can that be at a time when we have just witnessed Desert Storm with young men and women returning?

No, let me tell you about the young men and women just returning from Desert Storm. Many of them will not be eligible unless we have a bill of this sort, because in law it says you have to have been serving for a certain period of time before you would be eligible for extended unemployment benefits.

For those people who were in Desert Storm, who did not serve 180 days, we are saying that if they served 90 days,

please allow them to be eligible. Many of them were working. Many of them not only deserve to have these benefits but some of them have been denied their job-return rights, and government is so bogged down they have not gotten the assistance to force employers to let them have their jobs back.

We will tie yellow ribbons, as we have been doing, around trees, over doorways, and we will have parades, and we will spend millions of dollars on parades telling people how much we love our veterans, but, guess what, the President of the United States does not support them having extended benefits in the way civilians are eligible for it. He does not support those who served in Desert Storm less than 180 days being given a little break to say, "Well, if you only served 90 days, you deserve to be able to get extended unemployment benefits."

Something is wrong, and the American people need to question: What is wrong in America today? Why is it we are so centered on foreign affairs? Why is it we can fund the Kurds, we can come to the aid of Bangladesh, we can give Israel money after Desert Storm to make up for the Scud missiles that were launched? Why is it we can do all of this, but we cannot find it in our hearts and in our vision to support our own right here in this country?

Well, we are involved in a great debate about what we must do for the emerging democracies, and we are so worried about what is going to happen in the Soviet Union. We are worried that if we do not support them they are going to go back to their old ways. I suppose some people are worried about that. I think they have surrendered. I think that certainly we need to be concerned, but my grandmother always said, and I will be repeating this day in and day out, "Charity begins at home, and it spreads abroad."

The American people must be asking at this point: "Why cannot the President and the Congress of the United States look around them and see that the infrastructure has fallen apart, that the bridges are falling apart every day, that the educational system of this country is in a state of disrepair, children are dropping out of schools, and the physical plants where we expect our children to learn are run down, and we have no capital-improvement money for our schools and educational institutions?"

People are on the streets of America, sleeping on grates and in parks, homeless, and the numbers continue to mount. Ten million people are out of work. States are in trouble with budget deficits. Cities are in trouble. Over 25 cities in America are in great deficit, some beginning to file bankruptcy, and cannot pay for police and fire, and unemployment, again, as the cutbacks and the layoffs take place both on the public side and the private side.

Why, Mr. President, can we not have a simple little piece of legislation that says to the American workers, "We care just as much about you as we care about those in those so-called emerging democracies in other places that come to us for help?" Why cannot the President say that that $8 billion that we have in reserve for unemployment benefits should be spent on Americans? Why can we not say, "Well, we have done a lot for a lot of people; it is time for us to turn our sights on the domestic agenda?" What can we do not only for unemployment and extending those benefits, what can we do for job creation? What can we do in anticipation of a cutback and reduction in military and defense budgets? What can we do for job conversion? What can we do to say to the American people, "You deserve to have the benefit of your tax dollar?"

We are here today making a plea for support for H.R. 3040. We should not have to. It should be a given. Everybody should well expect that this bill will zip through without debate, but people must be concerned, because we do not know where the President is. We know what he did with the resolution that he could have said yes, it is an emergency, and release those $8 billion, and he refused to do so.

So we say to the President that H.R. 3040 is important; it is a test of where he is, where Congress is. It is a test of whether or not we truly are prepared to say to the unemployed, "We know the pain that you are in. We know the suffering that you are experiencing. This is just a little bit of what we are going to do to alleviate that pain."

I would urge the President of the United States not to debate this one, not to play politics with this one, not to hide behind the recession on this one, but, rather, to quickly sign H.R. 3040 and give Americans a little bit of a break.

Mr. HAYES of Illinois. I certainly want to express to my colleague from California my appreciation for the very profound remarks that she has made on the subject at hand.

We are about to close out the time of our debate here.

In conclusion, I do want to say that I have had some experience in being unemployed. I know what it means. Even at the age of 18, I entered into what we called then the Civilian Conservation Corps, financed and supported by the Federal Government under President Roosevelt.

I helped my family, my dad, my mother, and 11 other sisters and brothers, by being able to send home each month what was then $25 of the $30 a month which I received for setting out trees on the banks of the Mississippi River in order to stop the erosion of soil in Illinois into that river.

□ 1500

We want to protect our environment. We want to do what we can to rebuild our infrastructure in the cities, which is a part of it.

I think we have to make the question of jobs one of our top priorities and begin to divert our attention and make this one of the directions which the tax dollars for those of us who are working are turned.

It is more important to me, and I am not against progress and moving ahead, when we add up the amount of money that we spend now for space exploration or spend on the B-2 bombers that are not yet working as we think they should, and yes, as has been said, as we spend and send money to other countries, we had better hope we have said something here in this time we have consumed to begin to divert attention to the need to doing something for human beings who are suffering in this Nation.

Everybody on public assistance is not lazy. They would like to be able to contribute something to their own chance to live in human decency and not have to depend on a public assistance check.

This is what we are saying. Start looking at it. Begin to do something to convince this administration and Members of this Congress that people need to have a right to live and they want to work and earn a decent living.

THE POW/MIA ISSUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Delaware [Mr. CARPER] is recognized for 60 minutes.

Mr. CARPER. Mr. Speaker, this is the week that we pause in the United States to remember those people who served in our Armed Forces during wars, in Vietnam, in Korea, in World War II and other conflicts, from which they did not return. My generation is one which served in the Vietnam war. There were several million of us who served our Nation there. Of those who served, over 55,000 were returned home dead. Most of us did come home. Most of us came home alive and reasonably well, some wounded, some who still carry the scars from that war.

Here in the U.S. House of Representatives there are 11 Members of this body who served in the Vietnam war. There are over 2,500 Americans who did not return home at all following that war, either alive to return to their families, or dead to be buried.

Since 1975 the remains of roughly 300 of those Americans have been recovered and have been identified, but still today as we meet here in this House of Representatives, there are over 2,300 American servicemen from the Vietnam war for whom we have yet to account.

In Korea, that number is in excess of 8,000 personnel. In World War II, the

numbers are several times that magnitude.

Sixteen years after the war in Vietnam ended with the government in Saigon falling to the north, 16 years after that event, doubts remain about our missing in action. There are those in this country who earnestly believe that Americans are held in substantial numbers against their will in Southeast Asia, either in Vietnam, Laos or Cambodia.

There are questions about whether or not our Government has done its best to find those men and if they are alive, to bring them home.

There is a perception that five administrations, from the Nixon administration through the President Bush administration have participated in perpetuating a coverup of the fact that hundreds of our men have been left in the jungles to rot.

Early this year I was visited in Delaware by a number of Vietnam veterans who believe the worst about their country in terms of our walking away from hundreds of our men and leaving them behind. They are convinced that those men have been abandoned, and they called on me as one Vietnam veteran to do something about it. That visit set up a chain reaction for me and led me to consult here in this Chamber with Congressman PETE PETERSON, a Democrat from Florida who spend 6½ years of his life as a POW in Hanoi, an Air Force pilot who was shot down; for us to then meet with JOHN MCCAIN, a Senator from Arizona, a Republican, who also served roughly the same number of years as a POW in North Vietnam.

PETE PETERSON and I subsequently met for briefings with the Defense Intelligence Agency, the State Department, and then with a fellow named JOHN MILLER, who is a Congressman from Washington State, and others, who have been active in pushing legislation called the truth bill, to make sure that information that may be gleaned about the activities of our Government to find out information about our POW's and MIA's in Korea or Southeast Asia or World War II, that that information is shared with the families of those men, and if there are women, with them as well.

Back in the spring of this year, we began some serious discussions about possibly putting together a congressional delegation to go to Southeast Asia to see for ourselves what is being done. In early August of this year, on August 3, six of us, three Democrats and three Republicans from throughout our country, departed for Southeast Asia, a trip that was to take us to four nations, including Vietnam, Laos, Cambodia, and Thailand. Before we ever departed, we spent the better part of several weeks prior to that departure in a series of briefings, over two dozen in all, including meetings with veterans groups, with Department of Defense officials, State Department officials and other Members of Congress who have visited that part of the world.

General Vesey, who is the President's Special Emissary to Hanoi on this issue of POW's in Hanoi and Thailand was there. We met with academics. We met with foreign nationals from other governments, including the Government of Laos.

When we departed on August 3, I think there were probably four goals or objections that we had in mind, four subjects that we wanted to explore on our trip.

The first of those we wanted to engage personally was the intensity and sincerity of our Government in its efforts to find live Americans, if they are there, or to recover the remains of Americans who may still lie in Southeast Asia.

The second subject that we wanted to explore was the level of cooperation on the part of the governments of Vietnam, Laos, and Cambodia, cooperating with our efforts to find out the fate of our POW's and MIA's.

Third, we wanted to engage firsthand the progress that is being made in ending the civil war in Cambodia.

Finally, we wanted to look closely and carefully to consider the question of whether we should begin normalizing relations with the Vietnamese, with the Cambodians, whether we should begin lifting the economic embargo of those countries.

As I said, our trip took us to four countries over the span of a week; Thailand, Vietnam, Laos, and Cambodia.

In Vietnam, we visited among other cities, Hanoi, Da Nang, and Saigon. We went from one end of the country to the other. We met with the new General Secretary of the party in Vietnam. We met with a whole host of officials throughout the country. We met with a lot of people in the streets, people from all walks of life.

In Cambodia we met with the leaders of that country. We met with the leaders of Laos and we also found a number of people from our country in Laos working on a new constitution for that nation.

We met in Thailand with United States business representatives. We met with our own officials in each of the countries that we went to.

In Hawaii, on our way over, we stopped and visited a central identification lab where the remains of Americans are taken as they are brought back from Southeast Asia and other places to determine just who these names are.

We met with the joint casualty team that is headquartered in Hawaii and does a lot of the excavation work and other work in Southeast Asia.

During our visits in Vietnam, we visited with hundreds of Amerasians, Vietnamese of mixed ancestry, including American ancestry, who are trying to come back to this country.

We visited the early departure center where literally over 10,000 Vietnamese nationals have come through there to our country.

□ 1510

With regard to the findings that we made, we found a number of Americans working in Southeast Asia, some in difficult circumstances, trying to get to the bottom of the POW/MIA question. We found increasing cooperation on the part of the Vietnamese and the Lao, for example, and the Cambodians, we found a sensitivity to the POW/MIA issue there that, frankly, I did not expect. We found countries there that are beginning or are well on their way moving from a command economy to a market-driven economy. We have met since our return with leaders of CINCPAC, with the Secretary of Defense, today with the Assistant Secretary of State for Southeast Asia, and we hope to meet later this month with the National Security Council representatives and perhaps with the Secretary of State.

As we have one through those meetings, we have presented a series of recommendations that most of the members of our delegations believe are appropriate.

One of those recommendations has been that it is time for the United States to lift this cloak of secrecy that seems to surround much of what we are trying to do in Southeast Asia, much of what we have done. We, the military—and I served 23 years in the Navy as a naval flight officer on active duty and in the Reserves—we overclassify materials. We keep it classified for longer than we need. What we need here is to let the people of our country know exactly what we have been doing, to find out the truth about our POW/MIA's and to let the American people know that.

We found there is not really one person in charge of the POW/MIA mission in Southeast Asia or in Korea or for World War II. There should be. We recommended a number of structural changes that address that problem.

New assets are being dedicated to our efforts to find the truth in Southeast Asia. It is important that those assets go in country, in Southeast Asia where they can do the most good, and not in some headquarters in Hawaii or in Thailand.

We have talked with the Vietnamese and with the Lao about increasing the mobility of our own people doing the work in Southeast Asia and have asked that the governments of those countries cooperate in allowing us either to bring in our own helicopters and release helicopters so that we can increase the mobility, to follow up live-sighting reports or simply to move our

excavation teams from place to place. We want to extend the in-country tours of our men and women who are doing the excavations and the other work in those countries.

We want to facilitate travel by American next of kin of POW/MIA's to make sure that they can get to these countries if they want to go for themselves to check and to see firsthand and follow up firsthand the fate of their loved ones.

Several of us, including myself, believe the time has come to at least begin the process of normalization with Vietnam in very modest steps by lifting the 25-mile travel restriction that we place on their representatives to the United Nations in this country and also on lifting the ban on telecommunications with Vietnam.

I see a number of my colleagues joining us here on the floor, and I think it is important that I yield and that we share this time, sharing, if you will, with our colleagues and with those who may share across our country an interest in this issue.

Among the people who were on this trip is a fellow who served in the Marines, in the Danang area, now a congressman from the State of Colorado. His name is DAVID SKAGGS.

Mr. Speaker, I yield to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. I thank the gentleman for yielding. Let me just pay tribute to the work that TOM CARPER and PETE PETERSON did early along in coming up with the idea and fashioning an itinerary for this trip that I think made it very useful, not just in our education but, I hope, in the message that we can bring both of our colleagues here in the House about some of the more complicated and nuanced aspects of what is going on in our effort to resolve the POW/MIA issue as well as the message Mr. CARPER has already indicated that we have brought back to the Secretary of Defense and the assistant secretary of state and our military commanders in CINCPAC.

One of the things that I think troubled all of us most coming back from this experience was a kind of disconnect between what has been said by administration after administration with regard to the resolution of the POW/MIA mission being a top national priority and the reality in the field where we found many, many competent, dedicated Americans in uniform and out of uniform doing their darnedest under the most difficult circumstances to investigate these cases and to bring them to closure. But those individuals at the same time being hampered by inadequate resources, logistical support, a command structure that perhaps gets a bit atrophied over the years. And certainly not the kind of full-bore effort that we would have expected to attach if indeed this was a top national priority. That is a message I think we have all tried to convey to others in our Government since we returned.

It is not intended as a kind of criticism or complaint, but rather an effort to bring into balance the public's perception of what is going on out there with the reality of what is going on so that we do not invite further skepticism and further mistrust because there is this disparity between what we say we are doing and what we are actually doing.

I am very encouraged by the decisions that the Secretary of Defense has made over the last couple of months to put additional resources into this effort, to commit himself to reexamination of the structure of the military commands that are involved in this, and I think he is committed to making real the rhetoric about our efforts there.

Certainly, if there is any falling short of that, I believe the six of us who shared this experience together in Southeast Asia for a very full and hectic week will continue to make the point to the Department of Defense and elsewhere in the Government what they need to be doing to keep faith with the American people and most particularly with the families of our lost servicemen who have been put through an extraordinarily difficult and emotional roller coaster ride year after year with the numerous reports, almost always shown to have been fraudulent, of live POW sightings and all the rest.

In fact, one of the things that I think struck me the most about being on the ground in Southeast Asia was understanding the incentives that have unfortunately come to bear to give Southeast Asian refugees in Thailand and elsewhere reason to concoct stories about our missing servicemen, aided and abetted by the most cynical efforts of others in those countries willing to exploit both their gullibility and the vulnerability of our families here in the United States with phony dog tags, with contrived skeletal remains and all the rest. It is really a sad commentary that there are those over there who are willing to exploit this as cynically as they are. But we need to know about that because it gives us the context in which to judge some of these phony reports about live sightings and other evidence.

Again, I just want to thank the gentleman from Delaware [Mr. CARPER] for his leadership in this, and all of the members of the delegation. I think it was an experience that brought us together in ways that do not normally happen in this body, to learn the stories of my colleagues, their service during the war, the dangers and the wounds that they incurred, that was a moving experience for me and one that has just increased my deep respect for all five of the colleagues who joined me on this trip.

Mr. Speaker, I thank the gentleman for yielding.

Mr. CARPER. I thank the gentleman very much for his remarks and for his contribution. Let me just say that I think we had an extraordinary group of Members of Congress who went on this trip, people who wanted to get to the truth. We said time and again we felt we were taking a heartfelt message from the American people to the leaders of Vietnam and Laos and Cambodia. Mr. SKAGGS was just an integral part of that effort. I am grateful to him for making the time and for coming with us and for contributing so significantly.

Before I yield to the gentleman from Arizona [Mr. KOLBE] let me simply say that when we were casting about for people to go, Congressman PETERSON and I were casting about for people to go, we did not set out to pull in people from an equal number of Democrats, an equal number of Republicans or people from the east coast or the west coast, north and south. We did end up with a really good mix. We ended up with a good mix of people as far as their service is concerned. Mr. SKAGGS served in the Marine Corps, Mr. PETERSON in the Air Force, Mr. GILCHREST served in the Marine Corps, Mr. RHODES, who served in the Army, and we had even a Navy fellow from the swift-boat community who served in the southern part of Vietnam.

JIM KOLBE was that individual. I am really pleased that he could go with us and pleased he is here today to participate with us at this time.

Mr. Speaker, I yield to the gentleman from Arizona at this time.

Mr. KOLBE. Mr. Speaker, I appreciate the gentleman from Delaware [Mr. CARPER] yielding to me, and I am returning the compliments by saying I think of all of the opportunities that I have had to travel with congressional delegations on business related to the United States, I have not been on one that I felt had either a better leader or had a more serious purpose to it, and I think it was a fact that the six of us who traveled, we did so because we had open minds. I think we did so with a seriousness of purpose that was demonstrated by the preparation we had for the trip and by the work we did when we were there, and I think the results over the course of the next several months will be shown. I do thank the gentleman from Delaware [Mr. CARPER] and the gentleman from Florida [Mr. PETERSON] who were so instrumental in helping put this thing together and to organize it.

This was, I think as has already been said here today, a very special trip for all of us. Six veterans of the Vietnam conflict, all of us returning to Southeast Asia for our first time. But this was not just a trip down memory lane.

This had a purpose to it, and I think, above all else, our purpose was to be able to convey to the Vietnamese Government, and I know this has been said here already, but our purpose was to convey to the Vietnamese Government the seriousness of purpose that the United States has with regard to resolving the POW/MIA questions.

The unresolved cases that still afflict so many families in this country leaves them with a sense of doubt, leaves them with a sense of anguish about what happened to their loved ones, Mr. Speaker, and we wanted to convey our seriousness of purpose as a government, and as a nation, as a people, that we are determined to get to the bottom of every one of these cases that we possibly can. I think we were successful in conveying that message to the Vietnamese Government, the Laotian and the Cambodian Governments. I think we were successful in demonstrating to them the seriousness of our own purpose in being there. I think they have some very specific suggestions from our group and from the U.S. Government about ways in which this issue can be addressed in an even better fashion than it has been thus far, that we can be able to get to the bottom of as many of these cases as possible.

Mr. Speaker, too many American families have been manipulated by unscrupulous people in and out of the United States who have found reasons for their own personal gain to keep alive the possibility of Americans who might be held against their will in Southeast Asia. While none of us knows for sure whether there are or there are not Americans being held, we do know that we need to get to the bottom of every one of those cases, and we do know that every one of those that is subsequently proven to be false has just taken that much more of the resources and the time of our personnel out there, and it is not only cruel to do this to the families, but it is tragic to do it for the others whose cases might have been resolved during that same time.

There have just been in the last few days press reports that yet another one of the photographs that appeared in the press a few weeks ago appears now to be a forgery, appears now to be not a true photograph, and, if that is the case, then whoever is responsible for that, whether it is somebody in Southeast Asia, or whether there are others in the Western World who knowingly are using that or allowing that to be used for other purposes, are doing a great disservice to the American people and certainly to those families.

When all is said and done, it seems to me that we are going to have to admit to ourselves that there are some cases that are not going to ever be resolved, and I think all of us that went to this trip come back with a realization that we will tragically, unfortunately, never be able to get to the bottom of every single case. But when we think of the numbers of missing in action from World War II, still numbering almost 78,000, and about 8,000 from the Korean conflict, we realize that we will never be able to finally get to the bottom of every one of these cases.

We do know that some of these people in Southeast Asia, for example, went down in aircraft in the South China Sea, aircraft that disintegrated upon impact from which there was no ejection and from which there will be no remains and no parts that will ever be recovered from the ocean bottom. So, we do know that some of these cases cannot be resolved, but we have an obligation to get down to as many of those as we possibly can and realize that the chapter of this book will always have its final chapter left unwritten.

While we were in Hawaii we were told by the Central Identification Laboratory, Hawaii, that has the responsibility for investigating all of these cases of an incident recently in New Guinea where villagers had come out with information about an American, about 29, that had crashed during World War II, and they went in, and investigated and, sure enough, found it and found some of the remains. This is something that happened nearly 50 years ago.

So, the book is never closed on these kinds of investigations, but we also have to realize that there is a time when we say that we have done as much as we can, and we are getting the cooperation we can on the remaining cases, continuing to look at those and to say that now we must look towards a better relationship with the countries that are involved, and I think that is the hope that all of us have, that we can have normal relations again with those countries of Southeast Asia which have troubled our history as much as their own history has been troubled.

We have come back, and I know the gentleman from Delaware [Mr. CARPER] has discussed some of our findings and some or our recommendations, but I think we come back with some very clear recommendations that we believe our Government could follow to get to a quicker resolution of the remaining cases. We believe that the Government needs to attach the highest priority to this issue, to put the resources to it that they have said all along that they would do. We think they need to declassify more information. There is some information that cannot be, but there has been too much of a veil of secrecy that has been held over some of these cases. We think that we need to look again at the command and control structure for this operation and that there are ways that we can bring some greater emphasis by having new members from the military serving in command positions for this operation. We think that there needs to be a single control, a single command and control, a point of information for this operation so that it is very clear who has the responsibility for it.

These are some of the findings and recommendations that I know we discussed and that we have discussed with the Secretary of Defense, and we will make this public in a report in more detail. But I think the gentleman from Delaware [Mr. CARPER] has done a great service today by taking this opportunity for us to share with our colleagues and with others throughout the United States the findings that we have and our views about what might be done to get an even speedier resolution of these cases, and I commend the gentleman for his outstanding service in putting together this trip and for the service that he has given to the American people in this regard.

Mr. Speaker, I appreciate the opportunity of sharing some of these thoughts here today.

Mr. CARPER. Mr. Speaker, I thank the gentleman from Arizona [Mr. KOLBE] for his remarks and for being a part of this event. This is not the effort of any one individual person. This is a truly team effort, a bipartisan effort, multiservice effort, and I think we have done good work for the American people, for the families of the POW's and MIA's.

Mr. Speaker, I think we have planted some seeds in Southeast Asia that we have left behind to grow, and I think the months to come will indicate to what extent.

Mr. KOLBE. Mr. Speaker, what the gentleman from Delaware [Mr. CARPER] said about the seeds being planted is very true, and I think even in the short few weeks since we have returned we have seen some of the things that we suggested to the Vietnamese Government about the use of American helicopters, about allowing families to come over there, about allowing us to go to any site in the country without prior notice. We have seen some real progress in those areas.

□ 1530

So certainly what we are hearing from our field people is that they are very encouraged by the level of cooperation we are getting today from the Vietnamese Government, and I think it is in large part due to the gentleman's efforts and his work in having this group make this trip.

Mr. CARPER. Mr. Speaker, I would correct the gentleman. It is a result of our efforts and the efforts of a lot of other people who are not here today. I am just glad that we could be part of it. I thank the gentleman from Arizona [Mr. KOLBE] very much.

Six months or so ago on this House floor, Congressman PETE PETERSON and I began to discuss the issue of POW's and MIA's in Southeast Asia. I did not

realize prior to this year that PETE PETERSON, a newly elected Congressman from Florida, had been a POW for 6½ years. I found that out early this year, and when my Vietnam veterans from Delaware had come to meet with me, I said, "I want to go and talk to PETE PETERSON and find out how he feels about our Nation's efforts and what we ought to be doing differently."

It was from the initial conversation we had here roughly a half year ago that our delegation trip was put together, and I think a great deal of good has been done.

There is an old saying, that "failure is the orphan of success and has many fathers." I know one of the fathers is about to be recognized here. I am pleased to say how much I enjoyed putting the trip together with PETE, and I was glad to be a full partner with him.

Mr. Speaker, I yield to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Speaker, I thank the gentleman from Delaware for yielding, and certainly let me return the congratulations and also tell the gentleman how much I hold him in esteem for all the hard work he put into this trip and for his leadership as we met with delegation after delegation in the process of the preparatory work, and also as we got into the field and talked to those many leaders in Laos and Cambodia and certainly in Vietnam.

This trip was a very emotional one for me. As my colleague, the gentleman from Arizona, noted, it is, indeed, the first trip back for any of us, having been on ground and certainly incountry veterans of the Vietnam war, and it was an experience to go back at a time when it seems like the entire world is coming loose and new ideas are being presented, particularly in the Communist world, a part of the world in which we served in this case, in Southeast Asia.

They are going through a transformation as well, and I think it is noteworthy to tell the country here how much Southeast Asia has changed since we were there. Just as a case in point, if we talk of Vietnam, when we were there, there were 20 million people. There are now over 70 million people. The thing that strikes one, no matter where you travel in Southeast Asia, is the youth. In Vietnam itself, I believe, if I am not mistaken—and my colleagues can correct me—roughly 50 or 60 percent of the people there are under 20. That is an incredible number if you stop and think what that means to the political orientation and the social organization of that country, and certainly as it applies to the Vietnam war. It is one of the things we as a nation have to pick up and think about more seriously.

Just a few days ago I celebrated, if that is the word, 25 years to the day when I was shot down in a mission over Hanoi. That is an awfully long time, and so much has transpired in that time. Yet for all practical purposes it seems there has been a place in this world where time stopped. You see that in Vientiane, and you see that in Phnom Penh. You see that in various places in Vietnam.

While the world has gone on, things have stopped over there, and it looks like they are ready to talk now. It looks like they are ready to open up, and it looks like we are at the "Y" in the road where we can take advantage of the major changes that have occurred in this world and we can hopefully find some closure to this absolutely terrible issue of those who are still missing from the the battlefields of Vietnam. The American people yearn for that. Our families cry for it. Certainly the faith and the prayers of not only the families and the entire population of this country—and, incidentally, of many of our allies—are not going to go unanswered. I think we are going to find a solution to this problem. I think we are going to find a closure to this. I think we are going to find that relatively soon.

But as my colleague, the gentleman from Arizona, noted quite correctly, there are going to be those cases in which there will be no answer and there will be no finding as to what happened. We will have to leave that out for God only to know, One day those families will have to come to that conclusion, and hopefully they will have their answer through faith as well.

But now we are in a circumstance where we have come from a very, very eventful trip. I think the fact that we were there when we were there, with the idea of finding solutions, as opposed to pointing fingers and being accusatory in our remarks or our intent, has allowed us to help our own Nation focus on where we need to go to get the final conclusions. Some of the offers we have given to the Secretary of Defense and the Under Secretary of State and others that we will talk to have been taken very seriously, and our findings, as has been noted by some of my colleagues in their previous talks, are being acted upon, and those people are going to change the structure that we have found to be absolutely antique and archaic in our approach, with misguided, oversensitive identifications in the security aspects, and the failure to really communicate to the American people what we are doing.

We have done a lot of things already, as my colleague, the gentleman from Colorado, noted. As he said, we have done things right, but we did not tell anybody we did that, and if we do not, certainly we are not going to get credit for that. We need to move ahead.

The only thing I would add at this juncture that has not been mentioned already, is that on some of the suggestions we have made, I think it is imperative that we in this Nation take a leadership role in establishing a single plan whereby all the players, the United States and our allies, plus the countries of Cambodia, Laos, and Vietnam, can jointly secure searches and follow-up leads and make those vital findings together.

In the past it has been a situation where we can go up to a border and our people would have to be stopped, and it might take 6 or 8 weeks or a year to get back to a point where we can go across the border and continue our searches. That is because we have not had a coordinated Southeast Asia plan, and we have got to focus on that. The State Department and the people in DOD have acknowledged that that is a problem, and that they will work at that. But I think it is imperative because we cannot ever have an efficient method for securing these answers and carrying out the searches we need to make without being able to cross borders with great liberty.

Finally, we have got to bring our allies into this. We have got to pull out the stops. We have got to bring in the Soviets, we have got to bring in the North Koreans, we have got to bring in the Chinese, and we have got to bring in the Cubans. We have got to bring in everyone who has ever had any knowledge of the POW-MIA issue as it applied to us during the war. And in so doing, I think we are going to open up new avenues and obtain new documents and new ideas and, I think, new evidence as to whether or not we have in fact covered those countries to the point and to the factual level of the precise technical aspects of the situation that we need to cover.

With that, Mr. Speaker, I will stop and defer to my colleague, the gentleman from Delaware, but before I do that, let me pay my great respect to all my colleagues who traveled with me on this trip. I have never been so proud of anyone, perhaps other than during that time that I spent in my Vietnamese prison camp, to have served with a group of gentlemen with as much esteem and certainly with the intent to come to a conclusion on this very, very special and very difficult issue.

Mr. CARPER. Mr. Speaker, let me just say that each of the five of us who joined you on this trip feel exactly the same way about you.

Joining us on this trip was a fellow who had been a platoon sergeant during the Vietnam war, a fellow who served not in the Army but in the Marine Corps. Before I yield to the gentleman from Maryland [Mr. GILCHREST], I just want to share with the Members one of the emotional high moments, one of the highlights of our trip.

□ 1540

It was during the last meeting we held in Hanoi, when we met with the

General Secretary of Vietnam, Do Muoi.

I, in introducing our delegation at the beginning of our session, told a little bit about each of our colleagues who was a part of this delegation. I got to Mr. GILCHREST from the Eastern Shore of Maryland. I sort of kidded with General Secretary Do Muoi about how he, as a former house painter, had done well for a house painter, and apparently in his view that had been his occupation. I mentioned that Mr. GILCHREST at an earlier time in his life had been a house painter as well.

I also mentioned that during the war in Vietnam as a marine serving in combat, Mr. GILCHREST took a hit, took a shot from an AK-47 that went into his left arm and ended up coming through his lung and out his back. He was subsequently awarded the Purple Heart, and, as I recall, the Bronze Star.

Secretary Do Muoi asked through an interpreter if there are any scars from Mr. GILCHREST'S wounds. Mr. GILCHREST rolled up his shirt and showed the General Secretary a scar on his arm.

Mr. Do Muoi was not satisfied with that. He wanted to see the wound where the shot had come out, where the round had come out the back of Mr. GILCHREST.

The General Secretary literally lifted the shirt there in our meeting with him and proceeded to touch the wound with his fingers. It was a wound that even today bears testimony to the serious nature of the wound that Mr. GILCHREST suffered.

He pulled the shirt of Mr. GILCHREST back down, took his hands, embraced him, and then he held him. He held his hands and just looked at him. Not a word was said. Not a word was said.

It was an emotional moment for all of us. As I recall, one of the foreign ministers from Vietnam actually began to cry. That is a visual image I will never forget. It was not done for the television cameras. As I recall, there were none in the room.

It was very much a personal statement, not just from the General Secretary of Vietnam to our delegation, but I think from one country to another.

For that reason, aside from his other contributions to our trip, I am delighted that Mr. GILCHREST could join us, and I yield to him at this time.

Mr. GILCHREST. Thank you, Mr. CARPER. I think that particular incident you just so eloquently described was without a doubt, and all six of us felt that way, and the people in the room as well, truly a testament to the commonality of our humanity with other people.

The people in that room, the Vietnamese and the Americans, the people in the United States, the people in Vietnam and throughout Southeast Asia, have shared a common history. We have suffered anguish and pain and loss, the Vietnamese, the Americans, and certainly other people as well.

But in that room, that commonality of history, that shared sense of pain, loss, suffering, and hope for the future, was certainly felt at that particular point.

It is that moment that is a reflection of the trip that we want to continue, that most important quality, that most important aspect of Americans and all humans, and that is hope for the future.

Mr. CARPER and other Members on the delegation, I truly thank you at this particular moment for asking me to go on this trip with you. I again echo what my colleagues stated earlier. I want to emphasize this, not as something we say very often as Congressmen, but this was a trip made up of people who are truly dedicated to solving problems, to easing pain, to sharing burdens. We were not out there to look for the spotlight. We did not go to Southeast Asia to underline what has already been done. But we went to get into the process of solving problems, so that we can move on to the future.

Mr. CARPER, I want to make sure that you understand how much I appreciate your efforts in creating this trip, along with Congressman PETERSON from Florida. When you told me about this trip, I became rather excited, because I had not been back to Southeast Asia for more than 20 years, and none of the gentlemen on this trip has been back to Southeast Asia.

So it was an opportunity for us as individuals. It was an opportunity, because the first time the six of us went to Southeast Asia, we went to wage war. The second time we went to Southeast Asia, we went collectively as a congressional group, representing the United States to pursue peace, to do as much as we can to help solve the problems that have to a degree plagued many Americans, and that is the MIA issue. All of us are dedicated 100 percent to try as best as we can to resolve that particular problem.

All of us have visited the Vietnam Veterans Memorial. I have taken my children to it. PETE was talking about 25 years ago when he was shot down, and he has an anniversary every year that he relives. That anniversary is commensurate with his thoughts about our comrades who did not return.

So the main focus of this trip was to renew a sense of urgency by this Government to bring to some resolution as quickly as we can and as competently as we can and as compassionately as we can the problem of MIA's in Southeast Asia.

I would like to tell the American people that we have done a great deal, and we are doing a great deal to continue to pursue that particular issue.

When Mr. CARPER told me about the trip, it was to look at the infrastructure that this Government had created since 1973, and to pursue that. We have taken a very close look at that infrastructure, and we are making many recommendations.

We have seen some very fine, skilled, professional people on the ground in Southeast Asia that are dedicated to resolving this issue, and we want to be a part of this team to continue this process.

I have also seen some renewed cooperation and some new cooperation on the part of the government of Southeast Asia. We wanted to become a part of the solution to that horror that took place in Cambodia with the genocide, and our Government is pursuing that, I think in a very fine, competent, skilled, methodical way. We also made some recommendations and we want to be a part of that.

The last thing, as a result of our trip we began to discuss the possibility in the near future of discussing the ending of the embargo with Vietnam and renewing diplomatic relations. We think we are on the right track.

We want to make sure that people understand that our first priority is the MIA issue, and that anything we recommend revolves around that.

In the context of that statement, our recommendation for discussions on ending the embargo and renewing diplomatic relations, it is our intent that that will go a long way in helping us with the MIA issue.

Mr. CARPER, it was a fine trip. I want to thank you for asking me to come on board. We had some wonderful experiences while we were there, one I will just recite, maybe two, very quickly.

One, I went to the prisoner of war camp that Congressman PETERSON stayed in for so many years. It was an experience that I want to thank him for allowing me to share on that particular day in Hanoi. We get a sense, a closeness to our comrades left behind. We were committed more than ever to resolving that issue.

The other one was PETE was talking about 50 percent of the population is under the age of 20. As we were leaving the zoo, PETE as you call it, a few youngsters came up and began to tug on my shoulders. One of the them said, "Travicheck." I looked at him. "Travicheck. How are you today? I am an American."

In a matter of seconds, there were 40 or 50 young people and young adults around with a curiosity about what are these Americans doing here? Throughout all of the trouble we have had in the last 40 or 50 years, our two peoples can still come together in peace. It is a new age. It is a new generation.

Mr. Speaker, we want to put the past to rest, that bitterness that divided us, for the purpose of coming together to solve our problems.

□ 1550

I thank the gentleman from Delaware [Mr. CARPER] again for allowing

us to go on this trip. I think we have made great progress.

Mr. CARPER. WAYNE GILCHREST, we are fortunate that he was able to change his schedule to be a part of it, a valuable part of it.

Mr. KOLBE. Mr. Speaker, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Speaker, I appreciate the gentleman yielding to me again, just very briefly.

We have had an opportunity for five of the six of us who made this trip to share some of our thoughts here today, and I want to just say a word about the sixth member of our delegation, Congressman JAY RHODES, who happens to be a colleague of mine from the State of Arizona. I know that the gentleman from Arizona [Mr. RHODES] wishes that he could be with us here today, and I know that all of us, my colleagues and certainly the five of us, share the sorrow of him and his family at the passing of his father-in-law yesterday which has taken him out of this city.

I think I speak for all of my colleagues in saying that he has contributed a great deal also to this trip; his wry sense of humor, his one-liners, his quick to shoot down pompousness on the part of any Member or any staff person was always very quick in doing that.

While I am speaking about the Members who went, I think we would also, and I know my other colleagues would want to say something about this, too, pay very special tribute to our staff people who went along. A member of the staff of the gentleman from Delaware [Mr. KARPER], Liz Ryan, who did such a tremendous job in helping all of the logistics for this trip. A member of my staff, Laurie Fenton, who did yeoman's work during the course of this trip, particularly with regard to media and some of the details while we were on the trip. And Ralph Ibson, from the Committee on Veterans' Affairs, who also contributed tremendously to our efforts and particularly in terms of writing up the results of our meetings so that we had an ongoing record.

I also want to pay very special tribute to Capt. Don Nash from the Congressional Liaison Office of the U.S. Navy who was our escort and did a tremendous job for us and the plane crews, both of the planes that we had to use. We were traveling so rapidly, so frequently, we had to have a second plane as a backup when we were moving more rapidly than the minimum 15 hours rest that the crews required in each of the places.

That was necessary for us, in order to accomplish everything we needed to do during that week, to have some additional air support services, and they really did an outstanding job.

I think all of them are to be commended for the work that they did.

I would like to just, if I might, the story that was shared by the gentleman from Maryland [Mr. GILCHREST] reminds me of one that some of the other Members had. As a matter of fact, at the same time that they were visiting the prisoner of war camp or prison site in Hanoi, some of the others of us went to a site where prosthetics are being done for those Vietnamese who were wounded during the course of the conflict and now have lost an arm, a leg, sometimes a multiple loss of limbs.

I think all of us that were on that visit realized just how much help is needed by the Vietnamese people to recover here almost 20 years later, in some cases more than 20 years later, from these terrible war injuries and their lack of medical services.

I think we realize that in a very human way that there is much that we can do as one people to reach out to these people of Southeast Asia, of Vietnam, who like all of us in a sense have been made victims of this war.

Now as we put that war behind us, I think it is appropriate that we reach out and try to make sure that there is the kind of medical services, kind of assistance in fitting prosthetics for these people so that they can go about resuming as much as possible a normal life.

As they, I think, resume physically a normal life, I think that symbolizes the fact that our people on both sides who suffered in this war, who fought in this war, can also resume a normal life and have a normal relationship between our two peoples.

Again, I thank the gentleman from Delaware for this special order and for the opportunity to talk.

Mr. CARPER. The gentleman from Arizona [Mr. RHODES] served in Vietnam as Army Intelligence. He was an adviser to the Vietnamese. He brought to our congressional delegation a valuable perspective given the nature of his service in Vietnam and was a terrific addition to our team.

Mr. SKAGGS. Mr. Speaker, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Speaker, I wanted to reinforce the remarks that Mr. KOLBE made about the staff that we had backing us up on this trip and in many ways leading us. We get to come over here and do a special order. We get to do the press conferences; the Members get the spotlight. Staff do the tough, bonewearying work to make it all possible. And certainly Liz Ryan from the staff of the gentleman from Delaware [Mr. CARPER], Laurie Fenton from the staff of the gentleman from Arizona [Mr. KOLBE], Ralph Ibson from the Committee on Veterans' Affairs staff, and particularly Capt. Don Nash. There just is no way to say enough about what those folks did in making this trip worthwhile, serious and successful.

I won't single out anybody, but it was a remarkable effort by those folks to make our use of time as meaningful as it was.

I wanted to just pick up on one thing that the gentleman from Florida [Mr. PETERSON] said about what is going on in that part of the world. We have been so preoccupied with the Soviet Union and Eastern Europe and the magnificent transformations occurring there. But clearly, as the gentleman suggested, the significance in Southeast Asia of what is happening in Europe and the Soviet Union and Eastern Europe should not be lost on us.

The Vietnamese, the Laotians, the Cambodians know that their patrons from the Soviet Union are heading north at a fast clip, and they are having to reorient themselves for their own survival interests, economically and otherwise.

They are not anxious to be dominated by the People's Republic of China for all sorts of historic reasons. They are not anxious to be dominated economically by Japan for other good historic reasons. And they are anxious, therefore, from their own enlightened political and economic self-interest to restore good relations with the West.

We can look as hard as we want at ulterior motives, as reasons for mistrust and all the rest. And I do not mean to suggest that there are not reasons for us to be as hardnosed as possible in dealing with the folks in Indochina, but we do need in our own enlightened self-interest to be aware of how motivated they are, because of the political and economic changes in the world, to reach out now.

It would be foolish and counterproductive if we did not seize the opportunity that these world events present to us to move toward a reconciliation, toward a renewal of more constructive relations, and ultimately for establishing the conditions in which we can really put to rest the gnawing questions having to do with the men that we lost in that part of the world.

I hope and believe that our trip has made a contribution to that.

Mr. PETERSON of Florida. Mr. Speaker, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Florida.

Mr. PETERSON of Florida. Mr. Speaker, I certainly have to get my word in with the others on the help of the staff. They were absolutely marvelous.

In fact, I think a couple of them, when we pulled out of Hanoi for the second time, virtually collapsed from exhaustion after having been on the stress mill for that long. I think we would be remiss in not making sure that everyone understands that we talked to the Vietnamese about a num-

ber of other issues that we have not specifically attributed to the MIA/POW issue. One is the reeducation camps of some of the allies, our former allies, the ARVN and some of the governmental officials that served with us during the war.

The former allies are not being treated in Vietnam equally, and we asked very sternly that the Vietnamese look at that to, from a humanitarian issue, make sure, ensure that those former allies of America have in fact the same opportunities for advancement, not only for themselves but their families as well.

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Too, we looked at the orderly departure program that is in fact designed to bring out some of our former allies, and that is going on. And we were pleased to see frankly how well the State Department was working on that program. That is one of the things that we think that probably they could take greater credit for success.

The Ameurasian program, a very strong program in Vietnam, just outside of Ho Chi Minh City. We visited that facility and those people are indeed doing an admirable job as well.

Finally, let me just say, and I believe I can say this without any reservation, my colleagues in what we call the Nampows organization are absolutely adamant that we want a full accounting on the MIA issue in Vietnam, and Laos, and Cambodia, and virtually I think all of us would be willing to do whatever is necessary, a sacrifice of our own lives, wealth or whatever it might be to help bring that to a conclusion.

Again, TOM, my admiration for your superb leadership, and certainly great counsel to myself. I look forward to working with you in the future.

Mr. CARPER. I thank the gentleman very much.

Let me just say in conclusion that we have mentioned the names of the four staff people who went along on this trip, Liz Ryan, Laurie Fenton, Ralph Ibsen, as well as Capt. Don Nash, and they were ably assisted by a young seaman, Mike Mills, from the Congressional Liaison Office, and we want to thank Mike for his help and cooperation also.

We comprised a 6-member congressional delegation with terrific staff support. We were probably one of the more serious congressional delegations that has been put together, certainly the most serious-minded that I have had the pleasure of traveling with in my 9 years in the Congress.

When delegations come home there is still followup that needs to be done, and that is certainly the case in this instance. We have, as I suggested earlier, begun a series of debriefings.

We have met with the leadership of CINCPAC, we have met with the Secretary of Defense, Mr. Cheney, and found him most receptive to the recommendations we have made. We met today with senior officals in the State Department, and we hope to meet soon with National Security Council representatives and perhaps the Secretary of State, too. Later this evening we will be meeting with the senior official from the Lao Foreign Ministry who is in our country, and this is part of the followup. It is not going to just end tonight, this week, or this month. This is MIA/POW Recognition and Remembrance Week. We are not just going to remember today, or tomorrow, or for the remainder of this week. We plan to remember and to remind our colleagues and others in the Government and in our country for the balance of this month, this year, next year or for as long as it takes or as long as we need to move down the road toward resolving to closure on this subject.

The SPEAKER pro tempore (Mr. MCMILLEN of Maryland). The time of the gentleman from Delaware [Mr. CARPER] has expired.

POW/MIA RECOGNITION AND REMEMBRANCE WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. SKAGGS] is recognized for 5 minutes.

Mr. SKAGGS. Mr. Speaker, in order to continue on the special order previously begun by the gentleman from Delaware [Mr. CARPER], I yield to the gentleman from Delaware for the purpose of completing his statement.

Mr. CARPER. I thank the gentleman from Colorado.

One of the cornerstones of our recommendations to American officials, to the Secretary of Defense, to the State Department, and to others is that we have to remove this veil of secrecy about our operations in Southeast Asia and what we have done as a government to try to follow up on life sightings and get to the bottom of this issue.

During the time that we were en route to Southeast Aisa a team of Americans was in the capital of Cambodia trying to find the truth about a series of photos that were widely publicized in this country. During the early part of August, thanks to the cooperation of the Soviets in Phnom Penh, the capital of Cambodia, and thanks to the cooperation of the Cambodians as well, three different photos, the alleged United States POW's, three photos, the source of the three photos was found by our people, and it was found to be a Soviet publication, of all things. And the photos literally were taken of photographs within that publication, listed, changed, revised in order to indicate that they were American POW's.

Just this past week, and I might say we met in Laos with a number of officials, and we asked particularly on two cases for which photos have been recently circulated, and we asked for assistance from the Laotian Government, and we have learned this week that American officials have met with a Lao national, an ethnic tribesperson I understand from the Bru Tribe in Laos, a person who has really the fellow in the photograph that was alleged to be an American held against his will. Those are the types of activities going on in Cambodia, in Laos and in Vietnam. Too little is being said about those activities.

A great deal of attention is given to photographs as they surface, and there is sensationalism and so forth, and I understand and appreciate the anxiety of the families. But it is important when we have people who are doing a good job of tracking down the truth and ferreting it out that we get the word out to the American people.

Let me conclude also by thanking Chairman GONZALEZ of the Banking Committee and Chairman MONTGOMERY of the Veterans' Affairs Committee whose support and cooperation in putting this delegation together and making it possible for us to travel in Southeast Asia I think we could not have done without. Without their help I do not believe we could have done it.

Lastly, let me just conclude by saying, and it is to reiterate because it has already been said, but I think it needs to be said again, changes we saw in Vietnam and Laos were remarkable to me. We found two economies that are moving with deliberate speed from a command economy, from a centrally commanded, centrally run Communist kind of a economy toward a market economy. And trends and reforms that were adopted literally during our stay I think are helping to hasten that transformation.

I was struck by the wramth of the welcome we received in Cambodia, and Laos, and Vietnam, as we as a country were party to the death of roughly 1 million Vietnamese. We lost 56,000. They lost close to a million. We have 2,300 missing in action. They have 200,000. We have people who still bear the wounds, have the loss of their limbs. They have 100,000 amputees in Vietnam.

Despite that, the warmth of the welcome from the highest levels of their Government to the man and woman in the street struck me and still remains in my memory. They want normal relations. They want better, warmer relations with us in this country.

I will conclude by again saluting my colleagues and to say how pleased I was to be a part of this delegation, and I thank each of you for taking time from what could have been a congressional recess when you could have been with your own families to do something that

I hope is something positive for the families of those men and women who served in Vietnam and who never came home. I believe what we have done will make a difference not just for better relations with our country and the countries we visited, but hopefully to help provide a measure of peace of mind for the 2,300 American families who have not had that peace of mind they want and deserve.

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

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. LLOYD (at the request of Mr. GEPHARDT) for today, on account of illness.

Mr. SAXTON (at the request of Mr. MICHEL) for September 16 and 17, on account of a broken collarbone.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DORNAN of California) to revise and extend their remarks and include extraneous material:)

Mr. MICHEL, for 5 minutes, today.

Mr. GEKAS, for 5 minutes, today.

Mr. EMERSON, for 5 minutes, on September 23.

Mr. MCEWEN, for 60 minutes, today.

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Mr. OWENS of Utah, for 5 minutes, today.

Mr. ROEMER, for 5 minutes, today.

Mr. BACCHUS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 60 minutes each day, on September 24 and 25.

Mr. BRUCE, for 60 minutes each day, on September 24 and 26, October 1, and 3.

Mr. OWENS of New York, for 60 minutes each day, on September 23, 24, 25, 26, 27, and 30, October 1, 2, 3, 4, 7, 8, 9, 10, 11, 15, 16, 17, 18, 21 22, 23, 24, 25, 28, 29, 30, and 31.

(The following Members (at his own request) to revise and extend his remarks and include extraneous material:

Mr. SKAGGS, for 5 minutes, today.)

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DORNAN of California) and to include extraneous matter:)

Mrs. ROUKEMA in two instances.

Mr. EWING.

Mr. COX of California.

Ms. ROS-LEHTINEN.

Mr. BUNNING.

Mr. RIDGE.

Mr. MYERS of Indiana.

Mr. CUNNINGHAM.

Ms. MOLINARI.

(The following Members (at the request of Mr. PALLONE) and to include extraneous matter:)

Mr. KANJORSKI.

Mr. FALEOMAVAEGA.

Mr. ROE.

Mr. JACOBS.

Mr. BARNARD.

Mr. DONNELLY.

Mr. DOWNEY.

Mr. KOSTMAYER.

Mr. SKELTON.

Mr. TRAFICANT.

Mrs. LOWEY of New York.

Mrs. SCHROEDER.

Mr. ATKINS.

Mr. PENNY.

Mr. MCMILLEN of Maryland.

Mr. SMITH of Florida.

Mr. LAFALCE.

Mr. LEHMAN of Florida.

Mr. GUARINI.

Mr. HOYER.

Mr. EDWARDS of California.

ADJOURNMENT

Mr. SKAGGS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 7 minutes p.m.) under its previous order, the House adjourned until Thursday, September 19, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2085. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to revise certain provisions of section 5240 of the Revised Statutes relating to the examination and supervision of national banks and the expense thereof; to the Committee on Banking, Finance and Urban Affairs.

2086. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the Corporation's study of directors' and officers' liability insurance and fidelity bonds; to the Committee on Banking, Finance and Urban Affairs.

2087. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed Letter(s) of Offer and Acceptance [LOA] to Thailand for defense articles and services (Transmittal No. 91-51), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2088. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed Letter(s) of Offer and Acceptance [LOA] to Korea for defense articles and services (Transmittal No. 91-52), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2089. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Korea for defense articles and services (Transmittal No. 91-50), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2090. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Kuwait for defense articles and services (Transmittal No. 91-49), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2091. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of the Department's intention to provide assistance to the Baltic States from fiscal year 1991 funds; to the Committee on Foreign Affairs.

2092. A communication from the President of the United States, transmitting a report on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the U.N. Security Council (H. Doc. No. 102-140); to the Committee on Foreign Affairs and ordered to be printed.

2093. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2094. A letter from the Secretary of Health and Human Services, transmitting the department's report on ways of promoting vocational rehabilitation and helping Social Security disability beneficiaries return to work; to the Committee on Ways and Means.

2095. A letter from the Assistant Secretary of Defense, transmitting the Department's environmental consideration during weapons systems acquisition report; jointly, in the Committees on Armed Services and Appropriations.

2096. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a report on the transfer of property to the Republic of Panama under the Panama Canal Treaty of 1977 and related agreements, pursuant to 22 U.S.C. 3784(b); jointly, to the committees on Foreign Affairs and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GONZALEZ: Committee on Banking, Finance and Urban Affairs. H.R. 2900. A bill to improve supervision and regulation with respect to the financial safety and soundness of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank System, and for other purposes; with an amendment (Rept. 102-206). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Education and Labor. H.R. 1674. A bill to amend the Communications Act of 1934 to reauthorize the Federal Communications Commission

and for other purposes; with an amendment (Rept. 102-207). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GIBBONS:

H.R. 3347. A bill to repeal the prohibition on the importation of gold coins from the Soviet Union; to the Committee on Ways and Means.

By Mr. COYNE (for himself and Mr. SHAW):

H.R. 3348. A bill to amend the Internal Revenue Code of 1986 to provide a full exemption from the volume cap on private activity bonds for bonds used to finance high-speed intercity rail facilities; to the Committee on Ways and Means.

By Mr. CUNNINGHAM (for himself, Mr. HUNTER, Mr. LOWERY of California, and Mr. PACKARD):

H.R. 3349. A bill to amend title 10, United States Code, and title XVIII of the Social Security Act to permit the reimbursement of expenses incurred by a medical facility of the uniformed services or the Department of Veterans Affairs in providing health care to persons eligible for care under the Medicare Program or the Civilian Health and Medical Program of the Uniformed Services; jointly, to the Committees on Armed Services, Ways and Means, Energy and Commerce, and Veterans' Affairs.

By Mr. EDWARDS of California (for himself and Mr. HYDE):

H.R. 3350. A bill to extend the U.S. Commission on Civil Rights; to the Committee on the Judiciary.

By Mr. FALEOMAVAEGA (for himself and Mr. DE LUGO):

H.R. 3351. A bill to establish the American Samoa Study Commission; to the Committee on Interior and Insular Affairs.

By Mr. MCMILLEN of Maryland:

H.R. 3352. A bill to establish a market based pricing mechanism for deposit insurance and offer depositors the option of purchase amounts in excess of $100,000, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Ms. MOLINARI (for herself, Ms. SNOWE, Mrs. MORELLA, Mr. GREEN of New York, Mrs. JOHNSON of Connecticut, Mr. SOLOMON, Ms. ROS-LEHTINEN, Mr. GEKAS, Mr. HORTON, Mr. BOEHLERT, Mr. RAMSTAD, Mr. RAVENEL, Mr. HOBSON, Mr. KLUG, and Mr. PAXON):

H.R. 3353. A bill to establish a Glass Ceiling Commission and an annual award for promoting a more diverse skilled work force at the management and decisionmaking levels in business, and for other purposes; to the Committee on Education and Labor.

By Mr. PENNY (for himself, Mr. RAHALL, Mrs. MORELLA, Ms. KAPTUR, and Mr. ACKERMAN):

H.R. 3354. A bill to amend the Higher Education Act of 1965 to improve the eligibility of less-than-half-time students for Federal student assistance programs, and for other purposes; to the Committee on Education and Labor.

By Mr. PETERSON of Minnesota:

H.R. 3355. A bill to amend the Internal Revenue Code of 1986 to restore the investment tax credit, allow a deduction for certain capital gains, extend and increase the deduction for health insurance costs of self-employed individuals, restore income averaging, modify the corporate and individual income tax rates, and reduce Social Security taxes and remove the ceiling on wages subject to such taxes; to the Committee on Ways and Means.

By Mrs. ROUKEMA:

H.R. 3356. A bill to amend the Federal Home Loan Bank Act to provide refinancing for the Resolution Trust Corporation, restructure the Corporation, and extend the effectiveness of certain amendments made to the affordable housing program of the Corporation, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SUNDQUIST:

H.R. 3357. A bill to amend the United States Code with respect to waivers of indebtedness and settlement of claims through the Department of Veterans' Affairs Home Loan Guaranty Program; to the Committee on Veterans' Affairs.

By Mr. TORRICELLI:

H.R. 3358. A bill to require the Bureau of Prisons to study the feasibility and cost-effectiveness of using prefabricated modular units for prison facilities; to the Committee on the Judiciary.

By Mr. WILLIAMS:

H.R. 3359. A bill to amend the Geothermal Steam Act of 1970 (30 U.S.C. 1001-1027) and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BOUCHER (for himself and Mr. BOEHLERT):

H.R. 3360. A bill to amend the Federal Fire Prevention and Control Act of 1974 to promote the use of automatic sprinklers, or an equivalent level of fire safety, and for other purposes; jointly, to the Committees on Science, Space, and Technology, Banking, Finance and Urban Affairs, and Public Works and Transportation.

By Mr. COUGHLIN (for himself and Mr. HUGHES):

H.R. 3361. A bill to provide for testing for the use, in violation of law or Federal regulation, of alcohol or controlled substances by persons who operate aircraft, trains, and commercial motor vehicles, and for other purposes; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

By Mr. HAYES of Illinois (for himself and Ms. NORTON):

H.R. 3362. A bill to amend the Higher Education Act of 1965 to establish programs for minority foreign service professional development; to the Committee on Education and Labor.

By Mr. JENKINS:

H.R. 3363. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for contributions to individual investment accounts, and for other purposes; to the Committee on Ways and Means.

By Mr. PAYNE of New Jersey:

H.R. 3364. A bill to reauthorize and revise certain provisions of the Higher Education Act of 1965 in order to strengthen access to higher education opportunities for low-income students and minority students, especially African-Americans, and for other purposes; to the Committee on Education and Labor.

By Mr. MICHEL (for himself and Mr. HOYER):

H.J. Res. 326. Joint resolution designating the month of November 1991, as "National Accessible Housing Month"; to the Committee on Post Office and Civil Service.

By Mr. LAUGHLIN (for himself and Mr. CALLAHAN):

H.J. Res. 327. Joint resolution designating 1992 as the "Year of the Gulf of Mexico"; to the Committee on Post Office and Civil Service.

By Mr. HOYER:

H.J. Res. 328. Joint resolution providing that the United States should support the Armenian people to achieve freedom and independence; to the Committee on Foreign Affairs.

By Mr. DONNELLY (for himself, Mr. STUDDS, Mr. FRANK of Massachusetts, Mr. EARLY, Mr. NEAL of Massachusetts, Mr. KENNEDY, Mr. MAVROULES, and Mr. MOAKLEY);

H. Con. Res. 203. Concurrent resolution expressing the sense of the Congress that the Secretary of the Army should investigate whether James L. Cadigan should be awarded the Congressional Medal of Honor for heroism in combat during World War II; to the Committee on Armed Services.

By Mr. MCEWEN:

H. Con. Res. 204. Concurrent resolution concerning compensation for United States assistance to the Soviet Union and successor states; to the Committee on Foreign Affairs.

By Mr. SMITH of New Jersey (for himself, Mr. BROOMFIELD, Mr. WOLF, and Mr. ROHRABACHER):

H. Con. Res. 205. Concurrent resolution urging all parties in Yugoslavia to cease further use of force and engage fully and in good faith in negotiations on the future of Yugoslavia; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII.

276. The SPEAKER presented a memorial of the House of Representatives of the State of Texas, relative to military longevity, retired pay, and service-connected disability compensation; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 53: Mr. GILLMOR, Mr. MCMILLEN of Maryland, Mr. PAYNE of New Jersey, Mr. HAYES of Illinois, Ms. HORN, Mr. KOSTMAYER, Mr. STUMP, Mr. TOWNS, Ms. DELAURO, Mr. OWENS of New York, Mr. QUILLEN, and Mrs. LLOYD.

H.R. 78: Mr. MCCANDLESS.

H.R. 330: Mr. FALEOMAVAEGA, Mr. LEHMAN of Florida, and Mr. WYLIE.

H.R. 371: Mr. ROTH.

H.R. 385: Mr. JOHNSON of South Dakota.

H.R. 574: Mr. OBERSTAR.

H.R. 576: Mr. DAVIS, Mr. THOMAS of Georgia, Mr. PAYNE of New Jersey, Mr. VENTO, Mr. MILLER of Ohio, Ms. NORTON, Mr. STUMP, Mr. BARNARD, Ms. DELAURO, and Mr. MCCANDLESS.

H.R. 706: Mr. SARPALIUS.

H.R. 723: Mr. DARDEN.

H.R. 856: Mr. SMITH of New Jersey, Mr. BUSTAMANTE, and Mr. ROYBAL.

H.R. 1005: Mr. UPTON.

H.R. 1167: Mr. MARKEY.

H.R. 1168: Mr. DICKS, Mr. CUNNINGHAM, Mr. RHODES, and Mr. OWENS of Utah.

H.R. 1293: Ms. NORTON, Mr. ESPY, Mr. SIKORSKI, and Mr. WYDEN.

H.R. 1300: Mr. ATKINS.

H.R. 1393: Mr. LEHMAN of Florida.

H.R. 1446: Mr. CONYERS.

H.R. 1457: Mr. GOSS, Mr. DERRICK, Mr. FORD of Tennessee, Mr. SPRATT, Mr. TAYLOR of Mississippi, and Ms. SNOWE.

H.R. 1497: Mr. ACKERMAN.

H.R. 1527: Mr. WISE and Mr. ESPY.

H.R. 1541: Mr. PALLONE.

H.R. 1546: Mr. STUMP.

H.R. 1547: Mr. PORTER.

H.R. 1565: Mr. FISH.

H.R. 1618: Mr. ERDREICH, Mr. RIGGS, Mr. FRANK of Massachusetts, Mr. TAUZIN, Mr. MARTINEZ, Mr. SISISKY, Mr. EWING, Mr. COMBEST, Mr. WEBER, Mr. DORNAN of California, Mr. MILLER of Washington, Mr. DEFAZIO, Mr. HAMMERSCHMIDT, Mr. KOLBE, Mr. ZELIFF, Mr. LEVIN of Michigan, Mr. PALLONE, Mr. WYLIE, and Mrs. UNSOELD.

H.R. 1623: Mr. GIBBONS.

H.R. 1624: Mr. GIBBONS.

H.R. 1753: Mr. GALLEGLY.

H.R. 1782: Mr. MORRISON.

H.R. 1809: Mr. EWING.

H.R. 1900: Mr. WILSON, Mr. LIVINGSTON, Mr. CLINGER, Mr. EMERSON, Mr. LANCASTER, Mr. KOPETSKI, Mr. DANNEMEYER, Mr. PERKINS, Mr. ROE, Mrs. LLOYD, Mr. MARTINEZ, and Mr. ROEMER.

H.R. 2215: Mrs. BOXER, Mr. EVANS, Mr. FASCELL, Mr. FROST, Mr. LAFALCE, Mr. OLIN, and Mrs. SCHROEDER.

H.R. 2231: Mr. COX of Illinois.

H.R. 2248: Mr. SUNDQUIST, Ms. KAPTUR, Mr. WYLIE, Mr. SIKORSKI, Mr. PARKER, and Mr. EDWARDS of Texas.

H.R. 2257: Mr. FAWELL.

H.R. 2291: Mr. FALEOMAVAEGA.

H.R. 2407: Mr. ROTH, Mr. DOOLITTLE, Mr. MORRISON, Mr. HAYES of Illinois, Mr. BORSKI, Mr. OWENS of Utah, and Mr. BROOMFIELD.

H.R. 2463: Mr. MCCRERY and Mr. CHAPMAN.

H.R. 2553: Mr. TAYLOR of Mississippi, Mr. LUKEN, and Mr. GEKAS.

H.R. 2598: Mrs. LLOYD, Mr. STUMP, and Mr. TAYLOR of North Carolina.

H.R. 2624: Mr. ROE, Mr. JOHNSON of South Dakota, and Ms. DELAURO.

H.R. 2643: Mr. BOUCHER, Mr. GALLEGLY, and Mr. RHODES.

H.R. 2646: Mr. FOGLIETTA and Mr. ESPY.

H.R. 2664: Mr. LANCASTER and Mr. RIGGS.

H.R. 2774: Mr. FAZIO, Mr. DYMALLY, Mr. LEWIS of Georgia, Mr. MARTINEZ, Mrs. UNSOELD, Mr. MFUME, Mr. SANDERS, Mr. SABO, Mrs. SCHROEDER, and Mr. ACKERMAN.

H.R. 2779: Mr. CONYERS, Mr. ACKERMAN, Mr. PEASE, and Mr. LAFALCE.

H.R. 2781: Mr. CONYERS, Mr. ACKERMAN, Mr. PEASE, and Mr. LAFALCE.

H.R. 2798: Mr. LEACH, Mr. HUGHES, Mr. HARRIS, Mr. MORRISON, Mr. BOUCHER, Mr. ALEXANDER, Mr. TALLON, Mr. ROSE, Mr. JOHNSON of South Dakota, Mr. LAROCCO, Mr. GUNDERSON, Mr. WALSH, Mr. DEFAZIO, Ms. KAPTUR, Mr. MURTHA, Mr. FOGLIETTA, Mr. SHUSTER, Mr. OLIN, and Mr. PAYNE of Virginia.

H.R. 2863: Mr. ZIMMER and Mr. SENSENBRENNER.

H.R. 2872: Mr. SERRANO and Mr. DELLUMS.

H.R. 2880: Mr. JOHNSTON of Florida, Mr. LEVIN of Michigan, Mrs. MORELLA, and Mr. SPRATT.

H.R. 2915: Mr. ALLARD, Mr. WEBER, Mr. JAMES, Mr. OXLEY, Mr. FAWELL, and Mr. SKEEN.

H.R. 2958: Mr. ZIMMER and Mr. SENSENBRENNER.

H.R. 3011: Mrs. MEYERS of Kansas, Mr. CAMPBELL of Colorado, Mr. COLEMAN of Missouri, Mr. OLIN, Mr. ORTON, and Mr. LANCASTER.

H.R. 3023: Mr. LIVINGSTON.

H.R. 3062: Mr. SHAYS.

H.R. 3071: Mr. GILLMOR, Mr. OLIN, Mr. HUNTER, Mr. SPRATT, Mr. FOGLIETTA, Mr. GEREN of Texas, Mr. BENNETT, Mrs. PATTERSON, Mr. WHITTEN, Mr. BAKER, Mr. PAYNE of Virginia, Mr. RHODES, Mr. SANDERS, Mr. DERRICK, Mr. HUTTO, Mr. HASTERT, Mr. BARNARD, and Mr. FAWELL.

H.R. 3130: Mr. HANCOCK, Mr. SENSENBRENNER, Mr. GILCHREST, Mr. SMITH of Texas, Mr. ZELIFF, Mr. ALLARD, Mr. HENRY, Mr. UPTON, and Mr. WEBER.

H.R. 3150: Mr. SMITH of Florida, Mr. PAYNE of Virginia, and Mr. EVANS.

H.R. 3164: Mr. MACHTLEY and Mr. JEFFERSON.

H.R. 3187: Mr. TOWNS, Mr. HORTON, Ms. WATERS, Mr. DELLUMS, Mr. JACOBS, Mr. SANDERS, Mr. BONIOR, Mr. FROST, Mr. CHAPMAN, Mr. LANCASTER, Mr. RANGEL, Mr. EVANS, and Mr. LAFALCE.

H.R. 3192: Mr. EWING.

H.R. 3228: Mr. BROWN and Mr. WASHINGTON.

H.R. 3236: Mr. REED, Mr. ERDREICH, Mr. LAFALCE, Mr. HERTEL, and Mr. FALEOMAVAEGA.

H.R. 3250: Ms. NORTON, Mr. SMITH of Florida, Mr. CONYERS, Mr. JONTZ, Mr. BRUCE, Mr. EVANS, Mr. JEFFERSON, and Mr. PEASE.

H.R. 3278: Mr. BURTON of Indiana and Mr. ACKERMAN.

H.R. 3311: Mr. TOWNS, Mr. RANGEL, and Mr. HORTON.

H.J. Res. 140: Mr. STAGGERS, Mr. SOLOMON, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. SAVAGE, Mr. TOWNS, Mr. GUARINI, Mr. LEVINE of California, Mr. MARTINEZ, Mr. BILIRAKIS, Mr. LOWERY of California, Mr. HOYER, Mr. OLIN, Mr. CRAMER, Mr. WALSH, Ms. SNOWE, Mr. SUNDQUIST, Mr. FORD of Tennessee, Mr. JENKINS, and Mr. PAXON.

H.J. Res. 143: Mr. BILBRAY.

H.J. Res. 189: Mr. OBERSTAR, Mr. COBLE, Mr. STENHOLM, Mr. PACKARD, Mr. HENRY, Mrs. UNSOELD, Mr. WISE, Mr. YATRON, Mr. WYLIE, Mr. BARNARD, Mr. BILIRAKIS, Mr. GRANDY, Mr. GOODLING, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. FALEOMAVAEGA, Mr. GEKAS, Mr. GUNDERSON, Mr. HERTEL, Mr. GALLO, Mr. HASTERT, Mr. HANSEN, Mr. BORSKI, Mr. FRANKS of Connecticut, Mr. MICHEL, Mr. MATSUI, Mr. VENTO, Mr. HOUGHTON, Mr. HUNTER, Mr. HYDE, Mrs. JOHNSON of Connecticut, Mr. KOSTMAYER, Mr. LANTOS, Mr. MILLER of Ohio, Mr. MOLLOHAN, Mr. RHODES, Mr. BRUCE, Mr. SMITH of Oregon, Mr. KENNEDY, Ms. MOLINARI, Mr. NAGLE, Mr. BATEMAN, Mr. OXLEY, Mr. BOEHLERT, Mr. WEBER, and Mr. ACKERMAN.

H.J. Res. 216: Mr. FISH.

H.J. Res. 223: Mr. DREIER of California.

H.J. Res. 227: Mr. MFUME, Mr. MOODY, Mr. SPENCE, Mr. WEISS, Mr. SMITH of New Jersey, Mr. BOEHLERT, Mr. GONZALEZ, Mr. MCEWEN, Mr. FLAKE, Mr. ORTON, Mr. FRANKS of Connecticut, Mr. MAZZOLI, Mr. GORDON, Mrs. MEYERS of Kansas, Mr. PARKER, Mr. REGULA, Mr. HANSEN, Mr. COOPER, Mrs. PATTERSON, Mr. WISE, Mr. PICKETT, Mr. GALLO, Mr. BREWSTER, Mr. STARK, Mr. KANJORSKI, Mr. LENT, Mr. RAMSTAD, Mr. ROEMER, Mr. HARRIS, Mr. RITTER, Mr. HUGHES, Mr. LIVINGSTON, Mr. SAXTON, Mr. MONTGOMERY, Mr. WILSON, Mr. CLINGER, Mr. FALEOMAVAEGA, Mrs. UNSOELD, Mr. ERDREICH, Mr. OBEY, Mr. MACHTLEY, Mr. VANDER JAGT, Mr. LUKEN, Mr. LAUGHLIN, Mr. NEAL of North Carolina, Mr. LANTOS, and Mr. CAMP.

H.J. Res. 230: Mr. QUILLEN, Mr. WOLF, Ms. KAPTUR, Mr. FASCELL, Mr. WALSH, Mr. SKEEN, Mr. FUSTER, Mr. VENTO, Mr. APPLEGATE, Mr. FOGLIETTA, Mr. GEJDENSON, Mr. LAFALCE, Mr. HERTEL, Mr. MAVROULES, Mr. GREEN of New York, Mr. GALLEGLY, Mr. MARTIN, Mr. GOODLING, Mr. GRANDY, Mr. SOLOMON, Mr. SCHIFF, Mr. MCCOLLUM, Mr. PURSELL, Mr. DANNEMEYER, Mr. SHAW, Mr. BROOMFIELD, Mr. LAGOMARSINO, Mr. RIGGS, Mr. HOUGHTON, Mr. JACOBS, Mr. ZIMMER, Mr. ORTIZ, Mr. ZELIFF, Mrs. MEYERS of Kansas, Mr. MILLER of Ohio, Mr. VANDER JAGT, Mr. BEREUTER, Mr. DICKINSON, Mr. SPENCE, Mr. RAMSTAD, Mr. FISH, Ms. MOLINARI, Ms. SNOWE, Mr. HYDE, Mr. FLAKE, Mr. BARRETT, Mr. MILLER of Washington, and Mr. ROTH.

H.J. Res. 242: Mr. SHAW, Mr. GEKAS, and Mr. HERTEL.

H.J. Res. 258: Mr. HAMILTON.

H.J. Res. 273: Mr. SCHAEFER, Mr. VENTO, Mr. SWETT, Mr. KASICH, Mr. BAKER, Mr. BARNARD, Mr. JEFFERSON, and Mr. ACKERMAN.

H.J. Res. 284: Mr. LENT, Mr. OWENS of New York, Mrs. PATTERSON, Mr. SABO, Mr. BUSTAMANTE, Mr. PRICE, and Mr. FRANKS of Connecticut.

H.J. Res. 316: Mr. SKELTON, Mr. QUILLEN, Mr. JEFFERSON, Mr. WALSH, Mr. MCNULTY, Mr. BLILEY, Mr. EMERSON, Mr. CALLAHAN, Mr. MCMILLEN of Maryland, Mr. MATSUI, Mr. ERDREICH, Mr. DWYER of New Jersey, Mr. DICKINSON, Mrs. MORELLA, Mr. BROWDER, Mr. OWENS of Utah, Mr. HALL of Texas, Mr. MFUME, Mr. VALENTINE, Mr. MARKEY, Mr. GREEN of New York, Mr. SPENCE, Mr. YOUNG of Alaska, Mr. YATRON, Mr. MCCLOSKEY, Mr. LIPINSKI, and Mr. MILLER of Washington.

H.J. Res. 324: Mr. BLILEY and Mr. HAMILTON.

H. Con. Res. 194: Mr. SANDERS, Mr. CRAMER, Mr. JACOBS, Mr. OXLEY, Mr. PENNY, Mr. BEREUTER, Mr. GOSS, Mr. HENRY, and Mr. SKEEN.

H. Con. Res. 198: Mr. EVANS.

H. Res. 205: Mr. JEFFERSON.

H. Res. 222: Mr. GUNDERSON, Mr. BROWN, Mr. BOEHNER, Mr. PETERSON of Minnesota, Mr. WEBER, Mr. STALLINGS, Mr. BARRETT, Mr. JOHNSON of South Dakota, Mr. WALSH, Ms. KAPTUR, Mr. VENTO, Mr. SIKORSKI, Mr. GRANDY, Mr. BEREUTER, Mr. EMERSON, Mr. THOMAS of Georgia, and Mr. HALL of Ohio.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 261: Mr. MCMILLAN of North Carolina.

H.R. 1092: Mrs. BOXER.

H.R. 2946: Mr. COBLE.

PETITIONS, ETC.

Under clause 1 of rule XXII,

122. The SPEAKER presented a petition of the American Association of Law Libraries, relative to opposing fees for the redistribution of Government tariff information; which was referred jointly, to the Committees on Merchant Marine and Fisheries and Ways and Means.