

HOUSE OF REPRESENTATIVES—Monday, October 28, 1991

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. GEPHARDT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
October 28, 1991.

I hereby designate the Honorable RICHARD A. GEPHARDT to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

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

Let us pray using the words of the 100th Psalm:

Make a joyful noise unto the Lord, all ye lands.

Serve the Lord with gladness; come before his presence with singing.

Know ye that the Lord he is God; it is he that hath made us, and not we ourselves, we are his people and the sheep of his pasture.

Enter into his gates with thanksgiving, and into his courts with praise; be thankful unto him, and bless his name.

For the Lord is good; his mercy is everlasting; and his truth endureth to all generations.

THE JOURNAL

The SPEAKER pro tempore. 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 pro tempore. The Chair recognizes the gentleman from Wyoming [Mr. THOMAS] to lead the House in the Pledge of Allegiance.

Mr. THOMAS of Wyoming 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, bills of the House of the following titles:

H.R. 690. An act to authorize the National Park Service to acquire and manage the Mary McLeod Bethune Council House National Historic Site, and for other purposes; and

H.R. 2194. An act to amend the Solid Waste Disposal Act to clarify provisions concerning the application of certain requirements and sanctions to Federal facilities.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2194), "An act to amend the Solid Waste Disposal Act to clarify provisions concerning the application of certain requirements and sanctions to Federal facilities," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BURDICK, Mr. BAUCUS, Mr. MOYNIHAN, Mr. MITCHELL, Mr. LAUTENBERG, Mr. CHAFEE, Mr. SIMPSON, Mr. DURENBERGER, and Mr. WARNER, to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 347), "An act to amend the Defense Production Act of 1950 to revitalize the defense industrial base of the United States, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RIEGLE, Mr. SARBANES, Mr. DIXON, Mr. GARN, and Mr. GRAMM, to be the conferees on the part of the Senate.

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. 680. An act to amend the International Travel Act of 1961 to assist in the growth of international travel and tourism into the United States, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill and joint resolutions on Friday, October 25, 1991:

H.R. 470. An act to authorize the Secretary of Transportation to release the restrictions, requirements, and conditions imposed in connection with the conveyance of certain lands to the city of Gary, IN;

H.J. Res. 360. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes; and

S.J. Res. 192. Joint resolution designating October 30, 1991 as "Refugee Day."

ANOTHER BIRTHDAY IN CAPTIVITY FOR HOSTAGE TERRY ANDERSON

(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, this is certainly a momentous week in the history of the Middle East. Today the President is flying to Madrid, first to meet with President Gorbachev and then to continue his work when the Peace Conference on the Middle East opens this coming Wednesday.

This will be a very difficult Peace Conference. These are very difficult issues, but the augurs have never been better that in some way peace could ensue. But we need to be brought up to reality, Mr. Speaker, and the reality is that just yesterday hostage Terry Anderson, whose sister Peggy Say lives in Kentucky, celebrated his 44th birthday, the 7th such birthday in captivity in Lebanon. He is one of several Western hostages whose whole aspect and hope for freedom are in the hands of the peacemakers who will gather in Madrid and in the hands of Xavier Perez de Cuellar, the Head of the United Nations.

Mr. Speaker, I can only say that we wish the President well. We hope that these conferences will produce peace. We also want to send our best wishes and birthday greetings to Terry Anderson and hope that his spirit prevails in the middle of these difficult times.

THE FMLN'S MANAGUA CONNECTION

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

Mr. BALLENGER. Mr. Speaker, I rise to call your attention to some news which I think you will find revealing. It turns out that the often disputed claims that the Nicaraguan Sandinistas were supplying the Communist guerrillas in El Salvador were quite true.

Further, it appears that the connection has continued a year and a half after the Sandinistas were thrown out of office, if not out of power. This fraternal Socialist arms traffic came to light when a half dozen Sandinista soldiers, present and former, were arrested in September for stealing and trafficking weapons in connection with Colombian drug dealers. They allowed

This symbol represents the time of day during the House proceedings, e.g., 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the charges to stand until after the recent agreement between President Cristiani and the FMLN. At that point they revealed the El Salvador link, apparently arguing that political motivation was a defense against charges of drug trafficking.

That is a poor defense, in my opinion. In any event the six revealed that they had planned to ship a thousand mortar grenades to the FMLN, as well as 20 anti-aircraft missiles. Yet another Managua connection, Mr. Speaker. These Sandinistas and their El Salvadoran counterparts were the people some of our colleagues just had to help. It is time for disclosure on the Democrats' Managua connection.

CONGRATULATIONS TO MINNESOTA TWINS

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

Mr. VENTO. Mr. Speaker, I rise to congratulate the Minnesota Twins, the baseball team that represents all Minnesota and that won the world championship of 1991 last night after an extra inning of play. It was great sport, a great event, something I know Minnesotans and all Americans are very proud of the competitive spirit and the enterprise that was shown in this. I think it was one of the most exciting World Series games.

I'm pleased that we are carrying forward the great tradition of American baseball in Minnesota.

The World Series Champion Twins kept us up late Sunday night as they performed the extra inning, extraordinary win in game seven. All Minnesotans and all Americans are surely pleased with the exhilarating World Series play that we have viewed the past 9 days.

I commend the valiant performance of the Atlanta Braves, the National League Champions, for the quality and enthusiastic play they demonstrated.

The American League Champion Twins, with their backs to the wall in game six and seven, reached down and found that special tenacity and determination manifested in the play of slugger Kirby Puckett and ace pitcher Jack Morris and all the players led by Skipper Tom Kelly, propelling themselves into a cliffhanger extra inning seventh game, finally decided in the 10th inning with a single hit and score.

Mr. Speaker, I am hopeful that the 1991 World Champion Minnesota Twins will be in our Nation's Capital shortly so that we can all personally congratulate this St. Paul-Minneapolis, MN, all-American team and celebrate with them their world championship and the great American pastime—baseball.

The SPEAKER pro tempore (Mr. HUBBARD). Is there any Member from Georgia seeking recognition? If not,

the Chair recognizes the gentleman from Wyoming [Mr. THOMAS].

TAKING STEPS TO MOVE THE ECONOMY

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

Mr. THOMAS of Wyoming. Unfortunately, Mr. Speaker, we do not have a team in Wyoming. We certainly congratulate the Minnesota Twins.

Mr. Speaker, I have not been in this body a long time, I guess not long enough to be dated about some of the kinds of comments that go on. In fact, they bother me quite a bit.

During the past week we have heard a great deal about the economy. We have heard a great deal about reducing taxes. We have heard a great deal about the middle class, which almost all of us fall into.

Mostly what we have heard about, however, is posturing for the 1992 Presidential elections. Members of this body, the majority party, get up and continually criticize the President for not reducing taxes. The president of the party was on the Sunday talk shows this week criticizing the Republicans and the President for not reducing taxes.

Mr. Speaker, the fact is the Democrats have a majority in this House. They have a majority in the Senate and could pass a tax reduction bill by Wednesday if they chose to do so.

I think what we ought to do, really, is stop posturing for 1992. We ought to do some things to help kick this economy and move it, and I suggest we do it quickly.

AMERICA'S CONCERNS

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

Mr. APPELGATE. Mr. Speaker, the latest polls show President Bush in a faster rate of decline than most people thought he would be, but then Congress is not doing any better. And why is this happening?

Well, another poll I just saw showed the people's concerns, and they are concerned about the economy. They are concerned about the deficits. They are concerned about bad management by the officials they elected. They are concerned about trade, the inequity of trade, and they are concerned about health. None of these issues are being addressed and the people of this country know that and they understand it. They say there is a lot of rhetoric, but there is not any action, and the people are losing faith in the system.

□ 1210

More, they are losing faith in the people who are running the system. And they want action.

They want the President and they want the Congress of the United States to work together and to quit this squabbling and bickering. They want America to work again.

They want higher standards from the officials that they put into office. They deserve at least that much from the people they elect and, by God, they have got the power and if they do not get what they want, I will tell you, sitting in this body and in the White House, that they are going to put you out of office if you do not start listening.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HUBBARD). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken tomorrow, Tuesday, October 29, 1991.

MINUTE MAN NATIONAL HISTORICAL PARK AMENDMENTS OF 1991

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2896) to authorize the Secretary of the Interior to revise the boundaries of the Minute Man National Historical Park in the State of Massachusetts, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2896

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 "Minute Man National Historical Park Amendments of 1991".

SEC. 2. AMENDMENTS TO MINUTE MAN PARK ACT.

The Act of September 21, 1959, entitled "An Act to provide for the establishment of the Minute Man National Historical Park in Massachusetts, and for other purposes" (Public Law 86-321; 73 Stat. 590; 16 U.S.C. 410s and following) is amended by striking so much of the first section as follows the first sentence thereof (including all of subsections (b) and (c)) and inserting the following:

"The purposes of the park shall include the preservation and interpretation of (1) the historic landscape along the road between Lexington and Concord, (2) sites associated with the causes and consequences of the American Revolution, and (3) the Wayside on Lexington Road in Concord, the home of Nathaniel Hawthorne, Bronson Alcott, Louisa May Alcott, and Margaret Sidney, whose works illustrate the nineteenth century American literary renaissance.

"(b) The park shall be comprised of the lands depicted on the map entitled 'Boundary Map NARO-406-20015C' dated June 1991."

(3) Section 2 is amended by inserting "(a)" after "Sec. 2." and by adding the following at the end thereof:

"(b) The Secretary of the Interior shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of Defense the two parcels currently administered by the Secretary of the Interior, as depicted on the map dated April 1990 and numbered NARO-406/80805. The Secretary of Defense shall transfer to the administrative jurisdiction of the Secretary of the Interior, without reimbursement, for inclusion in the Minute Man National Historical Park the 4 parcels now administered by the Secretary of Defense, as depicted on the maps dated April 1990 and numbered NARO-406/80804 and NARO-406/80805.

"(c) The Secretary of the Interior is authorized to acquire by donation, purchase with donated or appropriated funds, or exchange, lands or interests in lands within the areas included within the boundaries of the park pursuant to amendments made by the Minute Man National Historical Park Amendments of 1991 (hereinafter referred to as '1991 additions') except that—

"(1) lands, and interests in lands, within the 1991 additions which are owned by the State of Massachusetts or any political subdivision thereof, may be acquired only by donation, and

"(2) lands, and interests in lands, within the 1991 additions which are used for non-commercial residential purposes as of July 1, 1991, may be acquired only with the consent of the owner thereof unless the property is being developed, or is proposed to be developed, in a manner which the Secretary determines to be detrimental to the scenic, historical, cultural, and other values of the park.

Nothing in paragraph (2) shall be construed to prohibit the use of condemnation as a means of acquiring a clear and marketable title, free of any and all encumbrances for any lands within the 1991 additions. Not later than 6 months after the enactment of the Minute Man National Historical Park Amendments of 1991, and after notice and opportunity for public comment, the Secretary of the Interior shall publish specific guidelines for making determinations under paragraph (2). Such guidelines shall provide for (A) written notice to the Secretary prior to commencement of any proposed development on the lands referred to in paragraph (2), (B) written notice by the Secretary to the owner of such lands of any determination proposed to be made under paragraph (2), and (C) a reasonable opportunity for the owner to comment on such proposed determination.

"(d)(1) Any individual who owns private property acquired by the Secretary under subsection (c) may, on the date of such acquisition and as a condition of such acquisition, retain for himself and his successors or assigns, a right of use and occupancy of the property for a definite term of not more than 25 years from the date of acquisition by the Secretary or a term ending at the death of the owner or the owner's spouse, whichever is later. The owner shall elect the term to be reserved.

"(2) Unless the property is wholly or partially donated, the Secretary shall pay to the owner reserving a right of use and occupancy under this subsection the fair market value of the property on the date of its acquisition, less the fair market value on the date of the right retained by the owner.

"(3) For purposes of applying this subsection, ownership shall be determined as of July 1, 1991."

(4) At the end of section 6 insert "For fiscal years after fiscal year 1991, there is authorized to be appropriated an additional

\$15,000,000 for development and an additional \$7,300,000 for acquisition of lands and interests in lands."

(5) Add the following new section at the end of such Act:

"SEC. 7. RESIDENTIAL OCCUPANCY.

"(a) OFFER.—In the case of each individual who—

"(1) sold residential property between 1966 and 1968 to the United States for purposes of the park, and

"(2) continues to occupy such residential property pursuant to a residential special use permit as of the enactment of this section,

the Secretary of the Interior shall offer to extend such residential special use permit for a term ending on the death of such individual or such individual's spouse, whichever is later.

"(b) TERMS AND CONDITIONS.—Any residential special use permit extended pursuant to subsection (a) shall—

"(1) permit the reasonable residential use and occupancy of the property by the individual to whom such permit is granted and such individual's spouse; and

"(2) be subject to such terms and conditions as the Secretary may prescribe (including termination) to ensure that the permit does not unreasonably diminish the values of the park.

The extension of any such residential special use permit shall be conditional upon the payment by the individual holding such permit of an annual fee in the same amount as required as of July 1, 1991.

"SEC. 8. DEFINITION.

"As used in this Act, the term 'residential property' means a single-family dwelling, the construction of which began before July 1, 1991, together with such land on which the dwelling and appurtenant buildings are located as is in the same ownership as such dwelling and as the Secretary designates as reasonably necessary for the owner's continued use and occupancy of the dwelling."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Wyoming [Mr. THOMAS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2896.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

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

Mr. Speaker, H.R. 2896, a bill introduced by Congressman CHET ATKINS expands the boundaries of Minute Man National Historical Park to provide increased protection of the park resources located there. The Congressman from Massachusetts has worked long and hard to enact this legislation.

Minute Man National Historical Park located in Lexington and Concord, MA, preserves and interprets the famous opening battles of the American Revolu-

tion in April 1775. As Ralph Waldo Emerson wrote, "By the rude bridge that arched the flood, their flag to April's breeze unfurled, here the embattled farmers stood, and fired the shot heard 'round the world."

In testimony before the Committee on Interior and Insular Affairs at the recent hearing on H.R. 2896, we heard strong support for this bill from the administration and from local residents. H.R. 2896 adds 200 acres to the park, provides legislative purposes regarding its management, exchanges certain lands with the Department of Defense and resolves a longstanding dispute with some residents there.

Mr. Speaker, I endorse this bill and urge its passage.

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

Mr. THOMAS of Wyoming. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation as reported by the Interior and Insular Affairs Committee. The bill before the House provides for an approximate 200-acre expansion of the existing 750-acre Minute Man National Historical Park. The proposal before Members today is based largely on a detailed park plan completed by the National Park Service.

The measure we are considering today is similar to legislation acted upon by the Parks and Public Lands Subcommittee last Congress. The major areas of difference from last Congress are that Mr. ATKINS has reduced the amount of nonessential private property proposed for acquisition by 20 percent and he has provided reasonable protection for those private home owners whose land is included within the new park boundaries.

I am pleased that the bill's author and subcommittee chairman have recognized the importance of taking private property rights into consideration in this park expansion bill and hope that they will support similar language on other bills. It seems to me that private property owners should be treated similarly regardless of where they live.

The local people, as well as the bill's author, expressed concern at the hearing about language in this bill, which implies that the National Park Service should manage the historical landscape outside the park boundary. Unfortunately, those reasonable concerns were not incorporated into this bill, and I hope they will be addressed by the Senate.

Mr. Speaker, the administrator supports this measure and I urge my colleagues to join me in supporting it as well.

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

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. ATKINS] who, as I mentioned, has

worked so hard on putting this bill together. It has been a major task, and he has performed it well.

Mr. ATKINS. Mr. Speaker, Minute Man is one of this Nation's most venerable parks. It celebrates the defining moments in this Nation's quest for independence. Paul Revere's ride and the Battle of Concord and Lexington are events that make our history rich, exciting, and alive. The American Revolution shaped the character of this Nation, and the fortitude and the courage displayed in Concord, in Lexington, and throughout Massachusetts in those days have given comfort and inspiration to independence movements worldwide for over 200 years.

When Rev. Lazlo Tokes, the man whose defiance of the despotic Ceausescu sparked the revolution in Romania, came to America he asked to see the monuments to our own revolution. Our visit together to Minute Man Park was poignant. I who had visited the park so many times before—saw for the first time how deeply affecting our experience with revolution could be to those whose memories are still so fresh and alive.

Yet, Minute Man is a park that is still very much in transition. Resources and energy have gone primarily into assembling parcels of land that in the aggregate give the park enormous, but still unrealized potential. Given the enormous pressures for development in suburban Boston, the main thrust thus far has been to accrue lands that have historical significance. As critical as this process has been, it has come at some cost, and the legislation now pending before the House redresses some of the problems that have become evident since the original enabling legislation was passed in 1959.

This legislation sets forth a fresh mission for Minute Man. This will permit the park to begin a new phase whereby the events of April 19, 1775, can be brought to life and the historical landscape can be protected.

In the past, the park's unruly attempts to acquire land have resulted in unwelcome and unproductive tension between the Park Service and the surrounding communities. Therefore, by fixing boundaries, by spelling out the rights of homeowners within the boundaries and by correcting past injustices, the citizens in the park's vicinity will finally have peace of mind.

Mr. Speaker, it is hard to know sometimes, when we take up a bill on the Suspension Calendar, how much time and effort and compromise goes into getting a bill this far. The citizens of Concord, MA, having great pride in their town were understandably wary of legislation connected to Minute Man Park. But, after countless hours and work by very caring and diligent individuals in Concord and in Lincoln, we arrived at a bill that fundamentally meets the concerns of the towns' resi-

dents. We were also very fortunate to have as the backbone of this enterprise an energetic and sensitive park superintendent.

But, all of this would not have been possible without the understanding and guidance and perseverance of Chairman VENTO. His was not an easy task. He is a zealous guardian of precedents as he must be if the Park Service is to truly be a national resource, but he also understands the local character that parks take on and the special ways individual parks have of interacting with the local communities. He was able to craft a bill that responded to local concerns without tampering with precedents that affect our entire Park System. Chairman VENTO and his staff have my utmost appreciation and admiration.

I urge my colleagues to vote for this legislation.

Mr. THOMAS of Wyoming. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. I thank the gentleman from Massachusetts for his thoughtful comments.

Mr. Speaker, I have no further requests for time, and I yield back the balance of our time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2896, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

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GENERIC DRUG ENFORCEMENT ACT OF 1991

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2454) to authorize the Secretary of Health and Human Services to impose debarments and other penalties for illegal activities involving the approval of abbreviated drug applications under the Federal Food, Drug, and Cosmetic Act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2454

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

SECTION 1. SHORT TITLE; REFERENCE; FINDINGS; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Generic Drug Enforcement Act of 1991".

(b) REFERENCE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Food, Drug, and Cosmetic Act.

(c) FINDINGS.—The Congress finds that—

(1) there is substantial evidence that significant corruption occurred in the Food and Drug Administration's process of approving drugs under abbreviated drug applications,

(2) there is a need to establish procedures designed to restore and to ensure the integrity of the abbreviated drug application approval process and to protect the public health, and

(3) additional standby capacity for criminal investigations of violations of the Federal Food, Drug, and Cosmetic Act is needed.

(d) TABLE OF CONTENTS.—

Sec. 1. Short title; reference; findings; table of contents.

Sec. 2. Authority to deny review and approval of applications.

"Sec. 306. Debarment, temporary denial of approval, and suspension.

"(a) Mandatory debarment.

"(b) Permissive debarment.

"(c) Debarment period and considerations.

"(d) Termination of debarment.

"(e) Publication and list of debarred persons.

"(f) Temporary denial of approval.

"(g) Suspension authority.

"(h) Termination of suspension.

"(i) Procedure.

"(j) Judicial review.

"(k) Applicability.

Sec. 3. Certifications.

Sec. 4. Civil penalties.

"Sec. 307. Civil penalties.

"(a) In general.

"(b) Procedure.

"(c) Judicial review.

"(d) Informants."

Sec. 5. Authority to withdraw approval of applications.

"Sec. 308. Authority to withdraw approval of applications.

"(a) In general.

"(b) Procedure.

"(c) Applicability.

"(d) Judicial review."

Sec. 6. Inspector General.

Sec. 7. Information.

Sec. 8. Definitions.

Sec. 9. Effect on other laws.

SEC. 2. AUTHORITY TO DENY REVIEW AND APPROVAL OF APPLICATIONS.

Sections 306 and 307 (21 U.S.C. 336, 337) are redesignated as sections 309 and 310, respectively, and the following is inserted after section 305:

"DEBARMENT, TEMPORARY DENIAL OF APPROVAL, AND SUSPENSION

"SEC. 306. (a) MANDATORY DEBARMENT.—If a person has been convicted of a felony under Federal law for conduct relating to the development or approval, including the process for development or approval, of any abbreviated drug application, the Secretary shall debar such person from submitting, or assisting in the submission of, any abbreviated drug application.

"(b) PERMISSIVE DEBARMENT.—

"(1) IN GENERAL.—The Secretary, on the Secretary's own initiative or in response to a petition, may debar a person described in paragraph (2) from submitting, or assisting in the submission of, any abbreviated drug application if the Secretary finds that there is reason to believe that such person may undermine the regulatory process.

"(2) PERSONS SUBJECT TO PERMISSIVE DEBARMENT.—The following persons are subject to debarment under paragraph (1):

"(A) CONVICTION RELATED TO AN ABBREVIATED DRUG APPLICATION.—Any person that the Secretary finds has been convicted of (i)

a misdemeanor under Federal law or a felony under State law for conduct relating to the development or approval, including the process for the development or approval, of any abbreviated drug application, or (ii) a conspiracy to commit, or aiding or abetting, such criminal offense.

“(B) CONVICTION FOR BRIBERY, FRAUD, OR SIMILAR CRIME.—Any individual whom the Secretary finds has been convicted under Federal or State law of (i) a felony of bribery, payment of illegal gratuities, fraud, perjury, false statement, racketeering, blackmail, extortion, or falsification or destruction of records, or (ii) a conspiracy to commit, or aiding or abetting, a felony offense described in clause (i).

“(C) CONVICTION RELATED TO OBSTRUCTION OF JUSTICE.—Any individual whom the Secretary finds has been convicted under Federal or State law, of (i) a felony related to the interference with, obstruction of the investigation into, or prosecution of, any criminal offense, or (ii) a conspiracy to commit, or aiding or abetting, such felony.

“(D) MATERIAL PARTICIPATION.—Any individual whom the Secretary finds materially participated in acts that were the basis for a conviction for an offense described in subsection (a) or in subparagraph (A), (B), or (C) of this paragraph for which a conviction was obtained.

“(E) USE OF DEBARRED PERSON.—Any person that the Secretary finds has knowingly—

“(i) employed or retained as a consultant or contractor, or

“(ii) otherwise used the services of, a person who is debarred under this section in any capacity in which such person has or might have any control over or involvement in the development of any drug application subject to section 505 or 507.

“(c) DEBARMENT PERIOD AND CONSIDERATIONS.—

“(1) IN GENERAL.—During the period of debarment under subsection (a) or (b), the Secretary shall not accept any abbreviated drug application and shall not review (other than audit under this section) any pending abbreviated drug application of a person debarred under such subsection.

“(2) DEBARMENT PERIODS.—

“(A) IN GENERAL.—The Secretary shall debar a person under subsection (a) or (b) for the following periods:

“(i) The debarment of an individual under subsection (a) shall be permanent.

“(ii) The period of debarment of a person (other than an individual) under subsection (a) shall not be less than 1 year or more than 10 years, but if an act leading to a subsequent debarment occurs within 10 years after such person has been debarred under subsection (a), the period of debarment shall be permanent.

“(iii) The period of debarment of any person under subsection (b)(2) shall not be more than 5 years.

The Secretary may determine whether debarment periods shall run concurrently or consecutively in the case of a person debarred for multiple offenses.

“(B) NOTIFICATION.—Upon a conviction described in subsection (a) or (b), a person may notify the Secretary that the person acquiesces to debarment and such person's debarment shall commence upon such notification.

“(3) CONSIDERATIONS.—In determining the appropriateness and the period of a debarment of a person under subsection (b) and any period of debarment beyond the minimum specified in subparagraph (A)(ii) of paragraph (2), the Secretary shall consider where applicable—

“(A) the nature and seriousness of any offense involved,

“(B) the nature and extent of management participation in any offense involved, whether corporate policies and practices encouraged the offense, including whether inadequate institutional controls contributed to the offense,

“(C) the nature and extent of voluntary steps to mitigate the impact on the public of any offense involved, including the discontinuation of the distribution of suspect drugs, full cooperation with any investigations (including the extent of disclosure to appropriate authorities of all wrongdoing), the relinquishing of profits on drug approvals fraudulently obtained, and any other actions taken to substantially limit potential or actual adverse effects on the public health,

“(D) whether the extent to which changes in ownership, management, or operations have corrected the causes of any offense involved and provided reasonable assurances that the offense will not occur in the future,

“(E) whether the person to be debarred is able to present adequate evidence that current production of drugs subject to abbreviated drug applications and all pending abbreviated drug applications are free of fraud or material false statements, and

“(F) prior convictions under this Act or under other Acts involving matters within the jurisdiction of the Food and Drug Administration.

“(d) TERMINATION OF DEBARMENT.—

“(1) APPLICATION.—Any person is debarred under subsection (a) (other than a person permanently debarred) or any person that is debarred under subsection (b) may apply to the Secretary for termination of the debarment. Any information submitted to the Secretary under the subsection does not constitute an amendment or supplement to pending or approved abbreviated drug applications.

“(2) ACTION BY THE SECRETARY.—The Secretary shall grant or deny any application respecting a debarment which is submitted under paragraph (1) within 180 days of the date of the application is submitted.

“(3) TERMINATION.—If the conviction for which a person has been debarred under subsection (a) or (b) is reversed, the Secretary shall, on the Secretary's own initiative or upon petition, withdraw the order of debarment. Upon application submitted under paragraph (1), the Secretary shall terminate the debarment of a person if the Secretary finds that—

“(A) changes in ownership, management, or operations have fully corrected the causes of the offense involved and provide reasonable assurances that the offense will not occur in the future, and

“(B) sufficient audits, conducted by the Food and Drug Administration or by independent experts acceptable to the Food and Drug Administration, demonstrate that pending applications and the development of drugs being tested before the submission of an application are free of fraud or material false statements.

In the case of persons debarred under subsection (a), such termination shall take effect no earlier than the expiration of one year from the date of the debarment.

“(4) SPECIAL EARLY TERMINATION.—

“(A) APPLICATION.—Any person that is debarred under subsection (a) (other than an individual or a person permanently debarred under subsection (c)(2)(A)(ii)) may apply to the Secretary for special early termination of debarment which may take effect before

the expiration of the one-year minimum period prescribed under subsection (c)(2)(A)(ii).

“(B) HEARING ON PETITION.—If the Secretary, after an informal hearing, determines that—

“(i) the person making the application under subparagraph (A) has demonstrated that the felony conviction which was the basis for such person's debarment involved the commission of an offense which was not authorized, requested, commanded, performed, or recklessly tolerated by the board of directors or by a high managerial agent acting on behalf of the person within the scope of the board's or agent's office or employment,

“(ii) all individuals who were involved in the commission of the offense or who had or should have had prior knowledge of the offense have been removed from employment involving the development or approval of any drug subject to sections 505 or 507,

“(iii) the person fully cooperated with all investigations and promptly disclosed all wrongdoing to the appropriate authorities, and

“(iv) the person acted to mitigate any impact on the public of any offense involved, including the discontinuation of the distribution of any drug which the Secretary asked be withdrawn due to concerns about its safety or efficacy,

the Secretary shall take the action described in subparagraph (C).

“(C) SECRETARIAL ACTION.—The action referred to in subparagraph (B) is—

“(i) terminating the debarment immediately, or

“(ii) limiting the period of debarment to less than one year.

whichever best serves the interest of justice and protects the integrity of the abbreviated drug application approval process.

“(e) PUBLICATION AND LIST OF DEBARRED PERSONS.—The Secretary shall publish in the Federal Register the name of any person debarred under subsection (a) or (b), the effective date of the debarment, and the period of the debarment. The Secretary shall also maintain and make available to the public a list, updated no less often than quarterly, of such persons, of the effective dates and minimum periods of such debarments, and of the termination of debarments.

“(f) TEMPORARY DENIAL OF APPROVAL.—

“(1) IN GENERAL.—The Secretary, on the Secretary's own initiative or in response to a petition, may, in accordance with paragraph (3), refuse by order, for the period prescribed by paragraph (2), to approve any abbreviated drug application submitted by any person—

“(A) if such person is under an active Federal criminal investigation in connection with an action described in subparagraph (B),

“(B) if the Secretary determines that such person—

“(i) has bribed or attempted to bribe, has paid or attempted to pay an illegal gratuity, has induced or attempted to induce another person to bribe or pay an illegal gratuity to any officer, employee, or agent of the Department of Health and Human Services or to any other Federal, State, or local official in connection with any abbreviated drug application, or has conspired to commit, or aided or abetted, such actions, or

“(ii) has knowingly made or caused to be made a pattern or practice of false statements or misrepresentations with respect to material facts relating to any abbreviated drug application or the production of any drug subject to an abbreviated drug application to any officer, employee, or agent of the

Department of Health and Human Services, or has conspired to commit, or aided or abetted, such actions, and

“(C) if a significant question has been raised regarding the integrity of the approval process with respect to such abbreviated drug application, the reliability of data in such person’s abbreviated drug application, or the reliability of data concerning such abbreviated drug application.

Such an order may be modified or terminated at any time.

“(2) APPLICABLE PERIOD.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), a denial of approval of an application of a person under paragraph (1) shall be in effect for a period determined by the Secretary but not to exceed 18 months beginning on the date the Secretary finds that the conditions described in subparagraphs (A), (B), and (C) of paragraph (1) exist. The Secretary shall terminate such denial—

“(i) if the investigation with respect to which the finding was made ends, does not result in a criminal charge against such person or if criminal charges have been brought and the charges have been dismissed or a judgment of acquittal has been entered, or

“(ii) if the Secretary determines that such finding was in error.

“(B) EXTENSION.—If, at the end of the period described in subparagraph (A), the Secretary determines that a person has been criminally charged for an action described in subparagraph (B) of paragraph (1), the Secretary may extend the period of denial of approval of an application for a period not to exceed 18 months. The Secretary shall terminate such extension if the charges have been dismissed or a judgment of acquittal has been entered or if the Secretary determines that the finding described in subparagraph (A) was in error.

“(3) INFORMAL HEARING.—Within 10 days of the date of the order of the Secretary’s refusing to approve an abbreviated drug application is served upon a person under paragraph (1), the Secretary, in response to a petition, shall provide such person with an opportunity for an informal hearing on the decision of the Secretary to refuse such approval. Within 60 days of the date on which such hearing is held, the Secretary shall notify the person given such hearing whether the Secretary’s refusal of approval will be continued, terminated, or otherwise modified. Such notification shall be final agency action.

“(g) SUSPENSION AUTHORITY.—

“(1) IN GENERAL.—If—

“(A) the Secretary determines—

“(i) that a person has engaged in an action described in subparagraph (B) of subsection (f)(1) in connection with 2 or more drugs under abbreviated drug applications, or

“(ii) that a person has engaged in flagrant and repeated, material violations of good manufacturing practice or good laboratory practice in connection with the development, manufacturing, or distribution of a drug approved under an abbreviated drug application during a 2-year period, and—

“(I) such violations may undermine the safety and efficacy of such drugs, and

“(II) the causes of such violations have not been corrected within a reasonable period of time following notice of such violations by the Secretary, and

“(B) such person is under an active investigation by any Federal authority in connection with a civil or criminal action involving an action described in subparagraph (A),

the Secretary shall issue an order suspending the distribution of all drugs the development

or approval of which was related to an action described in subparagraph (A) or suspending the distribution of all drugs approved under abbreviated drug applications of such person if the Secretary finds that an action of such person described in subparagraph (A) may have affected the development or approval of a significant number of drugs which the Secretary is unable to identify. The Secretary shall exclude a drug from such order if the Secretary determines that such action was not likely to have influenced the safety or efficacy of such drug.

“(2) PUBLIC HEALTH WAIVER.—The Secretary shall, on the Secretary’s own initiative or in response to a petition, waive the suspension under paragraph (1) (involving an action described in paragraph (1)(A)(i)) with respect to any drug if the Secretary finds that such waiver is necessary to protect the public health because sufficient quantities of the drug are otherwise not available. The Secretary shall act on any petition seeking action under this paragraph within 180 days of the date the petition is submitted to the Secretary.

“(h) TERMINATION OF SUSPENSION.—The Secretary shall withdraw an order of suspension of the distribution of a drug under subsection (g) if the person with respect to whom the order was issued demonstrates—

“(1)(A) on the basis of an audit by the Food and Drug Administration or by experts acceptable to the Food and Drug Administration, or on the basis of other information, that the development, approval, manufacturing, and distribution of such drug is in substantial compliance with the applicable requirements of this Act, and

“(B) changes in ownership, management, or operations (i) fully remedy the patterns or practices with respect to which the order was issued, and (ii) provide reasonable assurances that such actions will not occur in the future, or

“(2) the initial determination was in error. The Secretary shall act on a submission under paragraphs (1) and (2) within 180 days of the date of the submission and the Secretary may consider the submission concurrently with the suspension proceeding. Any information submitted to the Secretary under this subsection does not constitute an amendment or supplement to a pending or approved abbreviated drug application.

“(i) PROCEDURE.—The Secretary may not take any action under subsection (a), (b), (c), (d)(3), (g), or (h) with respect to any person unless the Secretary has issued an order for such action made on the record after opportunity for an agency hearing on disputed issues of material fact. In the course of any investigation or hearing under this subsection, the Secretary may administer oaths and affirmations, examine witnesses, receive evidence, and issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence that relates to the matter under investigation.

“(j) JUDICIAL REVIEW.—Any person that is the subject of an adverse decision under subsection (a), (b), (c), (d), (f), (g), or (h) may obtain a review of such decision by the United States Court of Appeals for the District of Columbia or for the circuit in which the person resides, by filing in such court (within 60 days following the date the person is notified by the Secretary’s decision) a petition requesting that the decision be modified or set aside.

“(k) APPLICABILITY.—

“(1) CONVICTION.—For purposes of this section, a person is considered to have been convicted of a criminal offense—

“(A) when a judgment of conviction has been entered against the person by a Federal or State court, regardless of whether there is an appeal pending,

“(B) when a plea of guilty or nolo contendere by the person has been accepted by a Federal or State court, or

“(C) when the person has entered into participation in a first offender, deferred adjudication, or other similar arrangement or program where judgment of conviction has been withheld.

“(2) EFFECTIVE DATE.—Subsection (a) and subparagraphs (A), (B), and (C) of subsection (b)(2) shall not apply to a conviction which occurred more than 5 years before the initiation of any agency action proposed to be taken under such subsection or subparagraph, and subparagraphs (D) and (E) of subsection (b)(2) and subsections (f) and (g) shall not apply to an act which occurred more than 5 years before the initiation of such action.”

SEC. 3. CERTIFICATION.

Section 505(j)(2)(A) 21 U.S.C. 355 (j)(2)(A) is amended—

(1) by striking out “and” at the end of clause (vii), by striking out the period at the end of clause (viii) and inserting in lieu thereof a semicolon, and by adding after clause (viii) the following:

“(ix) a certification that the applicant did not and will not use the services of any person debarred under section 306 in connection with the application; and

“(x) a list of all convictions, described in subsections (a) and (b) of section 306, within the last 5 years of the applicant and affiliated persons responsible for the development or submission of abbreviated drug applications.”, and

(2) in the last sentence, by striking out “(viii)” and inserting in lieu thereof “(x)”.

SEC. 4. CIVIL PENALTIES.

Chapter III, as amended by section 2, is amended by adding after section 306 the following:

“CIVIL PENALTIES

“SEC. 307. (a) IN GENERAL.—Any person that the Secretary finds—

“(1) knowingly made or caused to be made, to any officer, employee, or agent of the Department of Health and Human Services, a false statement or misrepresentation with relation to a material fact in connection with an abbreviated drug application,

“(2) bribed or attempted to bribe or paid or attempted to pay an illegal gratuity to any officer, employee, or agent of the Department of Health and Human Services in connection with an abbreviated drug application,

“(3) destroyed, altered, removed, or secreted, or procured the destruction, alteration, removal, or secretion of, any material document or other material evidence which was the property of or in the possession of the Department of Health and Human Services for the purpose of interfering with that Department’s discharge of its responsibilities in connection with an abbreviated drug application,

“(4) knowingly failed to disclose, to an officer or employee of the Department of Health and Human Services, a material fact which such person had an obligation to disclose relating to any drug subject to an abbreviated drug application,

“(5) knowingly obstructed an investigation of the Department of Health and Human Services into any drug subject to an abbreviated drug application,

“(6) is a person that has filed with the Secretary at any time an abbreviated drug ap-

plication (whether or not such application has been approved) and employed, retained as a consultant or contractor, or otherwise used (in any capacity in which such person has or might have any control over or involvement in the development of an abbreviated drug application) the services of a person that the person knew or should have known was debarred pursuant to section 306, or

"(7) is debarred pursuant to section 306 and provided services to an applicant under an abbreviated drug application that could subject such applicant to debarment under section 306 or to a civil penalty under this section,

shall be liable to the United States for a civil penalty for each such violation in an amount not to exceed \$250,000 in the case of an individual and \$1,000,000 in the case of any other person.

"(b) PROCEDURE.—

"(1) IN GENERAL.—A civil penalty under subsection (a) shall be assessed by the Secretary on a person by an order made on the record after an opportunity for an agency hearing on disputed issues of material fact and the amount of the penalty. In the course of any investigation or hearing under this paragraph, the Secretary may administer oaths and affirmations, examine witnesses, receive evidence, and issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence that relates to the matter under investigation.

"(2) AMOUNT.—In determining the amount of a civil penalty under paragraph (1), the Secretary shall take into account the nature, circumstances, extent, and gravity of the act subject to penalty, the person's ability to pay, the effect on the person's ability to continue to do business, any history of prior, similar acts, and such other matters as justice may require.

"(3) LIMITATION ON ACTIONS.—The Secretary may not initiate an action under this subsection with respect to any act described in subsection (a)—

"(A) which occurred before the date of the enactment of this Act, or

"(B) which occurred more than 6 years after the date when facts material to the act are known or reasonably should have been known by the Secretary but in no event more than 10 years after the date the act took place.

"(c) JUDICIAL REVIEW.—Any person that is the subject of an adverse decision under subsection (b)(1) may obtain a review of such decision by the United States Court of Appeals for the District of Columbia or for the circuit in which the person resides, by filing in such court (within 60 days following the date the person is notified of the Secretary's decision) a petition regarding that the decision be modified or set aside.

"(d) INFORMANTS.—The Secretary may award to any individual (other than an officer or employee of the Federal Government or a person who materially participated in any conduct described in subsection (a)) who provides information leading to the imposition of a civil penalty under this section an amount not to exceed—

"(1) \$250,000, or

"(2) one-half of the penalty so imposed and collected,

whichever is less. The decision of the Secretary on such award shall not be reviewable."

SEC. 5. AUTHORITY TO WITHDRAW APPROVAL OF APPLICATIONS.

Chapter III, as amended by section 4, is amended by adding after section 307 the following:

"AUTHORITY TO WITHDRAW APPROVAL OF APPLICATIONS

"SEC. 308. (a) IN GENERAL.—The Secretary—

"(1) shall withdraw approval of an abbreviated drug application if the Secretary determines that the approval was obtained, expedited, or otherwise facilitated through bribery, payment of an illegal gratuity, or fraud or material false statement, and

"(2) may withdraw approval of an abbreviated drug application if the Secretary determines that the applicant has repeatedly demonstrated a lack of ability to produce the drug for which the application was submitted in accordance with the formulations or manufacturing practice set forth in the abbreviated drug application and has introduced, or attempted to introduce, such adulterated or misbranded drug into commerce.

"(b) PROCEDURE.—The Secretary may not take any action under subsection (a) with respect to any person unless the Secretary has issued an order for such action made on the record after opportunity for an agency hearing on disputed issues of material fact. In the course of any investigation or hearing under this subsection, the Secretary may administer oaths and affirmations, examine witnesses, receive evidence, and issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence that relates to the matter under investigation.

"(c) APPLICABILITY.—Subsection (a) shall apply with respect to offenses or acts regardless of when such offenses or acts occurred.

"(d) JUDICIAL REVIEW.—Any person that is the subject of an adverse decision under subsection (a) may obtain a review of such decision by the United States Court of Appeals for the District of Columbia or for the circuit in which the person resides, by filing in such court (within 60 days following the date the person is notified of the Secretary's decision) a petition requesting that the decision be modified or set aside."

SEC. 6. INSPECTOR GENERAL.

(a) AMENDMENT.—Section 702 (21 U.S.C. 372) is amended by adding at the end the following:

"(f)(1) In addition to existing authority, the Inspector General may investigate the following:

"(A) Any allegation of misconduct by employees of the Food and Drug Administration.

"(B) Any allegation of violation of section 301(t).

"(C) Any allegation of violation, or class of violations, of this Act which the Commissioner of the Food and Drug Administration has requested the Inspector General to investigate.

"(D) Any allegation of violation, or class of violations, of this Act for which the Secretary delegates authority to the Inspector General to investigate or requests the Inspector General to investigate, including—

"(i) any allegation that false or fraudulent materials have been submitted to the Food and Drug Administration,

"(ii) any allegation that false or fraudulent records have been maintained under any law administered by the Food and Drug Administration,

"(iii) any allegation of fraud, false claims, waste, or abuse relating to programs or operations administered, carried out, financed, or conducted by the Food and Drug Administration,

"(iv) any allegation of fraud in reporting of research by clinical investigators which is submitted to the Food and Drug Administration,

"(v) any allegation of an illegal sale under Federal law of a drug which is not a controlled substance, and

"(vi) any allegation of a felony violation of this Act.

In making determinations regarding any delegation of authority, the Secretary shall consider the expertise and resources available in the Office of Inspector General and in the Food and Drug Administration.

"(2) Paragraph (1) shall not be construed to preclude the Inspector General from initiating an investigation of a violation of this Act to determine if the violation is a violation described in subparagraph (A) of paragraph (1)."

(b) REPEAL.—Effective 2 years after the date of the enactment of this Act, subsection (f) of section 702 (21 U.S.C. 372), as added by subsection (a), is repealed.

SEC. 7. INFORMATION.

Section 505(j) (21 U.S.C. 355(j)) is amended by adding at the end the following:

"(8) The Secretary shall with respect to each application submitted under this subsection maintain and revise every 30 days—

"(A) the name of the applicant,

"(B) the name of the drug covered by the application,

"(C) the name of each person to whom the review of the chemistry of the application was assigned and the date of such assignment, and

"(D) the name of each person to whom the bio-equivalence review for such application was assigned and the date of such assignment.

The information the Secretary is required to maintain under this paragraph with respect to an application submitted under this subsection shall be made available to the public after the approval of such application."

SEC. 8. DEFINITIONS.

Section 201 (21 U.S.C. 321) is amended by adding at the end the following:

"(bb) The term 'abbreviated drug application' means an application submitted under section 505(j) or 507 for the approval of a drug that relies on the approved application of another drug with the same active ingredient to establish safety and efficacy, and—

"(1) in the case of section 306, includes a supplement to such an application for a different or additional use of the drug but does not include a supplement to such an application for other than a different or additional use of the drug, and

"(2) in the case of sections 307 and 308, includes any supplement to such an application.

"(cc) The term 'knowingly' means that a person with respect to information—

"(1) has actual knowledge of the information, or

"(2) acts in deliberate ignorance or reckless disregard of the truth or falsity of the information.

"(dd) The term 'high managerial agent' means—

"(1) an officer of a corporation or an unincorporated association,

"(2) in the case of a partnership, a partner, or

"(3) any employee or other agent of a corporation, unincorporated association, or partnership,

having duties such that such officer, partner, employee, or agent's conduct may fairly be assumed to represent the policy of the corporation, association, or partnership, and the term includes persons having management responsibility for (1) submissions of the Food and Drug Administration regarding the

development or approval of an abbreviated drug application, (2) production, quality assurance, or quality control of any drug produced under an abbreviated drug application, or (3) research and development of any drug subject to an abbreviated drug application.".

SEC. 9. EFFECT ON OTHER LAWS.

No amendment made by this Act shall preclude any other civil, criminal, or administrative remedy provided under Federal or State law, including any private right of action against any person for the same action subject to any action or penalty under an amendment made by this Act.

The SPEAKER pro tempore (Mr. HUBBARD). Pursuant to the rule, the gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. HASTERT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

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

Mr. Speaker, this legislation was introduced by the chairman of the Committee on Energy and Commerce and is cosponsored by every member of that committee. Its purpose is to give the Food and Drug Administration additional tools to combat serious, criminal fraud when it occurs in the generic drug industry.

Since the enactment of the Drug Price Competition and Patent Term Restoration Act of 1984, there has been a tremendous growth in the availability of generic drugs in this country, which have saved consumers and the Federal Government millions of dollars.

Unfortunately, the success story of the generic drug industry was marred when it was revealed that some generic drug company officials were paying illegal gratuities to FDA employees in exchange for preferential treatment of their drug applications, and that other companies were submitting fraudulent data in order to obtain approval of their products. Much of this corruption was revealed in an investigation conducted by the Oversight and Investigations Subcommittee of the Committee on Energy and Commerce.

H.R. 2454 is the committee's legislative response to these problems. Where there has been fraud of the type revealed in the subcommittee's investigation, the bill would give the Food and Drug Administration the authority to impose civil penalties, and to bar generic drug companies from obtaining drug approvals or from having their

drug applications processed. In more limited situations, the agency could also suspend generic drug applications that have already been approved.

After the bill was reported out of the Committee on Energy and Commerce, two changes were made which I would like to note for the record. First, in section 2 the phrase "assisting in the submission of" has been added to the new section 306(a). This conforms to section 306(b) and makes it clear that an individual who is debarred may not work on any abbreviated drug application. Second, the new section 306(f)(2)(A), also added by section 2, has been rewritten to make it clear that the Secretary of the Department of Health and Human Services or the Food and Drug Administration must terminate a temporary denial of approval of an abbreviated drug application if there is a determination that the finding supporting the temporary denial was in error, regardless of whether the investigation supporting the temporary denial has ended.

H.R. 2454 should help to restore the vitality of the generic drug industry and the American people's confidence in generic drug products. The bill is the result of a compromise worked out in the Committee on Energy and Commerce and enjoys the support of all the members of that committee. The credit for the bill goes to the distinguished chairman of our committee, Mr. DINGELL. I urge all Members to support it.

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

Mr. Speaker, I am pleased to rise in support of H.R. 2454, the Generic Drug Enforcement Act of 1991. This bill was unanimously approved by the Energy and Commerce Committee. It represents the committee's response to the generic drug scandal. For the better part of the last 3 years, the Subcommittee on Oversight and Investigations—on a bipartisan basis—has been conducting an investigation into the generic drug scandal. Most regrettably, in light of the need for lower priced medicines on the market, the subcommittee found that large segments of the industry were riddled with corruption.

The U.S. attorney for Maryland has taken action against a number of individuals and companies and has made it clear that he expects to file more criminal charges.

I think H.R. 2454 represents a fair and reasonable approach to ridding the generic drug industry of the bad actors and to restoring public confidence in the safety and efficacy of generic drugs. It provides the FDA with the authority to not accept or review applications for the approval of generic drugs if a company has been convicted of certain specified crimes. The FDA would also be able to debar individuals convicted of such crimes from participating in the development of drug applica-

tions for both generic and brand name drugs to be submitted to the FDA.

The time has arrived to pass this legislation to give FDA the appropriate enforcement tools it needs to ensure that corrupt individuals and companies will not be able to continue to defraud the public.

I appreciate the leadership and cooperation of the chairman, Mr. BLILEY, Mr. WAXMAN, and Mr. DANNEMEYER in developing this legislation. Finally, I would note that the administration has no objection to passage of H.R. 2454. I urge my colleagues to join me in supporting this bill.

Mr. BLILEY. Mr. Speaker, I rise in support of H.R. 2454, the Generic Drug Enforcement Act of 1991. I am particularly pleased that this year's version of a bill Chairman DINGELL and I first introduced last Congress has such widespread support on the Energy and Commerce Committee.

The need for tough sanctions against those who violate the law and engage in improper practices in connection with the generic drug approval process has never been greater.

Just this summer, the U.S. attorney for Maryland announced two more guilty pleas in his generic drug probe: One from a lab based in Baltimore and the other from the lab's former chief scientific officer. Both pleas were based on charges of obstructing an investigation by permitting a generic drug company executive to switch samples of a generic drug used in human testing before samples were collected by the FDA.

In addition to these two latest guilty pleas, 5 former FDA employees, 10 generic drug company executives, 1 industry consultant, and 4 generic drug companies have been convicted. The U.S. attorney recently stated again that even more criminal charges are anticipated.

Sadly enough, we learned during the course of the ongoing inquiry into this matter by the Subcommittee on Oversight and Investigations, which began in 1988, the FDA lacks sufficient authority to debar and fine those who engage in these actions, and to suspend or withdraw already approved generic drugs which are tainted by wrongdoing.

At an oversight subcommittee hearing on June 5, we learned that new generic drug approvals have slowed to a virtual crawl in the last year or more. In my view, that situation is likely to continue until a number of steps are taken, including enactment of the penalties and other enforcement measures contained in H.R. 2454.

I want to thank all parties involved for working cooperatively with Chairman DINGELL and me to come up with this consensus approach to this very important issue.

I urge my colleagues to join me in supporting this bill.

Mr. DINGELL. Mr. Speaker, I rise in support of H.R. 2454, the Generic Drug Enforcement Act of 1991.

Let me begin by extending my personal thanks to my distinguished colleagues, the Honorable THOMAS J. BLILEY, the ranking Republican member of the Subcommittee on Oversight and Investigations, the Honorable HENRY A. WAXMAN, the chairman of the Sub-

committee on Health and Environment, the Honorable NORMAN F. LENT, the ranking member of the Committee on Energy and Commerce and the 39 other members of the Committee on Energy and Commerce that cosponsored this important legislation.

In 1984, Congress passed the Drug Price Competition and Patent Term Restoration Act to the Federal Food, Drug, and Cosmetic Act. This landmark legislation opened up, for the first time, the prescription drug market to meaningful competition. This law was enacted at a time when a number of the patents for the biggest selling drugs had expired, or were about to expire. Consequently, a final approval of a generic drug virtually guaranteed the successful applicant a substantial and lucrative market share of a best selling product. Unfortunately, the intense pressures generated by this extraordinary competitive environment contributed to a series of scandals in the generic drug industry.

In 1988, an investigation begun by the Subcommittee on Oversight and Investigations revealed that various companies in the generic drug industry had paid illegal gratuities to Food and Drug Administration staff members in exchange for preferential treatment of their abbreviated drug applications and that some generic manufacturers had substituted samples of the innovator's products for their own in conducting bioequivalence tests. As a result of subsequent probes by the U.S. attorney for the district of Maryland, the FDA, and the subcommittee, there have been 26 criminal guilty pleas and convictions, scores of products recalled or withdrawn, and 5 of the top 10 generic drug firms implicated in corruption, fraud, or false statements.

H.R. 2454 has been drafted to remedy this disgraceful mess. It is intended to protect the integrity of the generic drug approval process, to restore consumer confidence in generic drugs and to create a strong deterrent to future misconduct.

First, it will protect the future honesty of the system by requiring or permitting the Secretary of the Department of Health and Human Services [HHS] to debar from future generic drug approvals, for at least 1 year, those firms and individuals convicted or materially implicated in bribery, fraud, false statements or other crimes which undermine the FDA approval process.

Second, it will permit the temporary denial of generic drug approvals for up to 18 months, with one possible 18 month extension, where the Secretary determines bribery, fraud or the like has occurred.

Third, it will grant the Secretary authority to suspend the distribution of drugs of certain companies, unless those companies can prove that some or all of their drugs are untainted.

Fourth, the bill will require the mandatory withdrawal of any generic drug approval illicitly obtained and the permissive withdrawal of approvals where the company has repeatedly failed to live up to its commitments to FDA.

Fifth, it will establish a series of civil penalties for action corrupting the approval process.

Finally, it provides standby investigational authority for the Health and Human Services inspector general concerning Food and Drug

Administration matters, including drug diversion and fraud on the agency.

Undoubtedly, some generic firms will oppose this legislation, particularly those which are or will be the targets of Federal criminal investigations. However, we have received the support of a majority of the honest generic drug firms that recognize the importance of cleansing the industry of those who would corrupt the generic drug approval process.

The rapidly rising cost of drugs is severely taxing the resources of individuals and governmental entities. The American consumer has a right to safe, effective, and low-priced generic drugs. Unscrupulous individuals and, in a few cases, firms, should not be allowed to undermine the public confidence in the industry that provides us with low cost alternatives to prescription medication. It is essential that we enact legislation that would bar such individuals and firms from further participation in this important business. Therefore, I urge my colleagues to support the Generic Drug Enforcement Act of 1991.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HASTERT. Mr. Speaker, I, too, 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. WAXMAN] that the House suspend the rules and pass the bill, H.R. 2454, as amended.

The question was taken.

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

SILVIO O. CONTE DISABILITIES PREVENTION ACT

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3401) to amend the Public Health Service Act to establish a program for the prevention of disabilities, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3401

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 "Silvio O. Conte Disabilities Prevention Act".

SEC. 2. ESTABLISHMENT OF SILVIO O. CONTE DISABILITIES PREVENTION PROGRAM.

Part B of title III of the Public Health Service Act (42 U.S.C. 243 et seq.) is amended by inserting after section 314 the following new section:

"SILVIO O. CONTE DISABILITIES PREVENTION PROGRAM

"SEC. 315. (a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control, may make grants to and enter into contracts with public and non-profit private entities for the purpose of car-

rying out programs for the prevention of disabilities and the prevention of secondary conditions resulting from disabilities.

"(b) CERTAIN AUTHORIZED ACTIVITIES.—With respect to the prevention of disabilities and conditions described in subsection (a), activities for which the Secretary may provide financial assistance under such subsection include—

- "(1) coordinating prevention activities;
- "(2) conducting demonstrations and interventions;
- "(3) conducting surveillances and studies;
- "(4) educating the public; and
- "(5) educating and training health professionals (including allied health professionals) and conducting activities to improve the clinical skills of such professionals.

"(c) REPORTS TO SECRETARY.—The Secretary may not provide financial assistance under subsection (a) unless the applicant involved agrees to submit to the Secretary such reports as the Secretary may require with respect to such assistance.

"(d) PRIORITIES.—The Secretary shall consult with the National Council on Disabilities in setting priorities to carry out this section.

"(e) REQUIREMENT OF APPLICATION.—The Secretary may not provide financial assistance under subsection (a) unless an application for such assistance is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(f) LIMITATION REGARDING EDUCATION OF HEALTH PROFESSIONALS.—In providing financial assistance under subsection (a), the Secretary may not, for activities described in subsection (b)(5), obligate more than 10 percent of the amounts appropriated under subsection (k) for any fiscal year.

"(g) TECHNICAL ASSISTANCE.—The Secretary may provide training, technical assistance, and consultations with respect to the planning, development, and operation of any program for the prevention of disabilities or the prevention of secondary conditions resulting from disabilities.

"(h) PROVISION OF SUPPLIES AND SERVICES IN LIEU OF FUNDS.—

"(1) IN GENERAL.—Upon the request of a recipient of financial assistance under subsection (a), the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the recipient in carrying out such subsection and, for such purpose, may detail to the recipient any officer or employee of the Department of Health and Human Services.

"(2) CORRESPONDING REDUCTION IN PAYMENTS.—With respect to a request by a recipient for purposes of paragraph (1), the Secretary shall reduce the amount of payments under subsection (a) to the recipient by an amount equal to the costs of detailing personnel (including pay, allowances, and travel expenses) and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"(i) EVALUATION AND REPORTS.—

"(1) EVALUATIONS.—The Secretary shall, directly or through contracts with public or private entities, provide for evaluations of programs carried out pursuant to subsection (a).

"(2) REPORTS.—Not later than January 31, 1993, and annually thereafter, the Secretary shall submit to the Committee on Energy

and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report summarizing evaluations carried out pursuant to paragraph (1) during the preceding fiscal year. The Secretary shall provide a copy of each such report to the National Council on Disability.

"(j) DEFINITIONS.—For purposes of this section:

"(1) The term 'financial assistance' means a grant or contract.

"(2) The term 'prevention' means activities that address the causes of disabilities and secondary conditions resulting from disabilities, and activities that address the exacerbation of functional limitations, including activities that—

"(A) eliminate or reduce the factors that cause or predispose persons to disabilities or that increase the prevalence of disabilities;

"(B) increase the early identification of existing problems to eliminate circumstances that create or increase functional limitations; and

"(C) mitigate against the effects of disabilities throughout the person's lifespan.

"(k) AUTHORIZATION OF APPROPRIATIONS.—

For the purpose of providing financial assistance under this section, there are authorized to be appropriated \$15,000,000 for fiscal year 1992, \$20,000,000 for fiscal year 1993, and \$25,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. HASTERT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

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

Mr. Speaker, this legislation would establish a new section within the Public Health Service Act to authorize grants for the prevention of disabilities and for the prevention of secondary conditions resulting from disabilities. In brief, this legislation would establish priorities for CDC activities in the areas of disability prevention. It would direct the use of funds for research and demonstration projects, for education of the public and training of health professionals, and for the provision of technical assistance for the implementation of those activities.

According to a 1991 study by the Institute of Medicine, "Disability in America: Toward a National Agenda for Prevention," almost 15 percent of the U.S. population, or 35 million Americans, suffer from some kind of disability. Disabilities disproportionately affect minorities—including Na-

tive Americans—the elderly, and those in lower socioeconomic groups. According to the IOM report, the national cost of caring for all of those with disabilities is approximately \$170 billion per year, including an estimated \$82 billion in Federal funds.

In response to a specific statutory mandate from Congress, the National Council on Disability conducted an assessment of Federal laws and programs serving people with disabilities, and made recommendations to the President and Congress on Legislative proposals for "increasing incentives and eliminating disincentives in [such] Federal programs." The ensuing report, "Toward Independence," was released in 1986 and identified ten national priorities, including a recommendation for implementation of a Federal initiative designed both to prevent disabilities and to coordinate disability prevention programs at the Federal, State, and local levels.

A followup study produced by the National Council in 1987 reported that disability prevention efforts in the United States are disparate and uncoordinated. Coordination of such activities, the Council argued, would increase their effectiveness. The recent IOM study reflected the findings and recommendations of the National Council and urged that disability prevention "be [made] a high priority."

Our colleague, the late Silvio Conte, pioneered efforts in the Congress to create programs for the prevention of disabilities. Beginning in 1988, he pressed for appropriations for demonstration activities in this area. In 1990, Congressman Conte introduced legislation to authorize such a program at the CDC, legislation that was the prototype of this bill. He testified before the Health and the Environment Subcommittee regarding his legislation, saying:

There has been much discussion in this Congress on what needs to be done to remove the barriers to full community participation of those with disabilities. But we must not neglect the public health needs of these people, and we must also take action to prevent those already living with disabilities from becoming further disabled.

The Conte legislation passed the House in 1990. Senate consideration was not completed by the end of the 101st Congress.

H.R. 3401 and the program it authorizes have been named in Congressman Conte's honor. The committee has done so to recognize his dedication to these efforts and his leadership in congressional support of them.

I know of no more fitting tribute to our colleague than to ensure that his work in this area becomes law and to ensure that millions of Americans who are now disabled and millions more who might avoid disability will benefit from his good works and his good heart.

I urge Members to support the bill.

□ 1230

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

Mr. Speaker, this legislation codifies in the Public Health Service Act the disability prevention program conducted by the Centers for Disease Control since 1988.

Approximately 38 million Americans suffer from some kind of disability. These disabilities fall into three categories: chronic disease—such as heart disease or Parkinsons—injury such as a spinal cord injury—and developmental disabilities—such as cerebral palsy. Secondary disabilities occur when a person with a primary disability suffers a complication or injury that causes further disability.

The main goal of the Disability Prevention Program is to prevent and reduce the incidence and severity of both primary and secondary disabilities.

Prevention of disabilities will not only save money but will enable people to continue to lead independent and productive lives.

Our colleague, Silvio Conte was an ardent supporter of this program. I am glad to support this legislation named after Mr. Conte in recognition of his support of this program.

I urge my colleagues to support this legislation.

□ 1240

The SPEAKER pro tempore (Mr. HUBBARD). Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, I rise today in support of H.R. 3401, the Silvio O. Conte Disabilities Prevention Act. I had the distinct privilege of serving with Sil Conte in this House and on the Appropriations Committee for many years. And, as I have said many times before on the floor of the House he loved, he was truly one of the finest, most committed Members of this House.

Silvio Conte had a special place in his heart and on his list of priorities for people with disabilities. He understood that our Nation would be stronger if we worked together to insure that people with disabilities were integrated as full participants in our society. He understood that the goal of equal opportunity was a priority for people with disabilities, but it was a goal that was often ignored by our society.

I want to commend Chairman WAXMAN for bringing this bill forward today. I can think of few better ways to honor the memory of Sil Conte and his dreams than this bill. H.R. 3401 establishes a permanent program as part of the Centers for Disease Control, for the prevention of disabilities. We have seen a growing awareness in our Nation for disability prevention and the need to promote a comprehensive education effort. Our Nation's experts know many ways to prevent disabilities. H.R. 3401 will allow the rest of the Nation to benefit from their expertise.

The Institute of Medicine recently published their report, "Disability in America: Toward a National Agenda for Prevention." I would like

to quote from the opening remarks by the Chair of the Committee on a National Agenda for the Prevention of Disabilities, Mr. Alvin R. Tarlov. He writes:

The time has come for the Nation to address disability as an issue that affects all Americans, one for which an investment in education, access to preventive services and technology, and the development of effective interventions could yield unprecedented returns in public health, personal achievement, and national productivity.

Chairman Tarlov's statement is certainly consistent with the goals of the Americans With Disabilities Act and H.R. 3401 is a further extension of those efforts. It is also a statement with which I agree and I believe, Sil Conte would as well. Again, I commend Chairman WAXMAN for bringing this bill to the floor and urge my colleagues to join me in supporting the Silvio Conte Disabilities Prevention Act.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HASTERT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HUBBARD). The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 3401, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

THE ATLANTA BRAVES—TRUE CHAMPIONS, EVEN IN DEFEAT

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

Mr. DARDEN. Mr. Speaker, the 1991 baseball season is over. The World Series ended last night, and regrettably our Atlanta Braves lost. However, this has been one of the most fulfilling and rewarding years we have ever had in Atlanta because our Braves came all the way out of the cellar of the National League to go all the way and win the National League pennant.

I want to extend our congratulations to our friends from Minnesota and to the Twins for their victories in Minnesota. We would point out, Mr. Speaker, that they won in Minnesota only. The games that really counted, of course those three played in Atlanta, the first World Series games ever played there, were all won by the Atlanta Braves by overwhelming margins.

Let me say this, though: our heartiest congratulations to the Minnesota Twins, but congratulations also to the Braves. On Tuesday there will be a big parade in downtown Atlanta so we can express our appreciation to our true winners and our real champions, the 1991 Atlanta Braves.

NATION FACES AN ECONOMIC AND FINANCIAL EMERGENCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. WHITTEN] is recognized for 5 minutes.

Mr. WHITTEN. Mr. Speaker, tomorrow we are scheduled to take up the dire emergency supplemental bill—a product of six of our subcommittees. At this time, I call your attention to the fact that economically and financially as a nation we face a national emergency—a dire emergency.

Anyone who reads a newspaper or watches television or talks to one's neighbors is bound to realize our Nation is in a deep recession and judging by history it will take a real effort if we are to avoid a long drawn out depression.

Despite the fact that our Committee on Appropriations has held the total of appropriations bills \$180,800,000,000 below the recommendations of our Presidents since 1945, today we owe a debt of \$4 trillion and have outstanding guarantees of another \$5 trillion. We can work our way out of this only by increasing production and regaining our domestic markets and our normal share of foreign markets. History will decide whose fault it is—and our domestic policy of placing foreign relations ahead of the domestic economy, where we are letting our real wealth deteriorate, will figure prominently in that.

We need information, as what we must do is try to prevent an all out breakdown in our situation here at home, thus fixing the blame at least should be delayed.

Far too many people seem to forget that paper money and material wealth are two different things as any study of economics or history will show.

On every hand we read of cutbacks, reductions in force—the loss of millions of jobs. Thousands of banks are failing along with major companies, savings and loans associations, and many others who deal with real estate.

Mr. Speaker, I cannot recall a time since 1941 when the national economy has been in a more serious condition. Every newscast, every newspaper, every news magazine is filled with articles or stories on businesses closing, of employee cutbacks or furloughs, of the lack of employment because of the lack of operating capital. When a few, including some office holders, by using carefully selected statistics we have high leading officials voice optimism about the recovery.

In addition, conditions are terrible because of natural disasters—hurricanes, earthquakes, freezes, droughts, floods, tornadoes, and more recently, wildfires—which have been declared disasters by the President and the Secretary of Agriculture which affect every State in the Union. These disasters have created a dire emergency

which must be addressed to prevent a cutting back on vital ongoing programs.

Mr. Speaker, it will take time if we are to work out of the present problem. We need to get our country moving, to increase production, to again export more than we import—and we need to start now for we live in a competitive world.

As a start, tomorrow we must join together to pass the dire emergency disaster assistance bill reported out by our Committee on Appropriations.

The conditions resulting from the widespread disasters continue to get worse. There are now 40 presidentially declared disasters and an additional 68 declared by the Secretary of Agriculture. With reductions in employment, in production, and exports resulting from these disasters, when added to our mistaken policies, it is apparent that the Nation must take action. It has been over 6 months since we called attention to the problem, the facts of which are well known.

To begin to meet these problems, tomorrow we bring before the House a dire emergency supplemental to provide funds to meet the disasters which have hit the Nation since last October and to provide more funds for Hurricane Hugo damage and the 1989 California earthquake.

Recently, Hurricane Bob struck the northeast coast. To date, estimated costs for the disasters declared due to this hurricane are approximately \$52 million.

In the years 1990 and 1991, disaster declarations have been declared or are pending for 11 States in the East, 8 States in the Southeast, 8 South Central States, 11 North Central States, 6 States in the Northwest, and 6 States in the Southwest. Thus, in connection with this, it is necessary that the Congress declare these domestic needs to be dire emergencies so that other essential programs won't be reduced by sequestration as has been done to fiscal year 1991 programs which were reduced thirteen ten-thousandths of 1 percent by the Office of Management and Budget based on its own counting without the approval of the Congress.

Mr. Speaker, let me give you some examples of these disasters.

Farmers in Minnesota and Iowa were unable to plant their crops due to an unprecedented spring and summer rainfall. Furthermore, many crops which may have been planted were destroyed because of flooding.

Since early spring of this year, tremendous storms with accompanying torrential rain and winds have hit areas of the country. At one point, over 4 million acres of land in the Mississippi River Delta were inundated, destroying or damaging drainage ditches, bridges, roads, homes, and farms. Additionally, some of the worst

drought conditions of the century have affected other parts of the country.

The heavy rains that occurred in last April and early May 1991, averaged 12 to 18 inches above normal in the Yazoo basin. This flooding was more severe than in 1973 in several locations, setting modern day records, and resulted in a major flood fight activity.

Since October 1990, there have been disasters for which Federal funds are not available to meet emergency needs, resulting in calls for the National Guard and other assistance.

H.R. 3543 was reported October 17—before the disastrous fire in Oakland, CA, occurred. All the evidence is not in on the effects of that terrible fire. What we know now is that more than 25 persons have died and more than 1,800 homes have burned with damages included to roads, bridges, and the overall effect—according to the press—is estimated to be from \$2 to \$5 billion in damages. Apparently, this disastrous fire and the damages ranks with the volcano eruption in Washington, the earthquake in San Francisco, and to the Great Chicago Fire in 1871.

In addition, wildfires have damaged areas in Washington, Montana, Idaho, and Virginia.

Tomorrow, when the dire emergency supplemental is considered, I will offer an amendment that will provide additional disaster assistance for FEMA, the Corps of Engineers, the Forest Service, the Bureau of Land Management, the Soil Conservation Service, and the Geological Service to determine the needs and make recommendations to the subcommittee of jurisdiction of our Committee on Appropriations that we may mitigate the effects of the disasters and thereby help save our economy.

It is important that the bill and the amendment be approved as a dire emergency, for we must prevent cuts in ongoing programs through sequestration which would make bad matters worse.

I urge you to join us in our efforts to save the material wealth and the economy of our Nation.

□ 1240

THE AMERICAN BANKERS ASSOCIATION ATTACKS ITS OWN OFFSPRING

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, I rise to report a serious case of child abuse—perhaps even a case of attempted infanticide.

The coconspirators in this deed: the U.S. Treasury Department and the American Bankers Association.

Last spring, the ABA and Treasury brought their newborn child—the Financial Safety and Consumer Choice

Act—to Capitol Hill and pronounced it a future superstar. For months, the proud parents have been walking into Members' offices, displaying photos and extolling the virtues of their offspring.

Now on the eve of its graduation, we see the ABA and the Treasury Department disowning the child and attempting to throw it out into the cold. Huge multipage advertisements in the Washington Post and other publications suggest that the birth certificate should be marked "void."

Mr. Speaker, what we are seeing is another of those all-or-nothing games played all too often by the banking lobbyists. As soon as they were told they would have to be responsible parents and play by the rules, the ABA members started disowning their newest child.

Mr. Speaker, H.R. 6, which will be coming to the floor later this week, is a good bill—a solid bill that allows banks to enter into new activities with safeguards for the public, the insurance funds, and the banks themselves.

Unfortunately, a solid bill is not what the American Bankers Association wants. It wants the Congress to rubberstamp new powers, new activities, and new expansion and worry about regulation and the public interest later.

This is a sad replay of the same attitudes that the savings and loan industry brought to the Congress in the 1980's. The ABA is simply recycling the old press releases of the U.S. League of Savings Institutions. In the 1980's the Congress swallowed—hook, line, and sinker—the deregulation plans drafted by the U.S. League with not even a passing glance at the public interest or the need for a new regulatory structure.

The result now shows up every April 15 in every taxpayers' contribution to the Internal Revenue Service. And it will continue to show up for many more April 15's until we pay off between \$500 to \$750 billion of savings and loan mistakes.

Mr. Speaker, we cannot repeat these mistakes in the deregulation of the banking industry.

The legislation—H.R. 6—that we will be bringing to the floor this week will contain essential new regulatory standards and will provide the proper level of firewalls to separate volatile activities—such as securities—from the insured banks. Both the bank regulatory agencies and the Securities and Exchange Commission will have their cops on the beat to make certain that these securities subsidiaries remain separated from the publicly insured sectors of the bank holding companies.

Much of the focus in recent weeks has been on the efforts to come up with a workable solution melding the different approaches of the Banking Committee, with its jurisdiction over bank-

ing, and the Energy and Commerce Committee, with its role in the securities arena.

Mr. Speaker, I am proud of the cooperative spirit in which we have been able to deal with this issue. My fellow chairman—JOHN DINGELL of the Energy and Commerce Committee—has been extremely cooperative and has worked with me to develop an approach to the bank securities powers that will protect the public interest. The effort was difficult for both committees, but it has produced a very good legislative product that insures that this area of deregulation will have every public safeguard possible.

Like they approach everything else in this city, the pundits have attempted to turn the Dingell-Gonzalez negotiations into some kind of sporting contest with outlandish scoring systems about who won what where in the title. Leaving that game aside, I do know that there was one clear winner—the American public.

I am pleased, Mr. Speaker, that we were able to reach the decisions on this title without doing violence to the jurisdiction of either committee. Chairman DINGELL and I agreed that jurisdiction would remain status quo and that is exactly what happened.

While I take pride in the accomplishments stemming from these committee negotiations, I hope that neither the House nor the public lose sight of the fact that title IV—securities powers—was but one of six titles in the bill that will be coming before the House this week.

H.R. 6 is necessary if we are to keep the bank insurance fund [BIF] solvent and in a position to pay off depositors when banks fail. The legislation allows the Federal Deposit Insurance Corporation to borrow \$30 billion from the U.S. Treasury to keep the deposit insurance system afloat.

Mr. Speaker, H.R. 6 also contains absolutely essential new regulatory tools to protect the insurance funds—to make certain that his new \$30 billion is not wasted. For example, the bill requires that the regulatory agencies take prompt action when the conditions of a bank deteriorate. This is mandatory—no more long periods of wishful thinking while a sick bank is allowed to slip from high fever to high costs for the taxpayers. This provision will save the insurance funds billions and billions of dollars in coming years.

The legislation also puts a big dent in the age-old policy of allowing the big banks to escape the possibility that they, like their smaller brethren, will face closure or sale if they operate unsafely, unsoundly, or become unofficial wards of the State. If administered properly, these provisions can end the atrocious and unfair public policy that has been dubbed too big to fail.

H.R. 6 also gives the regulators some stiff new instructions to make certain

that resolutions of failed institutions follow the least costly route—the methods least burdensome on the American taxpayers and the insurance funds.

The bill also provides, for the first time, rational standards for the use of the Federal Reserve's discount window—the window that has been opening wide to provide low interest loans to banks. That window has been important as a source of short-term liquidity, but more and more it has fallen into a secret backdoor means of bailing out failing banks.

Ultimately, these bailouts, financed by the Federal Reserve, have cost the FDIC tons of money. The Federal Reserve, after the fact, mails the FDIC a bill for all the discount-window operations and the insurance funds and the taxpayers pay. The legislation ends this silly open-ended discount-window game and establishes specific criteria for the use of the facility.

Mr. Speaker, the legislation reported by the Banking Committee allows banks to branch across State lines, a provision that many believe will stabilize the industry and allow it to reach new markets. Such territorial expansions are not without their risks and many are anxious that the interstate entities do more than simply take deposits in new territories. It is my understanding that there may be amendments, the Rules Committee agreeing, that would strengthen community safeguards and ensure that the effect of such laws as the Community Reinvestment Act are not left behind when banks travel.

With the sequential referrals to four committees plus the basic H.R. 6, reported by the Banking Committee, the Rules Committee is obviously being given a big and difficult job in providing the vehicle to move the legislation to the floor. None of us know what amendments will be placed in order. But, Chairman MOAKLEY has done a magnificent job on the Rules Committee and everyone in the House appreciates that fact. I know the rule adopted in this instance will be absolutely fair. In 1989, we had the massive savings and loan reform legislation—FIRREA—and it, too, had multicommittee referrals. But, JOE MOAKLEY worked through that maze, allowed a representative group of amendments, and made a difficult floor situation work.

Mr. Speaker, I have made no secret of my disappointment that the Banking Committee did not adequately deal with the specific issue of deposit-insurance reform during its markup in June. Essentially, the committee left the status quo in place—allowing \$100,000 insurance for multiple accounts that could easily provide a single affluent family with insurance in excess of \$1 million courtesy of the taxpayers. This creates a tremendous contingent liability,

and I hope that the House will reconsider this issue and agree to place some limit on the multiple accounts and the ultimate liability of the taxpayers in insuring wealthy depositors.

Last week, Mr. Speaker, the American public was shocked by data collected under the Home Mortgage Disclosure Act which indicates widespread discriminatory lending practices by federally insured institutions. Nationwide, it appears that minority families seeking mortgages are rejected two to four times more often than applicants from other sectors of the population with the same income. In some cases, the disparity is much greater. I question the morality of voting this industry additional funds from the U.S. Treasury and providing other benefits while such lending discrimination exists among its members. I think we have to include provisions in this bill to correct the situation before we vote final passage. It is my understanding that our colleague, JOSEPH KENNEDY of Massachusetts, will be offering a fair lending amendment and I hope that the Rules Committee and the House will look favorably on the proposal. Mr. Speaker, I see this as a very serious issue that affects all our communities across the land and one which eats at the very fabric of a nation that prides itself on equality and equal opportunity. It cannot be overlooked, regardless of other agendas.

Again, Mr. Speaker, I urge my colleagues to ignore the confusion being sown by the American Bankers Association and the Treasury Department. We need to deal with the banking legislation this session and not postpone it while the banking industry reassembles its wish lists. H.R. 6 is a solid bill for the banking industry and the American public.

Mr. Speaker, I would like to submit the Congressional Budget Office's cost estimate for H.R. 6 as reported by the Banking Committee on July 23, 1991. It is my understanding that an amendment will be offered on the floor to address the CBO estimated outlays arising from the loan guarantee for borrowing by Rhode Island to repay deposits of failed credit unions.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 21, 1991.

Hon. HENRY B. GONZALEZ,
Chairman, Committee on Banking, Finance and
Urban Affairs, U.S. House of Representatives,
Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for H.R. 6, the Financial Institutions Safety and Consumer Choice Act of 1991, as reported by the House Committee on Banking, Finance and Urban Affairs on July 23, 1991. The bill would affect direct spending and thus would be subject to pay-as-you-go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

ROBERT D. REISCHAUER,
Director.

CONGRESSIONAL BUDGET OFFICE COST
ESTIMATE

1. Bill number: H.R. 6.
2. Bill title: The Financial Institutions Safety and Consumer Choice Act of 1991.
3. Bill status: As reported by the House Committee on Banking, Finance and Urban Affairs on July 23, 1991.
4. Bill purpose: H.R. 6 would make extensive changes in the deposit insurance system and in the regulation of financial institutions. These changes include procedures for prompt regulatory action when institutions are undercapitalized, more frequent examinations, and restrictions on the use of the too-big-to-fail policy. The bill also would eliminate deposit insurance coverage of certain types of bank investment contracts and would expressly prohibit U.S. government agencies from directly or indirectly providing insurance coverage for deposits in foreign branches of U.S. banks. The bill would phase out over a period of years the current prohibitions on interstate banking and on interstate branching by state and national banks, would allow commercial businesses to own banks, and would give banks new powers to affiliate with securities firms.

H.R. 6 would provide additional borrowing authority for the Bank Insurance Fund (BIF) and establish procedures to recapitalize the fund. It includes provisions that would strengthen federal supervision of foreign bank operations in the United States, mandate risk-based premiums, and restrict activities of state-chartered banks. The bill also would reduce deposit insurance premiums paid by banks and thrifts to the extent that they make qualifying investments in distressed communities and offer low-cost checking accounts for low-income persons. In addition, H.R. 6 would direct the Secretary of the Treasury to guarantee repayment of \$180 million borrowed by an instrumentality of the State of Rhode Island to repay depositors of failed credit unions.

5. Estimated cost to the Federal Government: Overall, CBO believes that enactment of H.R. 6 could save the federal government significant amounts of money, perhaps billions of dollars, over the next decade, by reforming the deposit insurance system and the regulation of financial institutions. The consequences of the legislation are, however, quite uncertain. They depend on how the regulatory agencies would implement the authorities the bill would give them and how the banking industry would respond to the new environment the bill would create. They also depend on broad economic conditions and their effects on the banking and thrift industries. Consequently, CBO cannot estimate with any precision the budgetary impact of H.R. 6.

More specifically: CBO expects that the bill's reforms of the deposit insurance system and regulatory procedures would reduce the long-term-risk to the government insurance funds by reducing the likelihood of future bank and thrift failures and by lowering the cost of resolving those institutions that do fail. The impact of these changes would depend greatly on how aggressively they are implemented by the regulatory agencies. It is possible that additional outlays would be necessary in the short term in order to achieve the long-run savings.

The additional borrowing authority for BIF would not result in additional costs to

the government because the funding would fulfill an already-existing deposit insurance liability of the government. Furthermore, CBO expects that the borrowed funds would be repaid from bank assessments over the next several years. The interest costs on such borrowings would probably be higher if BIF borrows from banks than if it borrows only from the Treasury and the Federal Financial Bank.

The reforms mandated by H.R. 6 would increase the likelihood that the funds loaned to BIF would be repaid from bank assessments and that ultimately the U.S. Treasury would not bear the costs of bank failures. Because insurance losses for savings and loan failures are being covered almost entirely by Treasury funds, reduced insurance losses on savings and loans would result in savings to the Treasury.

Additional costs to the agencies that regulate financial institutions are likely to be in the range of \$130 million to \$150 million annually once new procedures are fully implemented. Most of these costs would be covered by fees charged to the regulated institutions; the remainder would be offset reduced insurance losses.

Some provisions in the bill would affect appropriated accounts. If additional appropriations are provided for these purposes, additional discretionary spending would amount to about \$1 million a year.

Basis of Estimate: Scoring Conventions. The Budget Enforcement Act of 1990 excludes from pay-as-you-go calculations direct spending and receipts resulting from "full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of this section." The conference report on that act indicates that the intent of this provision is that "the funding to meet deposit insurance liabilities that meet existing commitments be exempt from any pay-as-you-go sequestration."

In applying the Budget Enforcement Act to H.R. 6, CBO has determined that the only provisions involving federal deposit insurance that should be included for pay-as-you-go purposes are those that change the existing deposit insurance guarantee commitment as defined in law. Thus, the exclusion of bank investment contracts from deposit insurance coverage would affect pay-as-you-go scoring. In contrast, all spending effects that would result from the additional BIF borrowing authority and the BIF recapitalization plan, all costs of implementing the new deposit insurance procedures mandated by the bill, and all changes in deposit insurance spending that would result from those procedures would not be counted for pay-as-you-go purposes.

SPENDING EFFECTS

BIF Recapitalization. H.R. 6 would increase the authority of the Federal Deposit Insurance Corporation (FDIC) to borrow from the Treasury on behalf of BIF by raising the existing Treasury line of credit from \$5 billion to \$30 billion. In addition, the FDIC would be authorized to borrow from the Federal Financing Bank (FFB) or from insured banks, but such borrowings could not exceed BIF's cash balance plus 90 percent of the estimated market value of its other assets. Any use of the Treasury line of credit would require the Treasury and the FDIC to agree on a repayment schedule and on the adequacy of assessment income to support the necessary principal and interest payment.

The CBO baseline projections have assumed that BIF is provided with the necessary resources to fulfill its deposit insurance commitments. Under these assump-

tions, CBO has projected BIF's borrowing needs to total about \$36 billion over the next few years, based on projected gross insurance losses of \$42 billion over the 1991-1996 period. Assuming an increase in the BIF premium to 30 basis points by 1993, CBO projects that BIF would be able to repay the Treasury and the Federal Financing Bank in less than 10 years.

Overall Impact of Deposit Insurance Reform on BIF. The bill would make comprehensive changes in the regulation of banks and other depository institutions. Regulators would be required to take various corrective action based on a bank's capitalization; as capital levels decline, increasingly stringent limitations would be imposed on the institution's actions. The federal banking agencies would establish the capitalization levels that would trigger each set of actions, but a ratio of tier 1 capital to total assets of less than 2 percent would necessitate appointment of a conservator or receiver or some other action that would better protect the deposit insurance system.

A variety of other reforms would also be instituted. They would include restrictions on the use of the too-big-to-fail policy, establishment of a risk-based assessment system, changes in accounting and auditing procedures, more frequent examinations, additional grounds for appointment of a conservator or receiver, limits on Federal Reserve discount window advances to undercapitalized institutions, standards for safety and soundness, standards for real estate lending, restrictions on activities of state-chartered banks, and additional reporting requirements.

CBO cannot project with any precision the overall impact of these provisions, because the future condition of the banking industry and the ways in which the banking regulators would implement this bill are so uncertain. We believe that the legislation would reduce long-term losses and spending by the Bank Insurance Fund—because of the requirements for prompt regulatory action, the imposition of risk-based assessments, the requirement for least-cost resolutions and more frequent examinations, and other regulatory changes.

The provisions requiring prompt regulatory action could be particularly significant. The results are difficult to predict, however, because the regulators would determine the points at which each set of actions is triggered. We expect that prompt regulatory action could reduce losses by 10-20 percent, and possibly much more, depending on how aggressively the procedures are implemented. A reduction of 10-20 percent over the 1992-1996 period would reduce BIF losses by \$2 billion to \$5 billion over this period.

We also expect that BIF outlays in the near terms, at least fiscal years 1992 and 1993, would increase as a result of H.R. 6. If prompt regulatory action leads to a speed-up in bank closures, the long-term losses may be smaller but the cash outlays for both losses and working capital would occur sooner. It is also that the requirement for least-cost resolutions would necessitate more liquidations or deposit transfers, which require more up-front cash outlays than other forms of resolution.

Interstate Banking and Branching. Title III of the bill would significantly relax restrictions on both interstate banking and branching. Three years following enactment, Section 301 would allow domestic bank holding companies or foreign banks to acquire any bank or bank holding company located in any state pending approval by the appro-

appropriate regulatory agency. The bill would not allow state laws to restrict such acquisitions unless the same restrictions are applied to banks and holding companies located within the state. Three years following enactment, Section 302 would allow full nationwide branch banking. National and State banks would be allowed to establish branches in any state as long as they met the filing requirements of the state. Foreign banks would be allowed to establish branches in any state subject to the approval of the Comptroller of the Currency.

These provisions would result in greater competition within the industry, which would force inefficient banks and savings associations to reduce costs on their own or be merged with an institution that would do it for them. Increased competition would likely lead to higher BIF losses in the short term, but greater efficiency and increased geographic and industry diversification of bank loans would probably lower losses in the longer term.

Pass-Through Insurance. Under current law, the Federal government provides insurance coverage on deposits up to \$100,000 per account. In practice, the FDIC extends full insurance coverage to much larger deposits, such as those made by pension funds or money brokers on behalf of many individuals. The FDIC views these accounts as fully insured as if each pension participant or client had placed the funds individually. The bill would reduce the scope of "pass-through" insurance by eliminating coverage of certain types of pension fund deposits, known as bank investment contracts (BICs), that allow the depositor to withdraw funds without penalty. BICs defined as uninsured deposits would not be subject to Bank Insurance Fund premium assessments. The bill would also restrict the use of brokered deposits to well-capitalized institutions.

Banks have increasingly used BICs in recent years to attract investments from pension plans. The Federal Reserve estimates that the volume of BICs outstanding at the end of 1990 was \$10.4 billion. The Congressional Research Service estimates that the overall investment contract market may be growing by \$20 billion per year and that banks may capture up to \$15 billion of that growth. Eliminating insurance coverage of some types of BICs would tend to reduce future losses to the BIF to the extent that the overall volume of insured deposits is reduced in banks that are expected to fail. Such savings would be at least partially offset by a reduction in premium income because banks would no longer pay assessments on the affected BIC deposits. Moreover, it is unclear that significant savings would occur because banks would probably attempt to alter BICs to retain their coverage or increase other kinds of insured deposits.

Disallowing the use of brokered deposits by undercapitalized institutions might reduce Bank Insurance Fund losses in the event of their failure. However, such institutions would probably shift to other investment vehicles in order to attract funds. CBO is unable to estimate the size of possible BIF savings at this time.

FDIC Administrative Costs. Enactment of H.R. 6 would increase the FDIC's workload in terms of supervising and regulating commercial banks. Beginning one year after enactment, the bill would require on-site annual examinations of most banks. The bill would allow state examinations to count toward this requirement in alternative years. Currently, the FDIC examines roughly 60 percent of the commercial banks under its juris-

diction each year and state examinations are used for others. The bill would also require increased administrative expenses to carry out the prompt regulatory actions required by the bill. CBO estimates these requirements will raise FDIC administrative expenses by \$2 million to \$3 million in fiscal year 1992 and by about \$5 million a year thereafter.

The bill would require regulators to determine whether a branch of an interstate bank is reasonably meeting the credit needs in its host state or market area. A review of the branch's lending practices would be required if the branch's percentage of local loans to total loans is less than half the local loan average made by all other depository institutions in the host state. If local credit needs are deemed unfulfilled, the bill would require regulators to close the branch. CBO estimates that these requirements would not significantly change the costs of bank supervision by the FDIC because such reviews are currently required under the Community Reinvestment Act of 1977.

Assessments to Recover the Cost of FDIC Examinations. Section 113 would provide authority for the FDIC to assess the cost of conducting regular and special examinations. Thrifts, credit unions, and nationally chartered banks already pay for such costs. We estimate that the FDIC could collect fees of about \$400 million annually to cover these expenses, but it is unclear whether the agency would do so.

Office of the Comptroller of the Currency (OCC). The bill would require the OCC to conduct comprehensive, annual, on-site examinations for safety and soundness. This would increase the frequency and scope of examinations for some banks. Based on information from the OCC, we estimate that the agency would spend an estimated \$25 million in 1992, \$47 million in 1993, increasing to \$54 million by 1996, to conduct more frequent examinations for safety and soundness.

In addition, Section 307 would require the OCC to evaluate compliance with the Community Reinvestment Act (CRA) for each state in which an institution has a branch. Further, each state examination would be required to evaluate information separately for each metropolitan area where an institution operates one or more branches. These examinations would be in addition to the evaluation of the entire performance of the institution in meeting its CRA requirements. For example, many large banking companies have branches in 10 or more states. The OCC would have to conduct examinations for each metropolitan area within each of these states. Additionally, the remaining non-metropolitan areas would have to be reviewed, and all this information compiled to produce a report for each state. The OCC has yet to evaluate this provision to determine the frequency or scope of additional examinations that it would conduct to comply with the statute. The OCC supervises 41 multinational banks and 259 regional banks, but the number of banks and the geographical distribution of their branches may change significantly. On a preliminary basis, we estimate that the OCC would incur costs totalling \$1 million in 1992, \$2 million in 1993, and about \$5 million annually in 1994 and each year thereafter as a result of enactment of this provision. All expenses would be recovered by raising assessments on banks, resulting in no net budget impact.

Resolution Trust Corporation (RTC). Consistent with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989

(FIRREA), the Office of Thrift Supervision (OTS) has broad authority to place thrifts that are undercapitalized in conservatorships. Title I outlines rules that OTS must follow in taking prompt action to close thrifts. As a result of these changes, we expect that OTS would review capital restoration plans within a shorter time period and would initially move 85 thrifts into conservatorship more quickly than currently planned. Over the long term, OTS might take supervisory action against more thrifts than it otherwise would have.

Once a thrift is placed in conservatorship, the RTC prepares the thrift for sale or liquidation. The assumptions underlying the CBO baseline already anticipate that the RTC will be closing failed thrifts at a pace consistent with the resources available to the agency. As a result, we do not expect that the RTC would be closing institutions much earlier than we had already assumed. While CBO has not yet finished its review of the losses associated with thrifts in conservatorship, we believe that thrifts allowed to operate when their capital level is weak continue to accrue losses by selling good assets at bargain prices, securing high cost funds, or making new risky loans. If a thrift is placed into conservatorship earlier, we expect that the rate of deterioration in its net worth will slow during the time before it can be closed. If, for example, the annual rate of growth in losses in institutions that currently have tangible capital in excess of 1.5 percent and that CBO expects will need to be closed or merged in the next four years were to decline from 30 percent to 25 percent pending resolution, the RTC could save in the range of \$5 billion to \$10 billion in insurance costs relative to the CBO baseline over the 1992-1996 period.

Office of Thrift Supervision. Information from OTS indicates that the agency currently conducts annual on-site, full scope examinations at most institutions, and plans to expand the examinations that it now conducts on a limited, risk-focused basis to full-scale exams. Thus, OTS would be complying with the provisions of H.R. 6 that require annual examinations for safety and soundness in any case. We expect, however, that OTS would incur additional costs to pay for examiners, overhead and travel that would be needed to comply with the state-by-state review of compliance with CRA laws. Depending on the frequency of these exams, and given the changing environment that would result from provisions related to interstate branching and banking, it is not clear how much effort would be required to conduct these exams. On a preliminary basis, we expect the cost of these examinations to be \$1 million annually; these expenses would be recovered from fees charged to thrifts, resulting in no net budget impact.

Treasury Loan Guarantee for Rhode Island Credit Union Failures. The bill would require the Secretary of the Treasury to guarantee the repayment of up to \$180 million in borrowing by the Depositors Economic Protection Corporation (DEPCO). The State of Rhode Island established DEPCO to borrow money to repay depositors of failed credit unions that lacked federal deposit insurance coverage.

Before the Treasury could issue the guarantee, DEPCO would have to pledge to repay the borrowing using revenue received from a Rhode Island sales tax dedicated to DEPCO (and not otherwise pledged to repay other securities). Proceeds from the sale of assets and repayments of loans made by closed credit unions would also back the borrowing.

By mutual agreement, the Treasury and DEPCO would negotiate additional terms and conditions, which would include the date the guarantee would be issued and the maturity and amortization schedule. Other terms and conditions could include guarantee fees, any required credit ratings by private rating agencies, sinking fund requirements, and the designation of specific collateral.

DEPCO has no taxing power and its obligations are not legal obligations of the state. In June, DEPCO issued \$150 million in special obligation bonds, backed by revenues generated by a one-half of one percent sales tax. The Rhode Island General Assembly, through its appropriations process, must approve annually the imposition of this sales tax, which currently raises about \$30 million annually. Any revenues in excess of the amounts necessary to pay the \$150 million already borrowed and any other obligation of the state or DEPCO issued to finance the repayment of depositors' claims would have to be dedicated to pay the loan guaranteed by the Treasury. Because the bill does not specify the time period available to DEPCO to secure a Treasury guarantee, and because DEPCO has authority to issue \$150 million in additional securities under current law, the extent to which surplus revenues from the state sales tax would be available to pay the debt guaranteed by the Treasury is uncertain.

Assets from failed credit unions also would be used to repay DEPCO's borrowing. Preliminary information from DEPCO indicates that the agency has identified about \$380 million in non-performing loans and \$523 million in performing loans in the portfolio of assets inherited from failed credit unions. The characteristics of these assets vary greatly. To accurately assess the risk to the Treasury associated with its guarantee of DEPCO debt, more information would be needed about the asset quality and cash flows associated with the specific collateral that Rhode Island and the Treasury would select to repay any debt guaranteed by the Treasury.

Under the Credit Reform Act of 1990, the federal budget records budget authority equal to the subsidy cost of federal loans and guarantees in the fiscal year in which the government commits to provide the assistance, and outlays in the years in which the assistance is provided. To estimate subsidy cost, OMB and CBO usually calculate the net present value of expected late payments, default losses and interest subsidies, net of fees the borrowers pay to the federal government.

For single-purpose loan guarantees, such as this Treasury guarantee of DEPCO securities, CBO estimates the subsidy cost by comparing the interest costs DEPCO would have to pay on an unguaranteed loan to those it would incur on a guaranteed loan. In this case, CBO expects that DEPCO would receive a non-reinvestment grade rating for an unguaranteed loan, and we estimate that the subsidy cost of the federal guarantee would be about \$30 million, recorded as budget authority and outlays in fiscal year 1992. This estimate reflects that fact that the legislation would not require that the securities be investment grade, yet imposes a mandatory requirement on the Treasury to issue the guarantee. Based on information from staff at DEPCO and the Treasury, we assume that DEPCO would agree to borrow funds within one year, to pay a guarantee fee of one-half of one percent per year on the outstanding principal amount of any borrowing that has been guaranteed, and to limit the maturity of the debt to 10 years.

The bill specifies that the Congress and the President must treat any costs associated with the provisions related to the Treasury issuing the loan guarantee as emergency expenditures. If it is determined that this designation meets emergency requirements, then, pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, such spending would be exempt from the pay-as-you-go requirements.

Lifeline Accounts. Banks and savings and loans that offer basic transaction accounts for consumers, commonly known as "lifeline" accounts, would pay one-half the assessment rate normally charged for deposit insurance on those qualifying accounts. The FDIC and the Federal Reserve would establish minimum requirements for these accounts, addressing such issues as minimum balance requirements, income eligibility, fees or service charges, and the number of withdrawals permitted. CBO has reviewed data about the size and extent of "no-frills" accounts currently provided by financial institutions. Based on this review, we expect that about 0.5 percent of transaction accounts held by commercial banks and about 2 percent of transaction accounts held by thrifts would qualify for the lower premium. The CBO baseline assumes that the premiums charged to banks for deposit insurance in 1993 will be 30 cents per dollar of assessable deposits, and that premiums charged to thrifts will be 23 cents per dollar of assessable deposits. Assuming enactment of this provision in 1991, and allowing time for implementation, we expect that BIF's receipts would be lower by \$4 million in 1993 and \$5 million in 1994 and in 1995, and that receipts to the Savings Association Insurance Fund (SAIF) would be lower by \$1 million annually beginning in 1993. The increased net outlays would not be related to deposit insurance and would therefore be counted for pay-as-you-go purposes.

Assessment Credits for Qualifying Activities Relating to Distressed Communities. Banks and thrifts that make eligible loans in distressed communities would receive a credit equal to five percent of the loan amounts against the premiums they pay to the deposit insurance funds. The maximum allowable credit would be 20 percent of the assessment owned in any six-month period. Banks or thrifts providing financial assistance through community development organizations would be eligible for a 15 percent credit against the premiums paid for deposit insurance, up to a maximum of 50 percent of assessments owed. The credit for each semi-annual period would be calculated based on "any increase during such period in the amount of assets of the institutions" that consist of qualifying loans and other financial assistance, as well as any increase in the amount of certain deposits, to the extent that the institution uses those deposits to make loans in that community.

The bill would establish a Community Enterprise Assessment Board, consisting of the Secretary of the Treasury, the Secretary of Housing and Urban Development (HUD), the Chairman of the FDIC, and two individuals representing community organizations. The Board would be required to publish standards outlining the scope and nature of the program.

Section 233 lists the types of loans that might be considered eligible under the program. These would include loans guaranteed by the Veterans Administration, HUD, and the Small Business Administration, conventional mortgage loans to homeowners, and numerous types of assistance targeted for af-

fordable housing or community development. No data currently exist that measure the total program level for many of these activities. Even less certain is which recipients would meet the definition of low- and moderate-income persons in distressed communities or enterprises involved with such neighborhoods.

For purposes of this estimate, we have assumed that the qualifying activities specified in section 233 would make up the pool of eligible investments. The single largest category is conventional mortgages, which account for more than 80 percent of the estimated assistance currently provided to distressed communities. Banks and thrifts originated about 70 percent of nearly \$400 billion in new home mortgages in 1990. Because the credit against insurance premiums applies to an institution's growth in assets, we have reduced the expected level of eligible new originations downward by 25 percent to adjust for refinancing of old mortgages, resulting in a potential pool of about \$200 billion of eligible loans.

While participation by individuals of low and moderate incomes varies by program, we expect an average of about 25 percent of the dollar amount of new mortgages would go to qualifying individuals. Further, we estimate that about 10 percent of those funds would be used to purchase property in distressed neighborhoods. Based on these assumptions, we expect that banks and thrifts would have about \$6 billion in eligible activity in 1991 that would qualify for a credit. The share of investments that earn a 15 percent credit is expected to grow from five percent in 1993 to 25 percent in 1995. Allowing time for the Board to develop standards, the banks and thrifts to make loans, and then premium credits to be applied to insurance premiums owed, we expect that premium reductions to BIF and SAIF would occur beginning in the second half of 1993. Premium credits, which results in outlay increases, would amount to about \$180 million in 1993, \$420 million in 1994, and \$510 million in 1995. The cumulative outlay increase through 1995 is estimated to be \$1.1 billion, which would be counted for pay-as-you-go purposes.

The Board would have the authority to change the amount of the premium credit, which might be the case if the FDIC determined that BIF would need this premium income to maintain the solvency of the fund, or if SAIF needed the premium income to repay its debt to the Financing Corporation or for other purposes. We cannot predict what adjustment, if any, the Board would make to amount of the premium credit.

Miscellaneous Provisions. H.R. 6 would establish a number of commissions and require several agencies to prepare reports and regulations and undertake other new responsibilities. For example, the OCC would be required to prepare 22 reports and participate in 11 studies. The agencies have not yet been able to provide CBO with enough information on which to base a detailed estimate, but it appears that the cost of these provisions may total \$2 million or more annually over the next few years. The funds would largely be subject to appropriation actions or be reimbursed from the public. These agencies most affected include the Treasury, the General Accounting Office, and the financial regulatory agencies.

REVENUE EFFECTS

Federal Reserve. H.R. 6 is expected to reduce revenues by increasing the supervisory costs of the Federal Reserve System. Each year the Federal Reserve remits its surplus to the Treasury, with the payment recorded

in the budget as governmental receipts, or revenue. Therefore, the additional operating costs resulting from enactment of the bill would reduce revenues. Based on analysis provided by the staff of the Federal Reserve Board, we estimate that the Federal Reserve would incur additional unreimbursed costs of \$26 million in 1992 and \$190 million cumulatively from 1992 through 1996.

Under title I of the bill, the Federal Reserve would be given specific responsibilities to take "promote regulatory action" to resolve the problems of troubled banks under its supervision. The Federal Reserve is the chief supervisor of member banks that are state chartered. If the Federal Reserve determines that one of these institutions has become undercapitalized as defined in the bill, the institution must submit a plan to the Federal Reserve to restore its capital. The Federal Reserve must then closely monitor the bank's progress under the plan. If the institution becomes significantly undercapitalized or fails to implement its plan, then the Federal Reserve must take further steps to restrict the institution's activities. If the institution falls below the critical capital level defined in the bill, then the Federal Reserve must appoint a receiver or conservator within thirty days, with the consent of the FDIC.

Title IV of the bill would give the Federal Reserve additional responsibilities to examine the newly-sanctioned relationships between banks, securities firms, and commercial businesses. The bill would replace bank holding companies with two new entities, financial service holding companies and diversified holding companies. Banks and securities firms would be able to affiliate through financial service holding companies, and commercial businesses would be able to affiliate with banks and securities firms through diversified holding companies. The Federal Reserve would be required to examine these relationships to ensure that the required degree of separation is maintained. The Federal Reserve would also process the applications of companies wishing to become financial service holding companies or diversified holding companies. In order to comply with these responsibilities, we expect the Federal Reserve would incur additional costs of an estimated \$12 million in 1992 and \$87 million cumulatively from 1992 through 1996.

The Federal Reserve also would have to increase its supervisory activities as a result of the interstate banking and branching provisions in Title III of the bill. The Federal Reserve would have to closely monitor the activities of interstate banks and branches. In addition, the Federal Reserve expects many applications from banks and holding companies to establish new branches and banks in different states.

Title II provides the Federal Reserve with new authority in the area of foreign bank supervision. The Federal Reserve is given the authority to directly examine all branches of foreign banks located within the United States, an expansion of its authority under present law. Currently, it examines branches of foreign banks only indirectly by using the reports of the Comptroller of the Currency, the FDIC, and the state regulators where possible. In addition, the Federal Reserve would examine foreign branches for compliance with consumer protection laws. The Federal Reserve estimates the additional costs related to foreign banks would total between \$25 million and \$30 million dollars in 1996. However, the Federal Reserve is expected to charge the foreign banks for the added costs associated with the examina-

tions. We assume the added costs would be completely reimbursed by the foreign banks and the net cost to the Federal Reserve of the new foreign supervisory authority is, therefore, estimated to be zero.

Title I would place limitations on the Federal Reserve's long-term lending to troubled banks through the discount window, but the estimated budget effect of these limitations in zero. Under certain circumstances specified in the bill, the Federal Reserve would not be reimbursed by the deposit insurer for discount window loans at banks that became insolvent. Based on conversations with staff at the Federal Reserve, we expect that the budget of the Federal Reserve would be unaffected by these limitations because the Federal Reserve would not extend long-term credit to banks under these circumstances.

Other Revenue Effects. The bill may affect federal revenues in addition to the effect on the Federal Reserve. The Congressional Budget Office does not estimate these effects. The Joint Committee on Taxation, which does provide revenue estimates, has not completed a revenue analysis of the bill.

6. Pay-as-you-go Considerations: The Budget Enforcement Act of 1990 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1995. As discussed earlier, CBO believes that provisions in the bill affecting deposit insurance costs, including administrative expenses, should not be included for pay-as-you-go purposes unless the existing deposit insurance guarantee commitment as defined in law is changed. The elimination of insurance coverage for certain types of bank investment contracts would be such a change, but we do not have sufficient information to estimate the amount of the budgetary impact.

CBO believes that three other provisions of H.R. 6 would have pay-as-you-go implications—the loan guarantee for Rhode Island, and the premium credits for lifeline accounts and for activities in distressed communities. The budgetary impact of these provisions is summarized in the following table.

ESTIMATED PAY-AS-YOU-GO IMPACT OF H.R. 6
(Outlay, by fiscal year, in millions of dollars)

	1992	1993	1994	1995
Loan guarantee for Rhode Island	30	0	0	0
Assessment credits for lifeline accounts	0	5	6	6
Assessment credits for activities in distressed communities	0	180	420	510
Total	30	185	426	516

The estimated revenue effect resulting from additional Federal Reserve expenses is not included for pay-as-you-go purposes because it is caused by administrative expenses related to the existing deposit insurance commitment. It is possible that there are other revenue effects of the bill unrelated to the Federal Reserve. The Joint Committee on Taxation provides such revenues estimates, but has not completed its analysis of the bill. Any such revenue efforts would be included for pay-as-you-go purposes.

7. Estimated cost to State and local government: Enactment of H.R. 6 might affect the costs of state banking regulatory agencies, but any costs or savings are not likely to be significant. In addition, DEPCO, an instrumentality of the State of Rhode Island, would receive a \$180 million loan guarantee, with an estimated subsidy value of about \$30 million.

8. Estimate comparison: None.

9. Previous CBO estimate: On September 30, 1991, CBO prepared a cost estimate for S. 543, as ordered reported by the Senate Com-

mittee on Banking, Housing and Urban Affairs. S. 543 authorized the FDIC to borrow up to \$70 billion from the Treasury, including \$30 billion to cover losses and administrative costs, but required the FDIC to repay its borrowings within 15 years. S. 543 also included provisions—similar to those of H.R. 6—that would reform deposit insurance, eliminate insurance coverage for certain types of BICs, restrict the use of brokered deposits, and strengthen regulatory and supervisory practices. CBO believes that S. 543, like H.R. 6, could save the federal government significant amounts of money, perhaps billions of dollars over the next decade, by reforming the deposit insurance system and making other changes.

CBO did not estimate any pay-as-you-go costs for S. 543. It does not include the premium credits provided by H.R. 6, and the \$180 million loan guarantee for DEPCO in the Senate bill was estimated to have no subsidy cost, because the bill expressly requires that the securities receive a triple A rating without the guarantee, that DEPCO pay an annual guarantee fee of 0.5 percent of outstanding principal, and that a sinking fund be dedicated to maintain reserves for further payments.

10. Estimate prepared by: Robert Sunshine, Mary Maginniss, Andrew Morton, Brent Shipp (226-2860) and Mark Booth (226-2869).

11. Estimate approved by: James L. Blum, Assistant Director for Budget Analysis.

□ 1310

A LOOK AT THE ECONOMY

The SPEAKER pro tempore (Mr. CARR). Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, this is a time in this country when there is a lot of hand wringing, a lot of concern, a lot of pessimism, a great deal of agony about the position in which we find ourselves. There are people in this country who feel that the country is seriously off track. They see things that just do not quite line up for them. They see a country that's heavily in debt. They see a country with an economy that is in a recession. They see a country in which the rich are getting richer and the rest are getting squeezed. They see a country in which there are collapses in key industries. There is scandal. We have an S&L collapse scandal, bank failures, airline failures and a corruption scandal in the Department of Defense; 9 out of 10 defense contractors are under investigation for fraud in the 1980's. There is an ill winds procurement scandal and 60 percent of S&L scandals involve fraud.

They see the American people with a health care system that is in real trouble, with 35 to 40 million people who have no health coverage, and those who have coverage cannot afford to continue to pay the increasing bills.

They see a crime wave in which we cannot build enough prison cells to keep those in jail who ought to be in jail.

They see a rural America in tatters, small towns dying, and family farmers going broke.

They see an international trade picture that is pretty dismal with a giant trade deficit and unfair trade rules. They see education in crisis, with schools that do not measure up.

So what is wrong, what is happening, and why now? What does all this mean?

Well, I think after the last decade or so that this country has forgotten some old virtues and some timeless truths. Our leadership somehow seems to have been sending all the wrong messages, and the American people seem to have been receiving those same messages.

I remember sitting on the west front of the Capitol in 1981, the first year I came here, and listened to President Reagan's Inaugural Address. He stood there, the clouds parted on a gray day and the Sun streamed through, and President Reagan said, "Government is the problem."

Well, he believed that which he was about to assume control of was the problem, and the message was, "Get government off everybody's back. Let people do what they can do. They ought to pull themselves up by their bootstraps, become rich and successful and everything will take care of itself. Government is somehow troublesome." "We don't believe," he suggested, "in government regulation. We don't believe in controls. Hands off. No planning," he suggested.

Well, these were all the wrong messages, and this country as a result has drifted, I think, into a very dangerous position. We face some very, very tough challenges now.

About a century ago power shifted in this world. Economic power shifted from England to the United States. England was the predominant world economic power, and it shifted. You did not see a boat carry it to America. You did not see it take off in an airplane. Power shifted, and this country became the world's economic superpower, but it is shifting again. Economic power is shifting in the world again in a very certain way, and it is from here to the Pacific rim.

It is not irreversible, but it requires, in my judgment, strong leadership and assertive action to change.

With everything that is happening in the world, one would think that in the House of Representatives, in the Senate, in the White House, and especially in the homes and streets of this country this would be a time for great joy. There is wonderful news all around the world. The Berlin Wall is gone, just a footnote in history. Eastern Europe is no longer under the yoke of communism. The Soviet Union is literally coming apart. The cold war is over.

These are breathtaking events which have happened in a couple years which I did not expect to happen in my life-

time, and yet in the last 2 or 3 years all these things have happened in a manner that ought to bring great joy to all of us because it will change everything in our future for the better.

We ought to be poised, it seems to me, here in this country, to now turn our attention to the challenges here at home, but we are hip deep in problems, without much leadership.

Let me be clear. I intend to be very critical of the President, but I am also critical of us in Congress. It is not just the President's fault, in that he is the elected leader in this country, but it is also our fault because we have a responsibility in Congress to respond to leadership as well.

I am concerned about the White House. It seems to be more concerned about the next election than the next decade, more concerned about form over substance, a White House that almost incessantly refuses to be bold, to take initiatives to solve problems here at home.

Well, all of us, I think, could learn from those others around the world who are accepting the challenges given them to create their own destiny, to make the changes necessary to affect their lives.

I want to just mention something I have said before to my colleagues, because it bears repeating. We can learn from the experience of what is happening around the world, and we should, because we have forgotten some of these lessons. A joint session of Congress happened about a year-and-a-half ago. A man walked through the back door of the Chamber. He was introduced by the Doorkeeper. The Doorkeeper said, "Mr. Speaker, the President of Czechoslovakia, Vaclav Havel," and to a packed Chamber of House Members, Senate Members, the President's Cabinet, the Supreme Court and diplomats, the President of Czechoslovakia walked down this aisle and walked to the microphone behind me and began to speak. He spoke of 3 months prior to that day at midnight in his apartment in Prague, Czechoslovakia, there was a knock on the door. It was Communist secret police coming to arrest him once again. He understood the terror of arrest because he had been arrested many times.

The question for Vaclav Havel then was, "How long will I be in jail this time under the key of the Communists?"

The answer was that about 4 months later Vaclav Havel walked through that back door, not as a prisoner, but as the President of Czechoslovakia. He was in jail, out of jail, led a revolution without guns and bullets, deposed a Communist government and the military, and created freedom for the people of Czechoslovakia. He was elected President and came out to speak to us.

The lesson, it seems to me, in that speech is a lesson about the power of

an idea. An idea and a dream in Czechoslovakia and all across Eastern Europe and literally across the world, the power of an idea called freedom. He demonstrated, as it has been demonstrated in country after country, that the power of ideas represents the currency of progress. We need the power of ideas here in this country again, to put this country back on track, to build and to invest for the kids of this country, for their future to make this country number one again.

We need to change priorities. We do not need star wars. We need star schools. We do not need to be the curator of a new world order. We need to be concerned about a new economic order here in this country, and we need to do that soon.

The plan to put this country back on track is not new and it is not exotic. It is simply ideas that make sense, old virtues, timeless truths, and a little common sense.

Let me just describe some of them. First, we need a President who pays attention, who is here, not traveling, but here and pays attention to what is going on here at home and interested in solving problems here in this country.

I would like to read from today's Wall Street Journal just a couple of paragraphs. This is today's Wall Street Journal. The feature story says:

BUSH'S SCHEDULE SHOWS HE SPENDS LITTLE TIME ON DOMESTIC CONCERNS

(By Michel McQueen and John Harwood)

WASHINGTON.—Last month President Bush found time to sit down with leaders of 21 countries, from Micronesia to Liechtenstein. But he didn't manage to squeeze in a session with 16 GOP House members eager to discuss family leave for American workers.

Mr. Bush also personally dealt with diplomatic issues ranging from civil war in Liberia to economic problems in Peru. But he held only three meetings with individual cabinet secretaries with responsibility for domestic issues. And two of them were literally on the fly—aboard Air Force One en route to political events.

The president spoke four times with Senate Majority Leader George Mitchell—about Israeli housing loan guarantees and nuclear weapons policy. But he never discussed the issue of extended unemployment benefits with Mr. Mitchell, even as Congress moved to pass a Democratic bill while killing one backed by the White House.

September was supposed to have been the month when George Bush seized the initiative on domestic policy. Before leaving for his August vacation in Kennebunkport, the president vowed to "come back all ready to charge" against his "frustratingly negative" opponents in the Democratic-led Congress.

But a close examination of the president's activities for the month shows just how little involved he actually was on issues here at home. Interviews with some two dozen White House aides, legislators and others and a review of his schedules for the month depict a president who rarely misses a chance to dabble in international matters, but who rarely seizes a chance to take the initiative on domestic policy.

Now that is not me speaking, that is the Wall Street Journal, hardly a bastion of liberalism.

But I think they raise an important point. To put this country back on track, we need good leadership, we need a President who leads and a Congress that has the guts to follow good leadership.

We need a President who decides what is happening here at home is a priority. Second, we need a policy from the President and enough courage from this Congress to understand this country has to pay its bills. We cannot keep spending money we do not have. A lot of people do not understand the dimensions of the debt. Almost \$3.6 trillion in debt and this year the budget is out of balance almost \$420 billion. That is \$1.25 billion a day that is charged every day, 7 days a week, \$1.25 billion that is spent that we do not have.

The result is the kids are going to end up having to pay that bill. Is it tough to balance the budget? You are darned right it is tough. Is it necessary? It is absolutely necessary that this kind of dangerous, reckless, irresponsible fiscal policy stop and that we put this country back on track in this fiscal year.

One of the things that the American people believe about the Government is that it is too big and too bloated.

The third thing I think we ought to do is to trim the number of employees in the Federal Government. It is happening around the country. It is not pleasant, but it is happening. States are having to cut back a bit, cities and counties have to cut back a little bit. I think we ought to have at least a modest start here to suggest that we will trim the Federal work force. Yes, that means the work force here in this Congress as well, by 5 percent, just for starters.

The next step we ought to take, it seems to me, is common sense, but I have worked for literally three-quarters of a decade without the kind of progress I would like.

I think we ought to legislate to stop completely leveraged buyouts, the hostile takeovers, junk bonds, the orgy of greed that has attended all that activity. It is ruining this country.

The 1980's represented an unprecedented wave of greed, from Wall Street to the corporate boardrooms. And the attention was not to how can we build better products, the attention was how can we buy somebody and take them over and issue junk bonds to do it?

We have now seen the collapse of that house of cards. It is a form of economic cannibalism that, in my judgment, is ruining this country.

Now, I have gotten about four pieces of legislation enacted that, in some small ways, tend to put barriers in front of this activity; but it is not enough. We ought to flatout make that kind of activity illegal.

Fourth, what we ought to decide to do is to stop paying everybody else's bills. You know, we now pay over \$100

billion a year to defend Japan and Western European countries? We pay their defense bills. This is preposterous. These are tough, shrewd economic competitors, well able to pay us the costs of the captains and the cruisers that keep the sea lanes open so they can ship their cars to this country.

We ought to expect other countries to begin to bear their share of the burden of keeping the free world free.

As preposterous as it sounds, we now borrow money from Japan so we can provide money to France to defend France against Poland. Yes, that is as goofy as it is. And it makes no sense. We ought to tell the rest of the world Uncle Sam cannot afford to pay your bills anymore. We ought to save some money on the issue of burden-sharing by having those for whom we now provide a defense pay us the cost of providing that defense.

No, I do not want to rearm Japan, that is not the issue. I want Japan to send us every year the cost of keeping the free world free that they ought to assume as their proportionate share of the cost.

The fifth step is education. If the President and the Congress understand, and I think we should, the genesis of progress in this country will come if and when we decide that the bedrock of the foundation for progress is education.

We must dedicate ourselves to have the finest educational system in the world. That is the way America competes. That is the way America succeeds in the decades ahead.

The next point is international trade. This country cannot succeed in international trade unless the rules are fair. I am someone who believes we ought to open our markets to foreign goods. I think that is fine. I think consumers ought to have the widest possible choice when they shop. But I expect and insist and demand that when foreign governments and foreign producers send their goods to this country to be purchased by the American consumer, that the market in their country must be open to American workers and American producers who are sending goods there as well. This country should not allow countries to insist our markets be open to them, but then close their markets to us.

We just cannot work under a trade policy that allows that to continue to happen. We ought to have a golden rule of international trade. We ought to say to other countries, "We want to treat you very well. We want our markets to be open to you. But we are going to follow a golden rule here. So be sure you are real careful about what you do to our producers and our workers who are sending goods into your markets. If you expect to send goods into ours unimpeded, then make sure your markets are open to us."

You know, I am convinced we can compete, but not in markets that are closed. One of the things we must do to put the country back on track is have a farm program that works. We have had now almost a decade of a farm program that is a classic failure. In the last decade we have had a 24-percent increase in the number of Federal workers who run the farm program and a 34-percent decrease in farm population.

Now, it does not take a lot of schooling to understand that that is a failure. If your farm program is producing more people to run it because it is so god-awful complicated nobody can understand it, and you end up with a third fewer farmers, something is wrong.

We can have a much better farm program than we now have without any additional money if we simply decide we are going to target farm program benefits to family-sized farms. And that ought to be the first step, it seems to me, in trying to understand how we repair the persistent economic damage in rural America.

Finally, I think this country needs to have a national program in which the Federal Government and the private sector join to decide that we are going to build the best products in the world. We need national programs that provide incentives for product quality.

In 5 years from now, halfway around the world, someone inspects a product and sees a label that says "made in America," or "made in the U.S.A.," and they say, "You know, I know that label means this is the best I can buy," then we win. If and when it happens that we build the best products and we compete at the best prices, then we succeed in the international marketplace. This country needs to make "made in the U.S.A." a symbol of value and quality again all across the world.

We can do that, we should do that, we must do that. We will not do it while our people in industry play greed games, buying and selling each other, floating junk bonds. That is not the way you do business that works.

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As my colleagues know, a hostile takeover cannot occur in Japan because they will not allow it. They know it is destructive. It should not happen in this country either. Our private sector ought not worry about who is behind them and whether they are going to be taken over the next day. It ought to worry about how to build a better product, and sell it at a better price and succeed in the international marketplace.

So, I think it is time to start taking care of things here at home. We need, I think, a President who parks Air Force One and who decides that this country is the priority, and we need a Congress that has the courage to join a Presi-

dent on tough policies to put the country back on track. We need American business to start working at the next decade rather than the next quarterly report. We need business and Government to stop being adversaries.

Mr. Speaker, how on earth can we succeed in competing with the Japanese, and the West Germans and others—who form private-public sector combinations to try and succeed in the international marketplace—when back in this country we have this constant adversarial relationship between business and Government? We are in exactly the same competition, business and Government. It is all one country. It is all one competition. And we are in it as partners. And the sooner we decide to stop this adversarial relationship, and join hands and understand that we need to try to help each other, the better off this country will be.

Mr. Speaker, it seems to me that the American people, as well, are going to have to make some changes. The American people are going to have to, in my judgment, decide to select the positive, rather than the negative. One cannot check out at a grocery store counter these days without understanding how seductive it is to read about scandals. But one cannot, by the same token, fail to understand how deep this country's problems are and how desperately we need citizen involvement to solve them.

Vaclav Havel did not go it alone in Czechoslovakia. When he spoke from that microphone, he told about the street demonstration in the middle of the night in Prague, Czechoslovakia. A young man climbs a street light pole and begins to read from the Declaration of Independence from America. That is pretty inspiring stuff, and that is not a government official. Those are folks in the streets. Those are people deciding to take things into their own hands.

Mr. Speaker, I think we need people in this country again to stand up and be for something, not against something. Be for something. We must, it seems to me, join people once again with the Government. This Government is supposed to be of the people, by the people, but, there has become a chasm in this country, a notion that somehow Government is not all responsive. And I understand there are lots of reasons for that, but there is no reason that it cannot be responsive in the future with a President that leads, and a Congress that has the conviction to follow, and an American people that are giving the signals about what they want for their future.

John Adams in 1776 described his commitment to his country, and I was reading it the other day, and it reminded me once again about the powerful commitment some people have made to this country and the pitiful small amount of devotion there is to

that commitment by so many others. Let me read what John Adams said, and then let me ask my colleagues what kind of commitment do we see today. John Adams in July 1776 said, as most of my colleagues will recall from this speech:

This is a time of great peril. We shall fight; we shall fight with whatever means we have. For myself, I can only say that all that I have, all that I am, all that I hope for in this life, I stake on this course. For me the die is cast. Sink or swim, live or die, survive or perish with my country. That is my unaltered resolution.

Mr. Speaker, has leadership changed so much? Is there not a reservoir of courage in this country? Among the people? In the Congress? In the White House? To decide to rise up, and stand up for and speak for solutions that put this country back on track? Toward a future that all of us can believe is a bright economic future?

Adlai Stevenson said years ago: "Trust the people. Trust their good sense, trust their faith, trust their fortitude, and trust them with the important decisions." I think we are going to see again in this country the reservoir of courage to do what is right to put America back on track, and I continue to hope, and it is the only reason I continue to serve, is that I have that kind of hope, and it never wavers, that this country, although it strays off course during 200 years of history, always rebounds back to find a center course that represents what and where the American people want this country to go.

I believe that the next year is a very critical year for us, and I believe that, if we work together, if we can stop the bickering, if we can extend the hand between the White House and Congress, if we can develop the trust between the public sector and the private sector, if we can develop the kind of pact that is necessary between those who elect us and those who serve them, I think this country can do great things in its future. I continue to hope that.

WASHINGTON STATE'S TERM LIMITATION INITIATIVE: THE HIDDEN AGENDA

The SPEAKER pro tempore [Mr. McDERMOTT] is recognized for 60 minutes.

Mr. McDERMOTT. Mr. Speaker, I have asked for this time in order to talk about one of the most misunderstood threats to our democratic values that I have seen in two decades of public service. A few of the world's richest men, representing no opinion but their own, are trying to hoodwink the citizens of my State, through a ballot initiative that purports to enhance democracy by limiting the number of terms elected officials can serve.

First, let me say that I understand the public's frustration with Govern-

ment. I am frustrated, too. I have grave concerns about the direction this country is going, and every day I try my best to move it in the direction I believe my constituents want. It is a frustrating process—but it is called democracy, and no one ever said it would be easy or efficient.

I also realize that it may sound self-serving for those of us who might be affected by term limits to speak against such proposals. But I am not embarrassed to oppose term limits—I am proud of my record in public service and I am willing to face any criticism from any opponent. I see no reason to apologize for seeking reelection. I have won elections, and I have lost elections, and I believe in the right and the capability of voters to make those decisions, based on each candidate's merits and record.

In fact, from my point of view, the Washington State term limit initiative will not really affect me, because I am convinced it will be found unconstitutional. It will not affect the tenure of any Member of our State's congressional delegation, because article I, section 2 of the U.S. Constitution, setting forth the qualifications for service in the House and Senate, makes no reference to the number of terms a person has already served.

That is why I agree with Speaker FOLEY that this initiative is "a legal fraud upon the public." That is why I joined with him in a legal action to remove this initiative from the ballot. Our State supreme court denied that petition because the case was not ripe for decision—the voters had not yet spoken.

I understand and respect that reasoning. If the initiative passes, I will join with others in a legal challenge to protect the rights of my constituents to decide who shall represent them in Congress. If my constituents do not agree with me about the term-limit issue, they will have a chance to tell me that a year from now, when I hope to run for my third term in Congress.

So Washington's term limit initiative will not affect my tenure here, or that of anyone else in our delegation. What does affect our tenure, and the tenure of every Member of this body and the other body, is the quality of the job we do here in Congress, representing the people who sent us here.

Here in the House of Representatives, our job performance is subject to regular and systematic review. Every 2 years we have to account for our actions, our inactions, our votes, our services to constituents, and everything else about the way we do our jobs. No one in any other occupation, any other profession, is subject to the systematic scrutiny and review we face every 24 months.

That review is necessary and appropriate, and I have welcomed it ever since my first election to the Washing-

ton State Legislature in 1970. If the people who sent me here decide that someone else should represent them, of course I will accept their decision. But I will not stand by and watch a few rightwing billionaires try to perpetrate a legal and political fraud on the people I represent.

I want to outline in some detail, for the information of the people of Washington State and of my colleagues, the parentage of initiative 553 and the campaign to enact it. Most of the information comes from the Tacoma Morning News Tribune of October 13, 1991, an article by Patti Epler and Les Blumenthal, which I will include in the RECORD after these remarks.

The story began last year in Tacoma, WA, when our colleague NORM DICKS faced a challenger in the Democratic primary. The challenger and his supporters disagreed with Mr. DICKS on some issues. But the voters of Washington's Sixth District rejected their challenge by a substantial margin, renominating and then reelecting Congressman DICKS.

But the people who could not defeat a Congressman in a fair fight back home decided it was time to change the rules of the game. The problem, they decided, was incumbency. Incumbents should not be allowed to serve too many terms, so that new people could be elected to open seats. In fact, the people could not be trusted to replace incumbents who were doing a poor job, or had been in office too long. Instead, term limits would force the voters to choose new people at regular intervals. Not necessarily better people, just new ones.

So they formed an organization called LIMIT—legislative initiative mandating incumbent terms—and filed initiative 553. I will include the text in the RECORD, but in essence it does this:

It limits the Governor and Lieutenant Governor to two terms.

It limits State legislators to three terms in the House and two in the Senate, or a combined total of 10 years in both bodies.

It limits Congressmen to three terms and Senators to two terms, or a combined total of 12 years in both Houses of Congress.

These limits are retroactive, but incumbents who have reached them on the effective date can serve one more term. That means one of our Senators, and all of our current Congressmen who are still in the House in 1994, will have to leave our present offices then.

If you think all politicians are fools or crooks, I guess it makes some kind of sense to rotate them automatically out of office. That system also saves people the trouble of actually voting. But it does nothing to improve the quality of future office-holders or the conduct of campaigns. My friend and colleague AL SWIFT has aptly called it set and forget democracy. Its premise,

as he said, "is that people cannot be trusted to make up their minds the fourth time a legislator runs."

But my purpose today is not to go through all the reasons why this initiative is bad for our State, bad for the political process, and bad for democracy. I just want the people to know who put this turkey on their plate.

The Washington State Constitution requires 150,000 signatures to put an initiative directly on the ballot. Every year, on every issue you can think of, thousands of volunteers gather signatures door to door, in shopping malls, at public events, everywhere in the State, on initiative petitions. It is a magnificent display of grassroots democracy at work.

The initiative process has given us some of our best laws—public disclosure of campaign contributions and public officials' finances, strong toxic waste liability requirements, protection of our shorelines, a higher minimum wage. These and other measures have gone onto the ballot because dedicated volunteers have taken petitions into every corner of our State and convinced other voters to sign them.

But that kind of grassroots democracy was too much of a challenge for LIMIT. They could not win a free and fair election in one congressional district, and they could not obtain enough signatures for their initiative without outside help. Luckily for them, help was available. Last spring, out-of-State money poured into Washington State for the signature-gathering effort.

And LIMIT did what no genuine grassroots citizen group has ever had to do before in our State—they paid a California firm to gather signatures, 40 cents per signature. Our State election officials are not sure whether that is illegal. It should be.

Now LIMIT is running a slick, expensive campaign to enact their initiative, outspending its opposition 3 to 1. They are trying to pass themselves off as a grassroots movement. But no initiative campaign in our State's history has received so much of its funding—95 percent—from outside the State. Most of that money, over \$530,000 pledged or received so far, is coming from an organization called Citizens for Congressional Reform, which is based right here inside the Beltway.

Citizens for Congressional Reform is a conservative group that supports terms limit efforts in many States. The group was formed in 1989 by another conservative Washington, DC, organization called Citizens for a Sound Economy. Staff members have switched back and forth between the two organizations, and some CSE staff members serve as officers of CCR. It would be fair to describe Citizens for Congressional Reform as a wholly owned subsidiary of Citizens for a Sound Economy.

Neither of these organizations will tell the press exactly where their

money comes from. But their officers and boards of directors read like a "Who's Who" of some of the largest, most powerful corporations in America, and some of the world's wealthiest men. They also include some of the leaders of the Libertarian Party, which has fielded mostly rightwing candidates in State and National elections for many years without winning a single office.

Let me tell you who these people are. First, the directors of Citizens for a Sound Economy:

The chairman of CSE is James C. Miller, III, who was director of the Office of Management and Budget under President Reagan.

Charles G. Koch and David H. Koch are the owners of Koch Industries, Inc., the second largest privately held company in the United States. I will have more to say about them later.

Richard Fink is an officer of Koch Industries.

Dirk Van Dongen is president of the National Association of Wholesaler-Distributors, a business group that opposes most of the legislation we are trying to enact in this Congress to help working men and women.

J.P. Humphreys is president of Tamko Asphalt Products, a privately held manufacturer of roofing shingles.

John Pittenger is director of the Monitor Co., a management consulting firm that advises some of the largest American and foreign corporations in the world.

David Padden is president of Padden and Co., an investment firm.

William Vandersteel is president of Tubexpress Systems, Inc. He was the Libertarian candidate for Senator from New Jersey in 1978.

Samuel H. Husbands, Jr., is a vice president of Dean Witter Reynolds, Inc., a Wall Street brokerage firm. He also serves on the board of the Libertarian Cato Institute.

Carl Pescosolido, Jr., is president of Sequoia Enterprises, a citrus packing company, and Tropicana Energy, an alternative-fuels firm.

Richard J. Stephenson is chairman of American International Hospital in Illinois.

William Law is president of Cudahy Tanning Co., a leather finishing firm.

Carl T. Holst-Knudsen is president of Thomas Publishing Co., a major business-buying-guide publisher.

James Van Meter is executive vice president of Georgia-Pacific Corp., one of the Nation's largest timber companies.

F. Kenneth Iverson is chairman of Nucor Corp., one of the largest steel manufacturers in the country.

Joseph E. Coberty, Jr., is a southern California real estate investor.

Jim Cowen is president of the Commerce and Industry Association of New Jersey, which lobbies for business interests in that State.

Citizens for a Sound Economy also has a Washington Advisory Board of big business lobbyists, and I think the public ought to know who those people are:

Peter J. Connel of Aetna Life and Casualty Co.

C.T. Howlett, Jr., of Georgia-Pacific. John R. Nelson of Philip Morris, the tobacco company.

Phillips S. Peter of General Electric Co.

Woodruff M. Price of CSX Corp.

Thomas L. Wylie of Sun Co.

Since the Tacoma News Tribune and other media exposed the role of Citizens for a Sound Economy in the Washington State term-limit campaign, two other business lobbyists have resigned from CSE's advisory board. I am afraid we have to assume that the rest of the gentlemen I have named agree that Senator GORTON, Speaker FOLEY, and the rest of our House delegation should be removed from office in 1994.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MCDERMOTT. Mr. Speaker, I will yield to the gentleman from Pennsylvania when I am finished making my statement.

Mr. WALKER. Mr. Speaker, I had a question about what the gentleman just said. Will the gentleman yield for a question?

Mr. MCDERMOTT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, the people the gentleman from Washington just described, they are on the board of directors of Citizens for a Sound Economy?

Mr. MCDERMOTT. Mr. Speaker, the first group is on the board. The second group is the Washington advisory board.

Mr. WALKER. So the point of the gentleman is that they are guilty by association?

Mr. MCDERMOTT. They allow their names to be used.

The News Tribune and other press accounts agree that the Koch brothers are the prime movers behind both Citizens for a Sound Economy and Citizens for Congressional Reform. The president of Citizens for Congressional Reform, Wayne Gable, is the managing director for Federal affairs of Koch Industries. Who are the Koch brothers, and why do they want to limit the terms of Washington State officials?

Fortune magazine ranked Charles and David Koch as the 18th richest men in the world, worth \$4.7 billion. Their company has holdings in energy, real estate, manufacturing, and cattle. Its \$16 billion annual revenue makes it the second largest privately owned company in the United States.

Among other activities, Koch Industries is the largest purchaser of oil from Indian reservations in the country. After an investigation in 1989, the Senate Select Committee on Indian Af-

fairs found that Koch Industries had engaged in "sophisticated and premeditated theft" of oil from Indians, "stealing by deliberate mismeasurement and fraudulent reporting." Come to think of it, bankrolling a fraudulent citizen initiative is no surprise coming from people who would do that.

But I have to give some credit to David Koch—at least he was willing once to put his philosophy directly before the voters. That was in 1980, when he ran for Vice President on the Libertarian Party ticket, contributing \$1.7 million to his own campaign.

What does the Libertarian Party believe in? According to their 1980 platform, the one David Koch ran on, Libertarians support:

The abolition of Medicare, Medicaid, and Social Security;

The repeal of all taxation, starting with income taxes;

The right to discriminate in employment, housing, and public accommodations;

The abolition of all public schools and repeal of school attendance laws;

The elimination of all publicly funded services to children;

The abolition of the Environmental Protection Agency;

The repeal of collective bargaining laws that require employers to recognize unions;

Defaulting on the Nation's public debt;

The repeal of all banking regulation;

The repeal of antitrust and consumer protection laws;

Privatization of public roads and highways;

The repeal of minimum wage, child labor, and occupational health and safety laws;

The repeal of zoning laws and building codes;

Privatization of our national parks and national forests;

The repeal of campaign finance laws.

That is quite a platform. Of course, any American has a right to advocate these public policies or any others. Many Libertarians also support freedom of speech, religious freedom, civil liberties, and other values Americans share.

But the heart of their philosophy is a rightwing, antigovernment agenda that makes David Duke look like a liberal. That is why Libertarians have been so overwhelmingly defeated in every election contest they have waged.

So these Libertarians and rich businessmen share the same problem as that little group in Tacoma who filed initiative 553—they cannot win a free and fair election on the merits. So they are trying to change the rules.

One way to change the rules is to push for stronger campaign finance laws. But that would not serve the interests of the men behind Citizens for Congressional Reform and its parent, Citizens for a Sound Economy. They do

not lack money or influence in Government. They are some of the richest men in America, running some of the biggest companies, employing some of the most sophisticated lobbyists, and—yes—bankrolling the campaigns of veteran incumbents when they choose to do so.

Federal Election Commission records show that the Koch brothers and Koch Industries Political Action Committee—yes, they have a PAC of their own—contributed to 8 incumbent Senators and 16 incumbent Congressmen in the last 3 years. Only 3 of those 24 incumbents would be eligible to run for reelection, if our State initiative applied to them. Most would have left office long ago.

I do not quarrel with the right of any of these men to express their views, back the candidates they choose, and participate in the political process. And I do not quarrel with the right of people who believe in a libertarian philosophy to promote that philosophy, as the Libertarian Party does.

My quarrel is with the deceitful attempt to foist a rightwing, antigovernment agenda on the people of my State in the guise of a grassroots citizen movement to improve government. These men's policy goals—as expressed in the Libertarian platform—have never been approved by voters anywhere. So they are trying, in one State after another, to change the rules and deny the people the right to retain experienced representatives.

We in Congress know that the voters will not buy the Libertarian agenda on its merits, because we have been through elections, putting our records and philosophies in front of those voters, regularly and systematically. That is our job.

Some of us are conservative, others liberal, others moderate. Our philosophies and our records vary, but we have all presented them to the voters we represent, and those voters have given us permission to represent them for this current 2-year period. Next year, many of us will ask that permission again. Some will receive it, some will not. That is democracy. That is accountability. That is the job of a Congressman.

The out-of-State rightwing fringe behind initiative 553 has paid for a mailing to every voter. It blames the national debt, high taxes, the savings and loan scandal, the crisis in our health care system, and the failings of our schools on career politicians—not on any particular people, not on any particular policies, not on any particular decisions we or others have made in government.

I guess their message is that there are people out there who can get rid of the national debt, reduce taxes, undo the savings and loan mess, and improve health care and education, all at the same time—but these people cannot be

elected to office because the career politicians are hogging the elective jobs.

That message carries some irony when we look who is behind it.

James C. Miller III, chairman of Citizens for a Sound Economy, was Ronald Reagan's management and budget director for most of the 1980's. He presided over the tripling of the national debt and the deregulation of S&L's—but he wants Washington voters to blame those mistakes on their congressional delegation.

Dirk Van Dongen, CSE board member, testified last week in the Ways and Means Committee against any kind of comprehensive health care reform—but he wants Washington voters to blame their congressional delegation for the lack of affordable health care.

David Koch, CSE board member, ran for Vice President on a platform that called for total deregulation of financial institutions and the abolition of public schools—but he wants Washington voters to blame their delegation for the savings and loan scandal and failures in our educational system.

Make no mistake: The real agenda of the men behind initiative 553 is to cripple representative democracy and effective government, to weaken and discredit the democratic institutions our Nation's founders so carefully created. They want an America where children do not have to go to school, where the highways and national parks are privately owned, where there is no Social Security or Medicare, no minimum wage, no restriction on child labor, where monopolies can fix prices without fear of competition. Do not just take my word for it, look at their platform.

And, let us not forget, the rightwing Libertarians want to repeal all campaign finance laws, even the inadequate ones we have now. Then people like the Koch brothers could spend millions of their own money on their own candidates. Term limits would cycle those candidates in and out of public office like interchangeable robots.

If they had begun their careers in the brave new world of term limits, Warren Magnuson would have been forced out of the Senate in 1950, Scoop Jackson in 1958. TOM FOLEY would have left the House in 1970. I am glad we voters in Washington State had the power to keep those people in Congress.

After 36 years in the Senate, Warren Magnuson was defeated for reelection. He accepted defeat without rancor and came home to Seattle. He knew what everyone knows: Turnover and new blood are needed in legislative bodies. So is experience. We have both in Congress.

We have seen 405 new Members in this House since 1978. Over 60 percent of House Members have served less than 12 years. The average tenure of Washington State's House delegation is

11 years. Some Members stay a long time, because they want to and the people who sent them here want them to. Others leave quickly, because they decide to, or the people who sent them here decide to send someone else. That is what happens when you let the people decide.

Last winter, Congress made a momentous decision—to go to war in the Persian Gulf. We were deeply divided on that critical issue, but we were sincere and serious about our responsibilities. Among us are many people who served in Congress during the Vietnam war, a few who served during the Korean war, and one who served here during the Second World War. If initiative 553 had been in effect nationwide, not a single Member of either body would have been serving in Congress the last time America was at war.

It is not especially fashionable any more to quote Franklin Delano Roosevelt. And I suppose I run a risk when I invoke the name of someone who actually had the bad taste to be elected four times to the highest office in this land. But FDR used to talk about "a little group of willful men, representing no opinion but their own." He called them economic royalists. He would have recognized the little group of men who run Citizens for Congressional Reform.

When FDR was dead, his political enemies amended the Constitution to limit the number of terms a President could serve. Now their political heirs are playing the same siren song, hoping the people will act out their frustration with the deficit, with scandals, with all the hazards of representative democracy, by disarming themselves of the right to choose who will represent them in the future.

I have taken some time here, in the hope of helping the people of my State to look behind the surface appeal of term limits, to look at the real issues at stake, and the real agenda of those who are spending so much to sell them this initiative. I hope they will vote against initiative 553 next week.

Then, I hope they will vote again a year from now, either to keep my colleagues and me in Congress or to throw us out—each of us, on our record, on our merits, up against a comparison with live opponents who offer real alternatives. I can live with any result of that process, any time. It is too bad that the powerful billionaires and rightwing ideologists behind 553 cannot.

□ 1400

Mr. Speaker, I include for the RECORD the material referred to in my speech.

COMPLETE TEXT OF INITIATIVE MEASURE 553

An Act relating to term limits for elected officials; adding a new section to chapter 43.01 RCW; adding a new section to chapter 44.04 RCW; and adding a new section to chapter 29.68 RCW.

Be it enacted by the people of the State of Washington:

New section. Sec. 1. A new section is added to chapter 43.01 RCW to read as follows:

A person elected to the office of governor or lieutenant governor is eligible to serve not more than two consecutive terms in each office.

New section. Sec. 2. A new section is added to chapter 44.04 RCW to read as follows:

A person elected to the Washington state legislative is eligible to serve not more than three consecutive terms in the house of representatives and not more than two consecutive terms in the senate. In addition, no person may serve more than ten consecutive years in any combination of house and senate membership. Terms are considered consecutive unless they are at least six years apart. Therefore, elected legislators who have reached their maximum term limits are eligible for legislative office after an absence of six years from the state legislature. Persons who have already reached the maximum term of service on the effective date of this act are eligible to serve one additional term in either the state house of representatives or the senate.

New section. Sec. 3. A new section is added to chapter 29.68 RCW to read as follows:

A person elected to the United States congress from this state is eligible to serve not more than three consecutive terms in the United States house of representatives and not more than two consecutive terms in the United States senate and not more than twelve consecutive years in any combination of United States house and senate membership. Terms are considered to be consecutive unless they are at least six years apart. Therefore, elected legislators who have reached their maximum term limits are eligible for legislative office after an absence of six years from the United States congress. Persons who have already reached the maximum term of service on the effective date of this act are eligible to serve one additional term in either the United States house of representatives or senate.

New section. Sec. 4. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

[From the Tacoma (WA) Morning News Tribune, Oct. 13, 1991]

PUSH FOR LIMITS: IS IT THE PEOPLE OR THE POWERFUL?

(By Patti Epler and Les Blumenthal)

Term-limits campaign director Sherry Bockwinkel likes to say the movement was born in her Tacoma living room, the political offspring of a few local citizens concerned some elected officials have been in office too long.

But a closer review of Bockwinkel's group and the money behind it reveals Washington's term-limit movement is far from the so-called grass-roots effort Bockwinkel and other supporters continue to portray.

Instead, the state campaign—called LIMIT—has become an important battleground in a nationwide fight.

That effort is linked to a small group of wealthy industrialists who oppose government regulation and the country's economic policies.

Citizens for Congressional Reform, the Washington, D.C.-based group bankrolling this state's Initiative 553, already has helped push through term limits in California, Oklahoma and Colorado.

It is already active in or closely watching fledgling campaigns in many other states that may have ballot propositions by this time next year.

To date, little has been written about this obscure group. Newspaper articles in states where the reform group has been active describe it vaguely as a conservative Washington, D.C., group.

But tax documents obtained by The Morning News Tribune and other research show Citizens for Congressional Reform is a direct spinoff of a group controlled by one of the richest families in America and a handful of other Fortune 100 business executives.

They are the directors and advisers of Citizens for a Sound Economy, CCR's parent organization that started it as a special project in 1989.

Sometimes described as a "right-wing think tank," Citizens for a Sound Economy advocates a free-market economy, privatization of government entities like the U.S. Postal Service and Amtrak, lower taxes and less government.

Many of CSE's 18 directors describe themselves as conservative or "libertarian with a small l." Board members say they approved starting CCR and its term-limits efforts after the idea was suggested by CSE staff members.

"We need a turnover in Congress," says David Koch, who is chairman of CSE's educational foundation and is a director of the group.

He was the Libertarian Party's 1980 vice presidential candidate. Fortune magazine earlier this year ranked Koch and his brother Charles as the 19th richest people in the world, with a fortune estimated at \$4.7 billion.

Congress "is getting set in its ways and resistant to change," Koch said in an interview last week.

"I think there is a perception in the general public that legislators in Congress are kind of grab-baggers. They're trying to grab as much as they can out of the federal treasury to pump back to their election districts to ensure they can be re-elected forever."

LIMIT's initiative would hold the governor and lieutenant governor to two, four-year terms.

U.S. Senators would be limited to two six-year terms; state senators would be limited to two four-year terms; and state and U.S. representatives would be limited to three two-year terms.

In Washington state, CCR has become the financial and political force behind the LIMIT movement. The group has contributed about \$350,000, about 85 percent of LIMIT's campaign treasury. Paid CCR staff members have been sent to Washington to help direct the local effort, working out of LIMIT's Tacoma headquarters.

"I look at them as our best political consultants," said Bockwinkel. CCR "put us in touch with the kinds of people that can help us pull off a statewide initiative."

But it's the first time in Washington's history that so much of a campaign's money has come from a single, out-of-state source, said Paul Gillie, research director of the state Public Disclosure Commission.

And no other out-of-state contributor has had as much hands-on involvement in controlling a state initiative campaign as CCR seems to be exerting on LIMIT, he said.

CSE and CCR officials won't say exactly where they get their money and won't provide documentation of income. They say much of their funding comes from hundreds of thousands of individual contributors who are members of the groups.

And neither group will say whether CSE funnels cash to CCR.

But some experts following the term-limit phenomenon aren't convinced the movement is the populist undertaking its supporters make it out to be.

"It's ludicrous to believe the term limits movement is strictly a grass-roots campaign," said Thomas Mann, director of governmental studies for the Brookings Institution, a liberal Washington, D.C., think tank.

He said he believes a network of conservative groups is clearly behind term-limit efforts across the country, riding a wave of public sentiment against politicians.

"This is not a spontaneous uprising by the public," Mann said.

"It's a powerful combination of activist fund raising and organizing with a somewhat hidden agenda combined with a public distaste for Congress.

Citizens for Congressional Reform is just one of a number of tax-exempt, special-interest groups affiliated with Citizens for a Sound Economy.

Others include the Tax Foundation, which analyzes state, local and federal tax policies, and Citizens for the Environment, which actively opposed last year's strengthening of the federal Clean Air Act.

Citizens for a Sound Economy groups also fought last year's budget agreement between Congress and the White House, calling it a "disaster for taxpayers," and more recently opposed pay increases for senators.

CSE is headed by James C. Miller III, a former Reagan administration budget chief and probably the most visible of the group's officers.

The staff switches frequently between CSE and CCR.

Mary Ann Best, CCR's current executive director, was recently the membership director for CSE. Paul Beckner, the previous CCR executive director, is a board member of CSE and now CSE's executive director as well as president of CCR.

Richard Fink, now a Koch employee and CSE director, said CSE was really his idea and he asked the Kochs for financial help, which they gave.

But other CSE directors say it is the Koch brothers who provide much of the impetus behind CSE and its spinoffs.

David and Charles Koch run Koch Industries, which has holdings in energy, real estate, manufacturing and cattle and generates annual revenue of \$16 billion, according to the Wichita Eagle, a daily newspaper that closely follows the Kochs' business and social lives.

It is the second-largest privately held company in the United States, according to financial articles.

The company came under fire in 1989 for what the Senate Select Committee on Indian Affairs called "sophisticated and premeditated theft" of oil from Indians.

The committee concluded Koch Oil, the largest purchaser of Indian oil in the country, "is the most dramatic example of an oil company stealing by deliberate mismeasurement and fraudulent reporting."

The committee estimated that, over three years, the oil firm acquired more than \$31 million worth of oil it didn't pay for.

Two other brothers, Frederick and William, sued David and Charles Koch in 1989 because they didn't like the "right-wing" political organizations to which David and Charles were giving huge sums of family foundation money.

According to newspaper reports of the case, foundation records showed that at one

time Charles Koch was giving about half the foundation's money to Libertarian groups.

Charles Koch and David Koch, who said he no longer supports the Libertarian Party, are directors of CSE and its educational foundation, a separate but related, tax-exempt entity.

According to 1990 tax returns, a Koch Industries-registered lobbyist was president of CCR and its separate educational foundation. Fink, another Koch Industries lobbyist, is director of CSE and its educational foundation.

"Charles Koch was the main motivating force" behind CSE, said William Vandersteel, a CSE director who is president of Tubexpress Systems Co. Inc., a North Bergen, N.J., enterprise.

He said CSE's foray into term limits through CCR was discussed at CSE board meetings and received the "blessings" of the board.

F. Kenneth Iverson, chairman of Nucor Corp., one of the nation's largest steel makers, is an active CSE director.

He describes himself as a conservative Republican businessman and all but a heretic in the steel industry because he opposes measures designed to protect the industry from foreign competition.

"I'm a great believer in term limits," said Iverson. "My frustration is that in many ways they (members of Congress) seem more interested in getting elected than in doing what is good for the country."

Forced retirement of politicians is a notion that is catching on nationwide, thanks in part to the support and encouragement of CCR.

CCR contributed \$280,000 to the group backing California's initiative, according to election records on file in that state.

And CCR has so far kicked in \$350,000 to Washington's movement.

Some term-limit campaign managers in other states say they expect considerable financial help from CCR to roll in next year, as their initiatives move closer to a vote.

"They called us and we've been talking to (CCR)," said Bob Bell, an Anchorage engineer who is spearheading the term limits movement in Alaska. "The impression I got is that once they get done with Washington, Alaska will be the next big step."

Bill Long, campaign manager for Citizens for Limited Terms, an Arizona group, said CCR staff members have visited Arizona and helped his group draft a new initiative.

"I would hope they might come in and help us (financially) later on," Long said.

Sherry Bockwinkel, Washington's LIMIT campaign manager, recalls it was CCR that first contacted members of her group and offered financial help as well as political advice.

She said Gene Morain, LIMIT's treasurer, had donated money to the Colorado and California campaigns and ended up on a CCR mailing list. It was through that mailing list that Morain and Bockwinkel first heard about a national term-limits conference CCR sponsored last fall in San Jose, Calif., she said.

Bockwinkel said CCR began pouring money into the LIMIT campaign earlier this spring. Besides sending staff members to help organize the office and to give political advice, CCR also paid experienced signature-gatherers to collect signatures on LIMIT's petitions.

The group needed 150,001 valid signatures by early July. It turned in more than 250,000 by that deadline, making it the fourth highest number of signatures gathered in a state initiative drive.

But critics contend it was the "buying" of signatures—with CCR's money—not grass-roots support for the idea of term limits that got the initiative on the ballot.

Bockwinkel won't deny that without CCR's money and expertise LIMIT might have fallen short of signatures.

"I think they certainly supported the grass-roots effort we had going," she said. "I think we certainly had difficulty getting the word out during the gulf war."

But CCR's heavy involvement was enough to sour one of term-limits' most ardent supporters.

Dale Washam, a Tacoma political activist who for weeks campaigned heartily for LIMIT, left the campaign in July because, he said, he didn't like the way the out-of-state group was taking control of the local process.

This was not a grass-roots thing in no way, shape or form," Washam said recently. "It was a bucks-for-hire thing."

Washam said he took his concerns to LIMIT leaders. But, he said, campaign leaders didn't seem to care where they got their funding, and even the steering committee had CCR-paid staff members on it.

"Having CCR come in and buy an initiative process in this state I think is wrong," said Washam.

"We should turn around and boot 'em right out. If we allow big money to come in and influence this, then we've lost a lot."

Bockwinkel said anyone was allowed to sit in on the steering committee meetings and that CCR staff members were present. In a recent interview she said she did not know much about CSE, had only generally heard of the Koch brothers and did not know specifically where CCR gets its money.

Bockwinkel has always aligned herself more with the political left than with the conservative businessmen who are now supporting term limits. Bockwinkel last year was an outspoken supporter of Tacoma's human rights initiative and worked on the campaign of Democratic peace activist Mike Collier in his unsuccessful primary challenge of U.S. Rep. Norm Dicks.

Bockwinkel said she sees nothing odd about her new political allies. "I think that points to the broad spectrum of support this movement speaks to," she said.

Still, Washam isn't the only term-limits backer who doesn't like the idea of CCR seizing control of the process.

Frank Eizenzimmer, manager of Oregon's L.I.M.I.T.S. campaign, is a big CCR fan. But, he said, he's been hesitant to accept CCR donations.

"When they come in, they call the shots," he said. "If they make contributions, they want things done their way."

Monday: How term limits would affect the state and its lawmakers.

WHO'S BEHIND TERM LIMITATION DRIVE

These industrialists and economic conservatives back campaigns in Washington and other states:

Citizens For a Sound Economy Board of Directors

James C. Miller III, CSE chairman, Former director of the Office of Management and Budget in the Reagan administration; co-chairman of the Tax Foundation, a group affiliated with Citizens for a Sound Economy that monitors and analyzes tax and fiscal policies on the federal, state and local levels.

Charles G. Koch, Chairman of Koch Industries Inc., Wichita, Kan. Koch Industries, primarily an oil and gas firm, is the second largest private company in the world. Koch

was one of the founders of the Cato Institute and continues to serve on its board of directors.

David H. Koch, executive vice president of Koch Industries Inc. Brother of Charles Koch, David lives in New York and ran for vice president on the 1980 Libertarian Party ticket, contributing almost \$1.7 million to the campaign. He is on the Cato Institute board of directors.

Richard Pink, vice president for government and public affairs of Koch Industries Inc., in Washington, DC. Also a registered lobbyist for Koch Industries. Pink is a former economics professor at George Mason University, Fairfax, Va.

Dirk Van Dongen, President of the National Association of Wholesale Distributors, Washington, DC. A conservative group called the Tax Reform Act Coalition, which supported the effort to overhaul the tax code in the mid-1980s, operates out of the association's office.

J.P. Humphreys, president of Tamko Asphalt Products, Joplin, Mo. Tamko is a privately held company that manufactures roofing shingles. Humphreys' wife, Etheimas, is a member of the Cato Institute board of directors. The institute is a public policy research organization that believes in limited government and individual liberties.

John Pittenger, director of the Monitor Co., Cambridge, Mass. Monitor is a management consulting firm that develops corporate strategies for Fortune 100 companies and their international equivalents.

David Padden, president of Padden and Co., a Chicago investment firm. Padden serves on the Cato Institute board of directors.

William Vandersteel, president of Tubexpress Systems Inc., a New Jersey firm developing a new mode of underground transportation known as a pneumatic capsule pipeline system. Vandersteel ran for U.S. senator in New Jersey as a Libertarian in 1976.

Samuel H. Husbands Jr., a San Francisco-based vice president of the nationwide brokerage firm Dean Witter Reynolds Inc., Husbands is also on the Cato Institute board of directors.

Carl Pescosolido Jr., president of Sequoia Enterprises, an Exeter, Calif., citrus packing house, and Tropicana Energy, a Texas-based alternative fuels company.

Richard J. Stephenson, chairman of American International Hospital, Zion, IL.

William Law, president of Cudahy Tanning Co., Cudahy, Wis. Cudahy processes raw hides from meat packing plants into finished leather.

Carl T. Holst-Knudson, president of Thomas Publishing Co., New York. The company is a major publisher of business buying guides, including the Thomas Register of American Manufacturers.

James Van Meter, executive vice president and chief financial officer of Georgia Pacific Corp., Atlanta. Georgia-Pacific is one of the leading forest products companies in the nation.

F. Kenneth Iverson, chairman of Nucor Corp., Charlotte, N.C. Nucor is the seventh largest steel maker in the nation with sales of \$1.5 billion in 1990.

Joseph E. Coberty, Jr., a private real estate investor from Rancho Santa Fe, Calif., who said he has holdings mostly in Southern California.

Jim Cowea, president of the Commerce and Industry Association of New Jersey, Paramus, N.J. The association represents several thousand medium to large businesses predominately in northern New Jersey and is

involved in lobbying and legislation designed to protect the state's business climate.

Citizens for a Sound Economy Educational Foundation

Board of Directors

David Koch, chairman, Richard Fink, J.P. Humphreys, Charles Koda.

Walter Williams, professor of economics at George Mason University, Fairfax, Va. Williams joined the economics faculty at George Mason in 1981. Before coming to George Mason, he was on the economics faculty at Temple University.

Robert Tollison, director of the Center for Public Choice, George Mason University, Fairfax, VA. The Center for Public Choice, led by Nobel Prize winning economist James Buchanan, analyzes the relationship between economics and politics. Researchers are not involved in developing public policy. "People here don't write papers on why taxes should be high or low," said Tollison. "They write papers on why taxes are what they are."

Citizens for a Sound Economy Washington Advisory Board

Randolf H. Aires, vice president, governmental affairs, Sears, Roebuck and Co.

Peter J. Connell, vice president and Washington counsel, Aetna Life & Casualty Co.

C.T. Howlett, Jr., vice president, governmental affairs, Georgia-Pacific Corp.

John R. Nelson, vice president, corporate affairs, Philip Morris USA.

Philips S. Peter, vice president, corporate government relations, General Electric Co.

Woodruff M. Price, vice president, government relations, CSX Corp.

Robert H. Scheerschmidt, vice president, government affairs, Xerox Corp.

Thomas L. Wylie, vice president government relations, Sun Company, Inc.

Citizens for Congressional Reform Foundation Officers

Wayne Gable, president. Managing director of federal affairs for Koch Industries and a registered lobbyist for the company. Gable also is listed as president of Citizens for a Sound Economy and president of its educational foundation.

Dan Witt, vice president. One of the highest paid staffers at CSE, Witt is listed as director of the Tax Foundation.

Paul Beckner, secretary-treasurer. Beckner also is secretary of CSE's educational foundation. He was executive director of CCR until earlier this summer.

Citizens for Congressional Reform

Wayne Gable, president.

Roger Ream, vice president. Another CSE staffer, Ream is listed as assistant secretary to the board of CSE. He is developmental director for CSE's educational foundation.

Paul Beckner, secretary-treasurer.

THE AMERICAN CONGRESS, A PRIVILEGED GROUP

The SPEAKER pro tempore (Mr. CARR). Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, I have another topic to discuss, but I was interested in the remarks a few minutes ago. Of course, I did not get a chance to ask a question because the gentleman yielded back his time.

I do find it somewhat puzzling that about 40 years ago we decided in this

country that guilt by association is not a very good standard on which to run government. It was called "McCarthyism."

I am increasingly disturbed that the leftwing in this country is moving further and further toward McCarthyism. We just heard a whole exposé here of term limits and it was said that anybody that was for term limits has to be associated with the platform of the Libertarian Party. That is just absolutely nonsense, and I hope that anybody who listened to the remarks understands that there are many people who are in favor of term limitations for politicians that do not subscribe to the various platform provisions of the Libertarian Party.

I also find it interesting, since some years ago when we tried to associate some Members of this House, namely Democratic Members of the House, with their own party's platform, they thought that was a horrible example of people attempting to tie them to something that they did not necessarily agree with. Yet the gentleman from Washington has, I think, done an outrageous thing in suggesting that people who think that maybe some politicians ought to be moved out of office after they have served a period of time somehow are with the Libertarians. But he is not here to answer now. I am sorry for that. I had hoped to have a couple of questions.

What I am going to talk about today relates to this whole business of throwing the politicians out of office though. It relates to what has been going on in Congress and specifically what has been going on in the House of Representatives and the U.S. Senate with regard to the way that we ignore the laws that we write for others and expect others to obey.

President Bush, the other day, reflected upon this himself. And I think he made a couple of points that are very, very relevant. I am going to quote here from President Bush's speech of the other day.

The President said:

I served in Congress. I have a great respect for Congress. I know the incredible pressure and difficulty of working there. But public faith in Congress is absolutely vital for our form of government.

I offer these suggestions then in the spirit of constructive criticism. Congress ought to follow the same laws that it imposes on everyone else. More than a dozen laws apply to the executive branch but not to Congress. Most of these laws apply to everyone in America, except Members of Congress.

Congress does not have to comply with the Equal Pay Act of 1963. It does not have to follow title 7 of the Civil Rights Act of 1964, a title that prohibits sexual discrimination and discrimination on the basis of race, color, sex, religion and national origin. It doesn't have to obey the provisions of the Americans with Disabilities Act of 1990, the Age Discrimination in Employment Act.

I would wager that the American people do not know that Congress has exempted itself

from the sexual harassment laws private employers and the executive branch must obey.

He went on to say:

Well, you see, when Congress exempts itself from the very laws it writes for others, it strikes at its own reputation and shatters public confidence in government. These exemptions encourage special interest groups to press then for reckless regulations knowing that Congress might adopt such laws it won't feel the sting of these laws. This practice creates the appearance in reality of a privileged class of rulers who stand above the law. That is precisely the way Congress is being perceived in America today. Congress is seen as a privileged class that has no relationship to what is going on in the rest of the country, and in fact, does not even obey the laws that it writes for other sectors of our society.

□ 1410

How did Congress react to this? Well, Roll Call, the newspaper of Capitol Hill, has a headline in today's paper. It says "Congress Is Quick To Return Fire After Bush Blasts 'Privileged Class of Rules.'"

Of course Congress returned fire. It hits at precisely what Congress fears the most, that the American people are going to find out what has really been happening in the U.S. Congress.

The Wall Street Journal, in an editorial, points out that the reactions of the leadership of the Congress were to be expected, but were somewhat interesting. They said, and I quote, "Look at the reactions of TOM FOLEY and GEORGE MITCHELL. The House Speaker dismissed most of the President's speech as 'absolute nonsense.' The Members, he said, are 'close to the people.'"

Yes, the Members may be close to the people in terms of trying to figure out what it is they have to do to get re-elected politically, but the fact is that Congress has grown very far apart from the people in terms of what people are expected to do in society, and what the expectations are on Congress. That is the reason why President Bush issued his challenge to go beyond those things which we have been doing and to bring ourselves under the laws that we expect others to obey.

President Bush said, according to the Wall Street Journal, and I am quoting from the Wall Street Journal again,

President Bush challenged Congress to bring itself under all of the laws it imposed on the rest of the country, but from which it exempted itself. Last year, the Senate voted on this matter, and before exempting itself again, 63-26, from the Civil Rights Act and the disabilities law.

Now, one of the people in the U.S. Senate who thought that this was something that the Senate should do made this kind of explanation as to why the Congress should exempt itself.

He said, and I quote:

This is the Senate. It is not subject to the same rules and laws as a manufacturing plant in New Hampshire or a farm in Iowa.

Well, the question for Congress is "Why not? Why should not we be ex-

pected to behave ourselves in the same way we would expect a manufacturing plant in New Hampshire or a farm in Iowa to behave?"

Well, the explanation that comes from some of my colleagues is that one cannot expect Congress to do this because, after all, there is a separation of powers, and you cannot have Congress under the rule of the executive branch. The executive branch might use that power irresponsibly.

I suppose that there is some truth to that. But then the real question for us is, if we do not want that, perhaps we should include in all of the laws we pass a section which brings us under the coverage of the law and does so in a way that does not necessarily involve the executive branch.

We do not do that. In fact, on several occasions, we have had to fight very hard to get such provisions. And what we find is that when Congress has done such things, the fact is that we do not do a very good job of obeying, even so.

A couple of years ago we were able to get passed in law a provision putting Congress under the minimum wage law. Now, you would think that might be something that Congress could possibly live with. No. We put ourselves under the provisions, but then the committee of Congress that was given the jurisdiction on how to implement the law basically exempted everybody on Capitol Hill from its provisions. They said that all of these people serve in functions that are not covered by the minimum wage law. Therefore, Congress really does not have to obey. We have coverage, supposedly, on fair employment practices.

This is one thing that the leadership of the Congress pointed to after President Bush made his criticism of our failure to obey the civil rights law. They said, "That is not really true." I am now quoting from the Roll Call newspaper of today with regard to remarks made by the Speaker of the House. This is quoting from Roll Call:

Foley responded that the House is indeed subject to the legislation that Bush cited in his speech.

Foley referred to the House Office of Fair Employment Practices [OFEP], which is in charge of enforcing the sexual harassment and other discrimination laws. When asked if the House could be trusted to police itself, Foley responded, "Many of our Members * * * feel that the enforcement mechanism is more effective and more responsive than the EEOC."

The EEOC refers to the Equal Employment Opportunity Commission.

Well, that, I am sure, is what the Speaker believes. Roll Call newspaper has a little different view of that, however. If you will go back to the editorial page, what you find is that Roll Call looked into that particular contention. They said, and I quote:

The Office of Fair Employment Practices, which handles staff complaints in the House, have publicly issued rulings in only two

cases, neither of them very significant. It stubbornly refuses to tell the Hill community what it is doing, even in terms of numbers. But from all outward appearances, it is doing very little.

Now, if we do contend that we obey the laws that other people have to obey in this particular instance, because we have our own mechanism, why is that mechanism so ineffective? Well, it is ineffective because Congress wants it to be ineffective. Congress has made a determination that it will be outside of the scope of the law. Therefore, even when we bring coverage under the law, the chances are that the law will be rendered ineffective by the performance of the Congress itself.

It is clear to me that Congress not only does it with regard to some of the laws that were mentioned by President Bush, but in a whole host of other things, too. For instance, going back for a moment just to the civil rights charge, some of the Members, again quoted in the Roll Call newspaper today, were talking about the civil rights law. They seemed to think that it is working fine.

Mrs. SCHROEDER, the gentlewoman from Colorado, was quoted as saying that the charge that the President made that Congress exempts itself from the law, "It's baloney," Representative PAT SCHROEDER said of the President's charges. "He knows better than that. His own Secretary of Labor [former Representative Lynn Martin (R-Ill.)] helped draft the Fair Employment Practices Act," which created OFEP in 1988.

Yes, the Secretary of Labor helped to draft it and got it put in. The question is what is being done to enforce it. Where is the enforcement mechanism for the laws that Congress is supposed to be obeying?

What we do know is that Congress does not put itself under very many laws, and what we also know is that Congress does not obey the laws that it is covered by.

I am going to give you one example today that I am personally familiar with. Back in 1988, the same time that Mrs. SCHROEDER is claiming that we had OFEP put into place, we also passed another bill that applied to the country. In this particular instance, however, because of my insistence, it also applied to the U.S. Congress. It was the drug-free workplace law.

Now, what we said to the country was that if you are going to get Federal money, you have to maintain a drug-free workplace. You have to have a policy which assures that there is a drug-free workplace where Federal contracts are being implemented.

Here in Congress, we also implement that law for ourselves, supposedly. At least, the language was there. It was included in the law. It said that any office that did not have a drug-free workplace policy in place, any office on Cap-

itol Hill—Members' offices, committee offices, whatever—if these did not have a drug-free workplace law, they would have their funds cut off. There would be no more money out of the Federal Treasury for their allowances, their official expenses. They were out of money if they did not have a policy.

Now, what was involved in doing this policy? What you had to do, you had to put something in writing indicating how you were going to implement drug-free workplace policies. It is a specific demand under the law for the Congress. Everyone in Congress is supposed to be obeying, or they are outside the course of the law. The law is very clear. It applies to Congress in this case.

□ 1420

I checked the other day to find out how many offices on Capitol Hill have come into compliance, understanding that this has been the law of the land now for 3 years, 3 years. Do you know how many offices on Capitol Hill are in compliance out of the 435 offices on the House side? One hundred fifty offices. That means that more than half of the Members of Congress have not yet brought themselves into compliance with the drug-free-workplace law despite the fact that it has been an obligation for 3 years.

This is what we do? This is what we call responsibility? You can bet that if some working Joe or some employer out in the country has been in violation of the law for 3 years, there is going to be somebody coming after him, but not in the U.S. Congress. In fact, we have had a difficult time even getting anybody to say that they are willing to bring about compliance. In the first instance, when we passed a law which is basically ignored, no one paid much attention to it. Finally, after a good deal of prodding by myself and some other colleagues, the House Administration Committee basically issued a letter saying, "Yes, everybody has to be in compliance, but we are not going to enforce it."

So we went to people like the clerk of the House that has the administrative duties for the overall operation of the House, and we said to them, "Are you going to do something?" They said, "What we will do is we will serve as a repository. If anybody wants to file their policy with us, we will serve as a repository for those filings, but we are not going to enforce anything. In fact, we are not even going to release the names of who has filed and who has not. These will be secret files that we will keep."

Now, Congress is not very good at keeping some secrets when it comes to the Clarence Thomas case and so on, but when it comes to keeping the names of the Members who have not filed drug-free workplace policies, it is a state secret, and, believe me, it is closely held.

The fact is that is all that is in place.

I was a little disturbed by that. So last year when the legislative appropriations bill was going to come to the floor, I drafted some language and basically what it would have done is it would have made the Speaker of the House the enforcing officer of the drug-free workplace policy and would have had him, first of all, determine who was in compliance and who was not, and then have forced those people who were not in compliance to either come into compliance or lose their money.

The Speaker was not terribly enthusiastic, I gathered, about the language that I had drafted. I understand that. It was pretty tough language. I have no quarrel with the Speaker on that. He wanted me to sit down with House counsel and work out some compromise language that would implement the policy, but do so in a way that was a little less stringent than what I had put into the legislative appropriation.

What we decided on was that we would come up with language, and the Speaker himself would issue a policy. The Speaker was true to his word on that. I worked with House counsel. We came up with language that I think was very appropriate, and the Speaker himself, the Speaker of the House of Representatives, issued a letter to all Members of Congress and to all committees telling them they had to come into compliance with the law.

I guess maybe it helped some. At the time that the Speaker's letter came out, about 100 offices on Capitol Hill were in compliance. Today it has come up to 150. So the Speaker got about 50 people to come on board.

Folks, this is the law of the land. We are talking about something which is absolutely a mandate upon Members of Congress, and yet more than half the Congress has said, "No, sir, I am above the law. I do not care what the Speaker says. I do not care what the law says. I do not care. I am above the law. I am elected to the Congress, and I, in my arrogance, have decided that I am better than the law, and I do not care."

Now, if you wonder why the country gets disgusted with the Congress, it is that they perceive that that attitude is real. They perceive the fact that when you have Members of Congress who do not obey the laws they write for others and specifically exempt themselves from that kind of law that they are arrogant, and that is what the President was referring to.

But the arrogance goes much further when they even disobey and completely ignore the laws that they are required to have as a part of their own personal structures, as a part of their own personal lives. They ignore those, too, and it is no wonder that the public then becomes very disturbed, and well the public should.

In fact, on the Drug-Free Workplace Act, there have been Members quoted

in the press as saying, "I do not care what the law says. I am not going to obey it. I, in terms of my office, think my people are drug free. I do not have to have a policy," and so on.

There is no business in America that can get away with that. If the drug-free workplace policy applies to your business, you have to have it in place even if you know all of your employees, and you know that all of them are drug free, you do not have the option of saying, "I do not like the law, and I am not going to obey it." You obey it, or you pay the penalty.

In Congress, that is not the case. No one enforces the law. In Congress they say, "I do not like it, and I am not going to obey it," and no one does anything.

I have got to tell you that when the American people start screaming for things like term limits, they start screaming about the fact that Congress is not doing its job right, and that something has gone drastically wrong in Washington, there is good cause to believe that. Congress is, as the President said the other day, an institution that does look like a privileged class. The President said that this practice creates the appearance and reality of a privileged class of rulers who stand above the law. That is the reality.

There are many in the Congress who have decided that they are truly above the law, that the law does not apply to them whether it is the drug-free workplace law, whether it is the civil rights law, whether it is the discrimination laws, whether it is the laws that apply to the disabled; Congress has, in these people's opinions, no need to obey the laws we put on others. That is wrong.

It is about time that either Congress ceases being a privileged class of rulers without conscience about the things that it does, or it gets replaced.

The term-limit idea and lots of other ideas out there are people looking for ways to replace what they believe is an institution gone astray. The President joined in that the other day. The President said that it is about time to end this idea of privilege on Capitol Hill and bring the people who serve in Congress back close to the people who populate the country.

I think the President was right, and I think for members of the House leadership, members of the Democratic leadership of this House, the Democratic leadership that has controlled this House for almost 40 years to blast back suggesting that there is nothing wrong on Capitol Hill, that everything is going fine, that they are, in fact, obeying the laws when the facts speak otherwise is just plain nonsense. The Democrats in Congress need to be held accountable for the fact that Congress has gone astray.

Every Democrat who serves here elects the leadership of the Congress. When the leadership is too blind to see

that something has gone wrong, then all Democrats need to be held accountable for the fact that Congress is in bad shape.

Well, I think that this headline, "Congress Is Quick To Return Fire After President Bush Blasts Privileged Class of Rulers," tells you a lot about the situation. The American people understand that there is a privileged class of rulers today called the Congress, and the fact that Congress is unwilling to admit the obvious and try to do something to correct it, I think, is an indictment in and of itself.

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. HASTERT) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 60 minutes, today.

(The following Members (at the request of Mr. DORGAN of North Dakota) to revise and extend their remarks and include extraneous material:)

Mr. WHITTEN, for 5 minutes, today.

Mr. HOYER, for 5 minutes, today.

Mr. ANNUNZIO, 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. HASTERT) and to include extraneous matter:)

Mr. LEWIS of California in three instances.

Mr. BROOMFIELD.

(The following Members (at the request of Mr. DORGAN of North Dakota) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. MAZZOLI.

Mr. TORRICELLI.

Mr. BROWN in 10 instances.

Mr. ROE.

Mr. LEHMAN of Florida.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 680. An act to amend the International Travel Act of 1961 to assist in the growth of international travel and tourism into the United States, and for other purposes; to the Committee on Energy and Commerce.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that

that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 470. An act to authorize the Secretary of Transportation to release the restrictions, requirements, and conditions imposed in connection with the conveyance of certain lands to the city of Gary, IN, and

H.J. Res. 360. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 192. Joint resolution designating October 30, 1991 as "Refugee Day."

A BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval a bill and joint resolutions of the House of the following titles:

On October 23, 1991:

H.R. 972. An act to make permanent the legislative reinstatement, following the decision of Duro against Reina (58 U.S.I.W. 4643, May 29, 1990), of the power of Indian tribes to exercise criminal jurisdiction over Indians;

H.J. Res. 340. Joint resolution to designate October 19 through 27, 1991, as "National Red Ribbon Week for a Drug Free America;

H.J. Res. 360. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes; and

H.J. Res. 470. Joint resolution to authorize the Secretary of Transportation to release the restrictions, requirements, and conditions imposed in connection with the conveyance of certain lands to the city of Gary, IN.

ADJOURNMENT

Mr. WALKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 29 minutes p.m.), the House adjourned until tomorrow, Tuesday, October 29, 1991, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2251. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-88, "District of Columbia Regional Airport Authority Act of 1985 Temporary Amendment Act of 1991," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2252. A letter from the Chairman, Council of the District of Columbia, transmitting a

copy of D.C. Act 9-90, "Closing of a Public Alley and Abandonment of an Easement in Square 488, S.O. 86-267, Act of 1988 Covenant Modification Temporary Act of 1991," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2253. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-89, "Board of Education Special Election Act of 1991," and report, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2254. A letter from the Chairman, Jacob K. Javits Fellows Program Fellowship Board, transmitting the third report on the Jacob K. Javits Fellowship Board, pursuant to 20 U.S.C. 1134i; to the Committee on Education and Labor.

2255. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Forces' proposed lease of defense articles to the Sweden (Transmittal No. 01-92), pursuant to 22 U.S.C. 2796a(a); to the Committee on Foreign Affairs.

2256. A letter from the Assistant Secretary of State, Legislative Affairs, transmitting text of ILO Convention No. 170 and recommendation No. 177 concerning safety in the use of chemicals at work as adopted by the International Labor Conference at its 77th session, at Geneva, June 25, 1990, pursuant to article 19 of the Constitution of the International Labor Organization; to the Committee on Foreign Affairs.

2257. A letter from the Assistant Secretary of State, Legislative Affairs, transmitting text of ILO Convention No. 171 and recommendation No. 178 concerning night work and the protocol of 1990 to the Night Work (Women) Convention (Revised) 1948 (No. 89) as adopted by the International Labor Conference at its 77th session, at Geneva, June 26, 1990, pursuant to article 19 of the Constitution of the International Labor Organization; to the Committee on Foreign Affairs.

2258. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2259. A letter from the Director, Federal Judicial Center, transmitting a report on court-annexed arbitration in 10 district courts (1990) along with a resolution presenting the legislative recommendations of the Center's board on court-annexed arbitration, pursuant to 28 U.S.C. 651 note; to the Committee on the Judiciary.

2260. A letter from the Director, United States Information Agency, transmitting a draft of proposed legislation to transfer the au pair program from the U.S. Information Agency to the Department of Justice; to the Committee on the Judiciary.

2261. A letter from the Commandant, U.S. Coast Guard, transmitting a report on alternatives to double hulls in tank vessel design, pursuant to 46 U.S.C. 3703a note; to the Committee on Merchant Marine and Fisheries.

2262. A letter from the Administrator, Small Business Administration, transmitting the 1990 report on minority small business and capital ownership development, pursuant to Public Law 100-656, section 408 (102 Stat. 3877); to the Committee on Small Business.

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:

[Pursuant to the order of the House on Oct. 24, 1991, the following report was filed on Oct. 25, 1991]

Mr. DINGELL: Committee on Energy and Commerce. H.R. 3508. A bill to amend the Public Health Service Act to revise and extend certain programs relating to the education of individuals as health professionals, and for other purposes; with an amendment (Rept. 102-275). Referred to the Committee of the Whole House of the State of the Union.

[Submitted Oct. 28, 1991]

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 2896. A bill to authorize the Secretary of the Interior to revise the boundaries of the Minute Man National Historical Park in the State of Massachusetts, and for other purposes (Rept. 102-276). 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. SWIFT (for himself, Mr. GEPHARDT, Mr. BONIOR, Mr. HOYER, Mr. ROSE, Mr. DERRICK, Mrs. KENNEDY, Mr. LEWIS of Georgia, Mr. ANNUNZIO, Mr. PANETTA, Ms. OAKAR, Mr. CLAY, Mr. GEJDENSON, Mr. KOLTER, Mr. FROST, Mr. MANTON, and Mr. KLECZKA):

H.R. 3644. A bill to provide that, in making payments from the Presidential Election Campaign Fund, including the Presidential Matching Payment Account, amounts estimated to be transferred to the fund during the fiscal year before the fiscal year of the Presidential election shall be taken into account; to the Committee on House Administration.

By Mr. ANDREWS of Maine (for himself and Ms. SNOWE):

H.J. Res. 365. Joint resolution to designate the Provasoli-Guillard Center for the Culture of Marine Phytoplankton as a national center and facility; to the Committee on Merchant Marine and Fisheries.

MEMORIALS

Under clause 4 of rule XXII,

304. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to the National Guard; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 371: Mr. EWING.
 H.R. 661: Mr. HUNTER, Mr. LENT, Mr. PACKARD, Mr. KASICH, Mr. LOWERY of California, and Mr. RICHARDSON.
 H.R. 673: Ms. UNSOELD.
 H.R. 710: Mr. MARKEY and Mr. ENGEL.
 H.R. 856: Mr. LEHMAN of Florida.
 H.R. 1200: Mr. PASTOR, Mr. SANGMEISTER, Mr. TRAFICANT, Mr. McDERMOTT, Mr. SOLOMON, Mr. PARKER, Mr. STUDDS, and Mr. TRAXLER.
 H.R. 1354: Mr. Bacchus.
 H.R. 1663: Mr. LUKE and Mrs. LLOYD.
 H.R. 1751: Mr. BLILEY and Mr. CAMP.
 H.R. 2089: Mr. BORSKI.
 H.R. 2410: Mr. BOEHNER, Mr. LIPINSKI, and Mr. TAUZIN.
 H.R. 2470: Mr. STALLINGS.
 H.R. 2565: Mr. PETERSON of Florida, Mr. DWYER of New Jersey, Mr. COSTELLO, Mr. GILLMOR, Mr. MAZZOLI, Mr. FISH, and Mr. CLAY.
 H.R. 2675: Ms. NORTON.
 H.R. 2898: Mrs. UNSOELD, Mr. DIXON, Mr. KANJORSKI, Mr. FISH, and Mr. POSHARD.
 H.R. 3049: Mr. GILMAN.
 H.R. 3070: Mr. WASHINGTON, Mr. HYDE, Mr. HALL of Texas, Mr. TAUZIN, Mr. CONYERS, Mr. WELDON, and Mr. WHITTEN.
 H.R. 3098: Mrs. COLLINS of Michigan and Mr. FAZIO.
 H.R. 3142: Mr. WILLIAMS, Mr. HUTTO, and Mr. HENRY.
 H.R. 3209: Mr. BOUCHER, Mr. HOYER, and Mr. GILMAN.
 H.R. 3220: Ms. SNOWE.
 H.R. 3349: Mr. SOLOMON and Mr. BLAZ.
 H.R. 3457: Mr. ZIMMER.
 H.R. 3473: Mr. WILLIAMS, Mrs. UNSOELD, Mr. HUGHES, Mr. LAGOMARSINO, Mr. LEVINE of California, and Mr. MURPHY.
 H.R. 3545: Mr. DELLUMS, Mr. KOLTER, and Ms. NORTON.
 H.J. Res. 177: Mr. KILDEE, Mr. MFUME, Mr. ALEXANDER, Mr. SCHULZE, Mr. ZIMMER, Mr. ECKART, Mr. DWYER of New Jersey, and Mr. TOWNS.
 H.J. Res. 237: Mr. SKEEN.
 H.J. Res. 312: Mrs. MINK, Mr. DYMALLY, Mr. MOORHEAD, Mr. SCHULZE, Mr. SISISKY, Mr. McGRATH, Mr. DUNCAN, Mr. BENNETT, Mr. GREEN of New York, Mr. PARKER, Mr. BRYANT, Mr. MARKEY, Mr. KENNEDY, Mr. CARPER, Mr. QUILLIN, Mr. KOPETSKI, Mr. LEVIN of Michigan, Mr. WAXMAN, Mr. McDERMOTT, and Mr. PAYNE of Virginia.
 H.J. Res. 328: Mr. LOWERY of California, Mr. MFUME, Mr. TRAXLER, Mr. BURTON of Indiana, Mr. ANDREWS of Texas, Mr. FOGLIETTA, Mr. KANJORSKI, Mr. SLATTERY, Mr. SWETT, and Mr. LANTOS.

H.J. Res. 343: Mrs. BYRON, Mr. ESPY, Mr. FROST, and Mr. McGRATH.

H.J. Res. 354: Mr. LENT, Mr. FORD of Tennessee, Mr. OWENS of Utah, Mr. BROWDER, Mr. BLILEY, Mr. SMITH of Florida, Mr. MRAZEK, Mr. ESPY, Mr. GUARINI, Mrs. ROUKEMA, Mr. HARRIS, Mr. PAYNE of New Jersey, Mr. CONYERS, Mr. MILLER of Washington, Mr. SKEEN, Mr. HORTON, Mr. LEHMAN of Florida, Mr. COUGHLIN, Mr. PAXON, Mr. McMILLEN of Maryland, Mr. KOLTER, Mr. EVANS, Ms. NORTON, Mr. EMERSON, Mr. CLEMENT, Mr. WALSH, and Mr. McGRATH.

H. Con. Res. 168: Mr. APPELEGATE, Mr. CAMP, Mr. JACOBS, Mr. GEJDENSON, Mr. MURPHY, and Mr. McGRATH.

H. Con. Res. 192: Mrs. LLOYD, Mr. COX of Illinois, Mr. SKEEN, Mr. McCLOSKEY, Mr. ZIMMER, Mr. JOHNSON of South Dakota, Mr. KOLTER, Mr. CAMPBELL of California, Mr. ANDREWS of Maine, and Mr. RIGGS.

H. Con. Res. 212: Mr. ANNUNZIO and Mr. DONNELLY.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3489

By Mr. MAVROULES:

—Page 17, line 11, insert after "use" the following: "shall be made by the Secretary in concurrence with the Secretary of Defense and".

Page 34, line 3, insert "(i)" after "(B)".
 Page 34, line 11, strike "consult with" and insert "seek the concurrence of".

Page 34, insert the following after line 12:
 "(i) If the Secretary and the Secretary of Defense are unable to concur on a determination under clause (i), as such disagreement is determined by the Secretary, the Secretary of Defense may, within 20 days after receiving notification of the Secretary's determination, refer the matter to the President for resolution. The Secretary of Defense shall notify the Secretary of any such referral. The President shall, not later than 20 days after such referral, notify the Secretary of his determination with respect to the matter so referred. Failure of the Secretary of Defense to notify the President or the Secretary, or failure of the President to notify the Secretary, in accordance with this clause, shall be deemed by the Secretary to constitute concurrence in the actions proposed by the Secretary regarding the determination under clause (i)."

Page 34, line 14, strike "(B)" and insert "(B)(i)".

SENATE—Monday, October 28, 1991

The Senate met at 2 p.m. and was called to order by the Honorable CHARLES S. ROBB, a Senator from the State of Virginia.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:
Commit thy works unto the Lord, and thy thoughts shall be established.—Proverbs 16:3.

Gracious God our Father in Heaven, government is not getting any easier. The wave of anger and cynicism which has engulfed the Nation in these past few weeks compounds the confusion as legislators work their way through conflicting views, polls, information, staff counsel, and their own inward struggle with conscience, sound judgment, and political expediency.

Sovereign Lord, deliver our leaders from the prison of a finite world where there is no reference to infinity, no sense of God, no reality beyond the temporal and the secular. Help them see the possibility in the wisdom of Proverbs. Help them realize the profound possibility of being guided in their thinking by the Lord as they commit their works to Him. Grant them grace to open their minds and hearts to the possibility of divine direction and the unlimited potential under such direction. Lord, become real to us. Teach us that we can really depend upon You and not be disappointed.

In Jesus' name, the Way, the Truth, and the Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, October 28, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CHARLES S. ROBB, a Senator from the State of Virginia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. ROBB thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Without objection, all leader time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will now be a period for the transaction of morning business not to extend beyond the hour of 2:30 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Chair, in his capacity as an individual Senator, suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EMPOWERMENT

Mr. KASTEN. Mr. President, on October 8, I convened a field hearing of the U.S. Senate Small Business Committee at the Milwaukee Enterprise Center to examine the topic of how to promote economic opportunity, empowerment, job creation, and small business development in our distressed inner cities.

The committee heard testimony from several community development leaders and business people in Milwaukee, including Julius Morgan of the Milwaukee Enterprise Center, Derrek Kenner of Union Heritage Capital Management, and Howard Synder of the Metroworks business incubator. In addition, I invited two national advocates of self-help and empowerment: Tony Brown, television host of "Tony Brown's Journal," and Bob Woodson, president of the Center for Neighborhood Enterprise, to share their views.

While Wisconsin's overall unemployment rate is around 5 percent, the unemployment rates among blacks and Hispanics in Milwaukee is in the double digits. High unemployment contributes to other problems, including government dependency, drug abuse, crime, and lack of job skills.

We cannot continue to seek only government solutions to cure poverty, joblessness and despair. Bobby Kennedy once said:

To fight poverty without the power of free enterprise is to wage war with a single platoon while great armies are left to stand on the side.

Building on this theme, Tony Brown said:

The best way to fight poverty is to keep people out of poverty. And the best way to do that is to promote self-employment among the poor, the uneducated, the disadvantaged and the young.

To achieve this end, we must be willing to transcend the policies of the past that have led to dependency instead of self-sufficiency, that promoted a self-satisfied and self-protecting bureaucracy instead of individual initiative.

We must move forward with a bold plan based on self-help, free enterprise, empowerment, and incentives.

We will need a growing national economy in order to create new jobs and new business opportunities for all Americans. That is the reason why I support a cut in the capital gains tax—to reward the risk-takers, and to unlock capital from status quo investments so that small businesses—especially minority entrepreneurs—can raise startup and expansion funds.

When we cut taxes on labor and capital in the 1980's, the economy boomed, 21 million jobs were created, and minority-owned businesses prospered. From 1982 to 1987, the number of black-owned firms jumped by almost 40 percent and Hispanic firms grew 80 percent, both exceeding the 14-percent increase for all U.S. firms.

We have made some progress, but we must do much more. We need to bring democratic capitalism—private property, incentives and free enterprise—into our distressed inner cities and communities. We need to reward hard work, savings, and investment.

I have proposed an action plan of initiatives designed to bring jobs, hope, and opportunity to those who have been left behind. I call it the EMPOWER plan—expanding minority prosperity, opportunity, and wealth creation through economic revitalization.

First, we need to encourage entrepreneurship and job creation through Federal enterprise zones; small business incubators like the Milwaukee Enterprise Center, Metroworks, and the new MEC-South; and microloans for low-income entrepreneurs.

Several States have gone ahead and created their own enterprise zones. Under Gov. Tommy Thompson's leadership, Wisconsin has established 12 development zones since 1989. Businesses in the zones are investing over \$55 million in zone projects that will create over 1,300 new jobs and upgrade almost 800 jobs.

Commenting on the small business microloans legislation sponsored by myself and the chairman of the Small Business Committee, DALE BUMPERS, Mr. Brown noted that "Nonprofit, community-based organizations supporting microloans also transfer traditional values—which is a value-added feature to business and job creation."

Second, we must promote educational choice, and tenant management of public housing to give people more control over their own lives—and more responsibility in revitalizing their communities and neighborhoods.

Third, we must encourage charitable giving and voluntarism to help the needy. Community-based nonprofits often outperform public programs in providing job training, housing, and other services. I've introduced legislation that would restore tax incentives for charitable giving.

Finally, we need to adopt positive terminology. Rather than being labeled disadvantaged, minority-owned businesses should be referred to as "historically underutilized businesses" or HUB's, which implies a more positive and constructive perception. HUB's are the center of revitalizing neighborhoods and creating jobs.

The success of this empowerment plan cannot be the success of government. It must be the success of individuals, families, nonprofits, the private sector, small businesses, and community-based organizations all working together to develop new ideas and new initiatives to unleash the entrepreneurial potential of the people in inner-city Milwaukee and throughout Wisconsin.

I highly recommend to my colleagues Mr. Brown's testimony on empowerment initiatives, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

"MAKE AMERICA WORK FOR THE UNITED STATES"

(Testimony of Tony Brown before the U.S. Senate Small Business Committee, October 8, 1991)

"The economically disadvantaged status of black Americans is now a permanent feature of the American economy," the 1991 Urban League Report admitted.

That means that poverty is a permanent feature of Black America. It also means that the primary problem of the Black community is poverty.

And if this condition continues, Black poverty and all of the social pathology that come with it will become a permanent institution in America.

The problem, of course, has its roots in the history of slavery, but its feet are planted firmly in the present. Over one-third of the families living in poverty are Black (three times the rate of Whites); median income of Blacks is only 56 percent that of Whites; and unemployment is twice that of Whites. Other disturbing statistics, such as the infant death rate (24 percent higher for Black infants than for Whites), demonstrates a causal connection between poverty and social adaptation.

Of course, these statistics do not describe all Blacks.

The Black elite—upper middle class and wealthy—has grown faster than the Black middle class.

Between 1981 and 1987 White families with incomes of more than \$50,000 increased from

18.2 percent to 24.4 percent. Black families registered greater change; the percentage earning incomes over \$50,000 grew from 6 percent to 9.5 percent.

By the very nature of the information economy, the well educated benefit most. Most Black families headed by married couples have joined the middle class.

However, despite billions of dollars in government spending over the past two decades, the United States has largely failed to attain a key goal of the 1960s civil rights campaign: increasing the number of Black and Hispanic owned businesses.

This failure has caused economic opportunities to remain elusive and the New York Times to begin a front page story (1-29-91) with the following:

"Wanted: An American anti-poverty policy. Strategy must offer reasonable prospect for ending cycles of dependency and despair that disfigure urban America. Long hours and serious commitment needed. Costs may be high. Cost of doing nothing may be higher."

"The want ad for an American social policy might go on to list other requirements: a passionate leader to articulate it, taxpayers willing to pay for it, special interests that sacrifice for it, skilled administrators to apply it."

Employment is not the only answer to the man-made problem of poverty, in part, because many people who are unemployed are unemployed because of the absence of technical skills and an inadequate education.

Only self-employment and ownership can solve the systemic problems caused by this absence of human capital and the loss of self-esteem that results from it.

When it comes to lending to the truly needy, America has missed a golden opportunity. Banks and other sources of venture capital have not been responsive to the need for capital to grow the people in marginal endeavors into real businesses.

That's why Sen. Kasten's "EMPOWER" Action Plan, with its emphasis on microloans is so important. Non-profit, community-based organizations supporting "Microloans" also transfer traditional values—which is a value-added feature to business and job creation.

This transfer of social and human capital is more important than the loans themselves in the development of the individual and the community.

Since Sen. Kasten is the ranking member on the Senate Small Business Committee, the benefits of his entrepreneurial and job creation "action plan" will surely benefit the citizens of Wisconsin. And no inner city deserves or qualifies for help more than Milwaukee.

"Community" is where the business foundation of America rests. The nation's seven million small businesses account for 40% of the gross national product and 80% of the new jobs. According to Success magazine, 20 million new jobs were created in the '80s by entrepreneurial companies.

The value to the economy of small community-based businesses can be seen in the fact that over the past decade, Fortune 500 companies have laid off 11 million employees. During the same period, companies with fewer than 100 workers have hired most of the 31 million people added to the workforce.

The erosion of small businesses diminishes our American competitive position and manufactures poverty, the breeding grounds for a variety of society's problems. Therefore, the problem is clear and so is the solution.

Since small businesses create 80% of the new jobs, it makes abundant sense to involve

the total community in a small business creation effort. In fact, people can immediately become self-employed and later, with training, experience and community support, grow into more substantial enterprises.

The best way to fight poverty is to keep people out of poverty.

And the best way to do that is to promote self-employment among the poor, the uneducated, the disadvantaged and the young.

Have the essentially middle-class programs done the Black community per se much good or did they result in windfalls for wealthier Blacks?

In answering that question, we must remember that the notion of earmarking a part of federal and industrial corporate spending for Blacks in business was to advance the cause of Black people, not just Black people who are in business, or educated or middle class.

Set-asides were and are intended to bring the Black community, including the volatile 8 million who form the new underclass, into the "mainstream" of America. And if Black firms do not come into compliance with the implicit directive to help other Blacks, why should they deserve to receive special treatment on behalf of the Black community?

In effect, the Black businesses that benefit are conduits for the stabilization and advancement of the less fortunate African-Americans, not a windfall for selfish enterprise. Moreover, if a more stabilized Black community does not evolve from these preferential grants, the investment of the private sector or government has no payoff.

Therefore, there should be a "set-aside" for the "set-asides."

The only justification for the "set-asides" is their degree of personal concern for the Black community's most serious problems (single-parent homes, drug addiction, illiteracy, etc.) and helping to stabilize our primary institutions (Black colleges, churches, civil rights groups, charities, etc.).

Whether the affirmative-action concept is fair or not, the Black community lost the public relations battle.

Affirmative action programs, for example, must persuade the general population through performance criteria that if a community-performance requirement is added, the programs are in the best interest of non-Blacks as well as Blacks. They are intrinsically fair only if they solve a problem that threatens us all.

The future of America will be greatly affected, either positively or negatively, by the course Black America takes over the next 13 years. The federal government, therefore, has a role in viable affirmative action programs that produce results through incentives and requirements.

These programs, however, must take creative forms. Affirmative action must be defined and designed for maximum community benefits. The individual beneficiary should have a Black community service incentive. You might say, a set-aside for the set-asides. If you are singled out for help because you are Black, you have an obligation to the Black community.

We can also create an economic-affirmative thrust ourselves that will not only elevate our community to political and economic parity, but benefit non-Blacks and the country as well. Even in affirmative-action programs, the primary responsibility to perform should be ours, so that we can ultimately become self-reliant and not in need of them.

The general population can be won over by a Black self-willed empowerment. A creative

alliance between the private sector, government and the Black community can turn the current White backlash into a river of support if the Black community will take the leadership role in charting its own course, it's time that we do as well in finance and economics as we do in football and basketball.

But having said that, let me emphasize that more and bigger government is not the solution.

Government is government. The bigger it gets, in my opinion, the worse it gets—good intentions notwithstanding.

In November, I am introducing the Buy Freedom 900 Network. By buying from self-help businesses, using the telephone, we can support loans to create another 50,000 small firms in our communities in the next five years and increase the revenues of those already in business.

This self-help telephone network will connect buyers with businesses, professionals, churches and fund-raising campaigns of non-profit community organizations.

Profits from calls to the businesses will be used to provide loans to start and expand new businesses in the city/area from which the call was received. That's why this program is national in scope, but local in focus.

This is the only way to "Make America Work For U.S."

RICHARD PETTY DISCLOSES HIS PLANS TO RETIRE

Mr. HELMS. Mr. President, on October 1, a longtime friend of mine and one of North Carolina's best known citizens announced his impending retirement. Richard Petty's countless fans are saddened by his decision. It is, in a very real sense, the end of an era.

Everyone who has followed Richard's remarkable career recognizes him as a perfect example of what can be accomplished with determination, faith, and family values.

Mr. President, Richard Petty's name has become synonymous with NASCAR racing. He has won more races, thrilled more fans, and served as a hero for more young people than anyone who ever had the courage to squeeze into a stock car.

When Richard first raced his trademark car No. 43 in 1958, dirt tracks and \$100 purses were the norm. When he retires at the conclusion of the 1992 season, stock car racing will be one of the largest spectator sports in the country. I noticed an estimate the other day that at least 4,786,375 people attended NASCAR races last year.

King Richard, as he is known to Tarheels—indeed, race fans everywhere—deserves much of the credit for NASCAR's success. For years throngs have attended stock car races for one reason: To see King Richard race. And how he has raced, and raced, and raced.

A few statistics: 200 wins over 35 years—9 times he has been chosen by fans as the most popular driver—7 Winston Cup Championships. And all of these have been unmatched by anyone else in NASCAR history.

Make no mistake about it, Mr. President, running a stock car around a hot

track at 200 miles an hour is no picnic. Throughout his career—and the countless injuries he's received during the course of it—his wife Lynda, and his children Sharon, Lisa, Rebecca, and Kyle, have been at his side—riding shotgun, you might say. They deserve a salute as well. Richard Petty is the first to acknowledge that he never could have succeeded without that kind of family.

In announcing his retirement, Richard Petty is leaving the door open a crack as to whether he might return to racing some time in the future—to the delight of NASCAR's fans. But King Richard also implied that he may look to get into politics. I fervently hope that he will. Government at any level would be all the better if it could have the benefit of Richard's courage, integrity and instinctive good judgment.

Mr. President, I join other proud North Carolinians and race fans throughout the country in wishing Richard Petty a safe and successful final season. I hope he'll take care of himself—he may one day be U.S. Senator Richard Petty. If and when that happens, we will welcome his stamina.

Mr. President, I ask unanimous consent that the Raleigh News and Observer's October 2 article about Richard's retirement be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Raleigh News and Observer, Oct. 2, 1991]

NO. 43 WILL RACE ONE MORE SEASON

(By Gerald Martin)

LEVEL CROSS.—No one knows better than the mother of his children just how much stock car racing means to Richard Petty, and when the checkered flag falls on the 1992 NASCAR season and his driving career, both the sorrow and the euphoria likely will be about all Lynda Petty can bear.

Richard Petty, 54, confirmed Tuesday at a news conference that '92 will be his final season. He said that he plans to enter all 29 Winston Cup races during his "Fan Appreciation Tour" and that late next season he will name his replacement for the '93 campaign.

He said his final go-round almost certainly will be emotion-choked, but he hardly hedged when asked whether, under any circumstances, he might reconsider when the '92 campaign ends at Atlanta.

"When I step out of the car next November," he said, "that will be the last time anybody sees me in a race car. Well, maybe." He laughed, but only for a moment.

"No," he added. "I said it, and you can bet that'll be it—if I make it that far. . . . If we win 'em all, I'm out. If we don't win any, I'm out."

It was with a splattering of laughs, a few choked-back tears and a sense of relief that his family, at his side for the announcement, welcomed the news and looked with some apprehension to the future and how they would cope without the king behind the wheel for the first time in 35 years.

"I probably have encouraged him every week [to quit]," his wife, Lynda, said afterward. "You see how much weight I carry. . . . But all of a sudden, after next

year, I wonder what we're going to do, if we can sit there and watch without 43 out there."

Mr. Petty will not stray far from the cockpit. He will take over the ownership reins from his wife, he said, "and I'll do everything I've been doing except the driving."

The winner of a record 200 races in NASCAR's top division said plans for his final season have been under way for about a year and the focal point will be his legions of fans.

"It's not a farewell tour, because I'm not going anywhere," Mr. Petty said. "It's a fan appreciation tour. Without the fans, y'all wouldn't be here. I wouldn't be here. . . . After 34 years, I figured I could take the time and all our sponsors could take the time to go to the fans and say, 'Look, we appreciate it.' . . . We're saying thank you."

Among the well-wishers attending the news conference were Gov. James G. Martin, NASCAR President William C. France and executives of the companies that will sponsor the Petty Enterprises team in 1992.

Mr. Martin said "no other man has so dominated any sport, ever."

"I'll let y'all in on a little secret," he added. "It's nice being governor, but I often wonder what it would be like to be king. . . . This king has seen a lot of governors come and go since he began his racing career back in the 1950s."

Mr. France, in recognizing Mr. Petty's positive impact with fans, recalled a youngster hanging on a fence at a race track, yelling and beckoning for Mr. Petty to speak to him.

"Richard Petty became that little boy's hero that day," he said, "That's the reason NBA All-Star Brad Daugherty today wears No. 43 when he plays for the Cleveland Cavaliers."

But it was those who have daily shared his life and career—wife Lynda, daughters Sharon, Lisa and Rebecca, and son and fellow racer Kyle—whose poignant recollections nailed the significance of the moment and of what is yet to come.

"Yes, I probably feel like I've sacrificed a lot," Mrs. Petty said. "I think he was only around for one child's birth: the rest of the time he was racing. And he missed most all of the graduations, the banquets, the recitals and all. He missed it all. But even though he missed it, they loved him and supported him, and we're going to continue to support him."

"The one thing I've asked more than anything is: Don't you just worry about your husband?" And I say 'Yes, I do.' But my philosophy . . . is that I'm just thankful that I've been a part of Richard Petty's life and that no matter what happens from this day forth, I can look back without any regrets."

Kyle Petty predicted his father will become a "completely different" person after he retires as a driver because driving has not only been his job but also his relaxation and recreation.

Daughter Sharon, 27, more than any other family member, has pushed him to retire, and she said she is glad that time is near.

"It is a different day," she said, her voice trembling, "because it is all we've known. We've not had him there because he had been out racing, but we accepted it and we knew he loved that race car and we didn't mind it. It was the way we were brought up. He loved it, he was good at it, and he was always so happy."

"To not see him in that car will be the hardest thing. Even though I'm glad I won't have to worry about him out there in that car with those guys on that track, it's going

to be hard because it's hard to see somebody give up some thing they love so much. We're so proud of him and love him so much."

Mr. Petty said his age and his nearly seven-year victory drought were factors in his decision, "but I still enjoy driving a race car and I know it's going to be a tough deal when the end comes."

Mrs. Petty said her husband's responsibilities other than driving had taken a toll on him and on the team's success in recent seasons, and that she had known for several years a change was necessary.

"In 1990 I began to see things begin to turn for him." She said, "Racing had grown into such a large business, too complex and big for one man to drive and do all the other things, too."

"Richard Petty is a very smart person who knows a lot about race cars. But he hasn't been able to exercise all the abilities and knowledge he has. He was at a point that he knew he had a choice to make, and we're all looking forward to some new talent and the Petty Enterprises car being the hottest one out there."

And Richard Petty, she said, will never completely put away the game he has played so well all these years. True, he has acquired a vacation condominium, but not the one she wanted at Myrtle Beach, SC. Instead it rises from the grandstands overlooking Charlotte Motor Speedway.

He said he would buy me binoculars she said "and that maybe I could see Myrtle Beach from there."

NASCAR

Richard Lee Petty, 54, announced he will retire after the 1992 NASCAR season.

Some career highlights: Stock car racing debut, 1958. Winston Cup career—prize money, \$7,141,050; best finish, 1st, 200 times; biggest purse, \$90,575, 1981 Daytona 500.

PETTY'S RECORDS

Winston Cup wins, 200; Winston Cup champ, 7 times; most popular driver, 9 times; first \$1 million driver, 1971; first \$2 million driver, 1975; first \$3 million driver, 1978; first \$4 million driver, 1980; first \$5 million driver, 1983.

COMMENDING DAVISVILLE MIDDLE SCHOOL

Mr. PELL. Mr. President, as chairman of the Senate Subcommittee on Education, Arts, and the Humanities, it is an honor and a privilege to offer my congratulations to Davisville Middle School on being named a 1990-91 Blue Ribbon School.

This is indeed a very significant award. Only those schools which meet the most rigorous standards of achievement and excellence are named Blue Ribbon Schools. In fact, less than one-half of 1 percent of all our Nation's schools receive the Blue Ribbon Schools Award. It is the highest honor bestowed by the Department of Education, created to recognize outstanding public and private elementary and secondary schools across the United States that are unusually effective in meeting national education goals.

While much is learned at the Davisville Middle School, certainly, much can be learned from them.

At Davisville, Principal Jane Kondon has fostered an academic environment

where the collective efforts of students, teachers, parents, and community leaders contribute to excellence. High achieving students tutor their fellow students. Teachers work together, coordinating their curriculums to reinforce lessons and general themes. Community businesses voluntarily offer discounts to honor roll students. And parents participate in school-based management.

Mr. President, the importance of a well-trained mind can never be overstated, no matter how often we speak of education, no matter how much we do to improve our schools.

I remind the students of Davisville Middle School, and my colleagues here in the Senate, of the eloquent words of Joseph Addison:

Education is a companion which no misfortune can depress, no crime can destroy, no enemy can alienate, no despotism can enslave, at home a friend, abroad an introduction, in solitude solace, and in society an ornament. It chastens vice and guides virtue.

Davisville Middle School exemplifies the high standard of educational excellence upon which our Nation so critically depends. They have brought honor and distinction to their community and to our State. I have said many, many times that our real wealth as a Nation is measured by the sum total of the education and character of our people. I congratulate all the people of the Davisville School community for the shining contribution they have made to our national wealth. I urge them to continue to work hard to maintain the fine standard they have set, and once again, express my heartfelt congratulations for a recognition well earned.

TRIBUTE TO P.W. BROWN

Mr. HEFLIN. Mr. President, I rise today to pay tribute to Mr. Philip Washington Brown, a native son of Eutaw, AL, on the occasion of his retirement from Tuskegee University. Since 1972, Mr. P.W. Brown has performed the duties of the Administrator of the Tuskegee Extension Program with determination and grace. For 27 years P.W. Brown has served Tuskegee and the State of Alabama with distinction.

Mr. Brown, or P.W. as my staff and I know him, has been an outstanding leader for the 1890 institutions of this Nation. P.W. has fought for fair and equitable funding on behalf of the 1890 land-grant schools and has served as the spokesman in Washington for these great universities. In fact, during the 1990 farm bill, P.W. spent so much time in my office I was beginning to think he was on my personal staff.

P.W.'s affable and persuasive manner has served him well throughout his tenure with Tuskegee. As for me and my staff, we wish P.W. continued success in his future endeavors.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,417th day that Terry Anderson has been held captive in Lebanon.

Yesterday, family and friends of Terry Anderson observed his 44th birthday. His seventh in captivity. Peggy Say told reporters, after a service held in her brother's honor, that she "fully expects to spend Christmas this year with Terry Anderson." I pray that she will.

Mr. President, I ask unanimous consent that an Associated Press article reporting yesterday's events be printed in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHURCHGOERS MARK TERRY ANDERSON'S SEVENTH BIRTHDAY IN CAPTIVITY

(By Bob Lewis)

CADIZ, KY.—The sister of Terry Anderson, the longest-held American hostage in the Middle East, said Sunday she has good reason to believe her brother will be released soon.

Peggy Say and other relatives joined worshippers at a church service marking Anderson's seventh birthday in captivity. Anderson, who turned 44, is chief Middle East correspondent of The Associated Press.

Following the service at Cadiz Baptist Church, Say planned to fly to New York and meet Monday with U.N. Secretary-General Javier Perez de Cuellar.

"I believe with all my heart that the efforts of those involved in the U.N. mission to free the hostages will reach fruition in the coming weeks," Say told about 350 people in the small church.

"I fully expect to spend Christmas this year with Terry Anderson," Say told reporters after the service. "I've probably felt this optimistic before, but never with good reason. Today I have good reason."

She said she was encouraged that Anderson's captors had praised U.S.-led efforts that resulted in Middle East peace talks scheduled to begin Wednesday in Madrid.

Anderson was abducted March 16, 1985, in Beirut. Friends and colleagues in Beirut celebrated his birthday with a cake.

"I'm more hopeful than any time before that this is his last birthday in captivity," said Farouk Nassar, chief of the AP bureau in Beirut.

Intense U.N.-led negotiations to mediate a swap of Western captives for Arabs held by Israel have led to freedom for four Westerners since August.

Beirut television stations showed a videotape of Anderson's daughter, Sulome, who was born four months after his abduction, during their evening newscasts Saturday.

"When I am 7 I hope you will be home. I am sure you will be home soon and I know you will," Sulome said, reading from a letter she prepared for the occasion.

The videotape showed Sulome with her mother, Madeleine, blowing out candles on a cake.

In Lorain, Ohio, where Anderson was born, more than 100 residents and relatives staged a downtown rally for his birthday. It included a 21-gun salute, a birthday cake and the release of 44 yellow birthday balloons.

During the service in Cadiz, Anderson's other sister, Judy Walker, read aloud a list

of those still held in Lebanon and those who have been freed. As she read the names of eight captives who died, her daughter, Rachel, rang a bell in memory of each. Say and Walker both live in Cadiz.

The Rev. Harold Skaggs read a birthday greeting from his congregation to Anderson.

"As members of our congregation, Peggy and Judy pray with us at worship each week. A candle is lighted each Sunday and your name is called," he said.

"Peggy's efforts on your behalf have been all around the world. She has literally walked in the courts of kings and presidents, demanding like a Moses of modern times, 'Let my people go.'"

Marjorie Priest, a former quilt shop owner from Brecksville, Ohio, drove to Cadiz to present Say a quilt made for Anderson.

She and other quilting enthusiasts from Cleveland stitched together the quilt from 480 patches, each signed and sent to her from well-wishers.

Taped birthday greetings from former President Carter, broadcast journalists Tom Brokaw, Dan Rather and Peter Arnett and talk show host Phil Donahue were provided to overseas radio outlets to be played in the Middle East on Sunday.

In a recent videotape, Anderson said he had access to television, radio, newspapers and magazines.

On Saturday, Lebanon's two leading newspapers, the independent *An-Nahar* and leftist *As-Safir*, published a letter from Say and other birthday messages from friends in the United States.

Say assured Anderson his family is well. She asked him to stay tuned to the British Broadcasting Corp. and Voice of America to hear birthday greetings.

CIVIL RIGHTS ACT OF 1991

Mr. DOMENICI. Mr. President, let me first say it was astounding to this Senator to hear certain Members of the Senate from the other side of the aisle, including the majority leader, suggest that the civil rights bill that we reached accord and agreement on could have been achieved a year and a half ago because it was nothing more than that which was offered to the President a year and a half ago.

Frankly, I really hope against hope that I heard wrong because, frankly, that just is not so. It cannot be so, and I do not know why it would be said. Maybe some would misunderstand what the bill says, but I do not think those who spoke that way would, mainly because they are not only very articulate but also very knowledgeable in the law. So nothing could be further from the truth than this bill, as agreed to by Republicans and Democrats alike, was exactly what was offered to the President a year and a half ago. It just is not so.

So I would like to take just a few moments to applaud the work of our colleagues here in the Senate and to commend the efforts of Senator DANFORTH and Senator DOLE, from our side of the aisle, for their tireless efforts to craft a civil rights bill which was acceptable to employers and employees across this land and, equally as important, that

was also acceptable to the President of the United States. So, unless we want to make it so, this does not need to be a partisan issue. Frankly, it seems to me that it is not. But if there are some who seek to make it so, then let me suggest that an objective reading of this bill indicates it is more like the bill that the President wanted than what those who offered the civil rights bill a year and a half ago wanted.

Again, my very special thanks go out to Senator DANFORTH. Everyone now knows that I was one of the nine Republican Senators on his original three bills that were offered back in June. I felt that, as I do now, that these three bills represented an attempt at compromise that would be necessary to reach a final agreement. We have reached that pinnacle with the compromise version of S. 1745.

I did not sponsor some of the later versions of the bill, and I will tell you why. Frankly, it seemed to the Senator from New Mexico that I ought to try to get the President on board, so I did not lend my name, nor did Senator RUDMAN, to that measure until we reached accord. We have done just that. So now this Senator, with a great deal of enthusiasm, is cosponsoring the bill we currently have before us. And I am very pleased to do so.

Senator DANFORTH put his heart and soul into this, and, also from our side of the aisle, Senator DOLE lived day and night with the understanding and the effort we needed to get the President and more Republicans on board. And as it turned out, we have successfully done just that.

As I mentioned earlier, there have been numerous comments and articles over the past few days that suggest that this civil rights compromise could have come about a year and a half ago. And as I also mentioned earlier, that really is not true. All of us who have been involved in the negotiating process know that this compromise represents more than just a few simple word changes here and there. This was not a mere semantical exercise. It was not about dotting the "i's" or crossing the "t's". It is very significantly different than other versions of the civil rights legislation.

This compromise represents the difference between what I perceive to be an effective civil rights measure and a bill so overly constructed that it satisfies no one but ambitious lawyers. It would have caused many employers to lose confidence and faith in the fairness of our system as they would have had to adjust to certain situations that the courts brought about that they did not want to participate in.

For example, I was particularly concerned that we extend the protection for minorities and women while also giving business, whether small or large, sufficient flexibility to make judicious decisions that serve their legitimate business goals.

I do not think there is anything wrong—and as we watch this recession in the United States, maybe we should get another lesson—there is nothing wrong with having business men and women having legitimate business goals. Those business goals can be better profits, more income, or more ability to grow and compete. And we ought not be ashamed or embarrassed to talk about that as we talk about a bill protecting their rights, the rights of those decisionmakers who are trying to structure competitive businesses that make money, as well as the rights of individuals that seek employment.

I did not cosponsor, as I indicated awhile ago, the first version of Senate bill 1745, the last Senator DANFORTH measure, because I was not satisfied with the definition of business necessity—that which would govern the methodology for a business determining how it would hire, and business necessity being the governing words, the words of art. Incidentally, those words were determined not by legislature, but rather by the Supreme Court.

Despite weeks of negotiations, I was not convinced that there was adequate and essential protection for businesses to defend their employment, and defend the practices upon which they based employment, on valid business purposes. And a valid business purpose could be a number of things and it might not be directly related to the employment in question.

As stated so well by my distinguished colleague from Washington, Senator GORTON, the original version of the bill as well as the House version, H.R. 1—attempted, vainly I believe, to codify a rapidly evolving field of court-developed law and to freeze it into a statutory straight jacket.

I have heard from far too many companies, whether employers of 15 or 200 workers, that there is an important element of the employment decision-making process that is often overlooked. That element is the often vague but critical one: hiring or promoting an employee that takes into consideration the company's overall business objective.

And, in all fairness and with the best of intentions, employers are faced with the factor of choice. They must weigh their costs, their effectiveness, their profit margins, and hire or promote the personnel they believe meet the goals of their firm.

Moreover, I suggest that Americans are innately competitive—whether it is in the context of trying to build a better car to compete or simply trying to display one's vegetables so they look more palatable than the ones sold by the vendor down the street. Personnel are hired and promoted because they help that business retain its competitive edge, or retain its profit margin. These are valid business purposes that simply help them make money so they can grow, prosper, and employ people.

Many businesses, particularly the small business owners in my State, have spoken to me about the difficulties of making ends meet as business people today. American businesses face ever-increasing governmental health, safety, and environmental regulations. They must satisfy employee demands for better benefit programs, manage their staffs and workers to optimize their productivity, and all the while, ensure sufficient profitability for reinvestment in their plants and facilities, and when appropriate, in research and development.

You know, many times we complain and we hear our constituents complain about the way things are going on in our cities and in their lives, about their jobs, and about things not going so well. And frequently we forget that businesses have to make money in order to grow and prosper and hire people. And if they do not, if they are not growing, we get the kind of economic situation that we are in today: A recession.

Nobody likes it. I am sure the occupant of the Chair would agree with me. I have been here longer than he, but I do not believe he has ever received a letter from a constituent saying, "I would like more recession, I sure hope it will go on longer." They do not write us letters when things are growing and prospering and more are getting employed, saying things are great. But surely they do not write us asking for more of that lack of growth.

So we want to give our businessmen, our business people, our corporate entities a fighting chance. And in passing this bill we also want to be fair to both employer and employee alike. Today, there is often a very slim margin between staying in business or being out of business.

Therefore, a business is often faced with difficult but very critical employment decisions. It must find the right employee that best fits the job, for the most reasonable cost. We have all agreed that employment practices need to have a manifest relationship to the employment in question as defined by the Supreme Court in the now famous *Griggs* decision. I do not think we have talked about any case more than we have talked about the *Griggs* case—it is part of the growing lexicon of cases in which the Supreme Court has had something to say about discrimination in the marketplace.

However, we also have to take into account that once this issue is satisfied, there are still practices that should be justifiable in the context of valid business purposes. *Griggs* says that you can set the qualifications for the particular job. And then, we are saying, you can take the next step and seek more, perhaps better qualified people—better qualified, that is, among the group of people who have met your initial requirements for employment.

This was the issue articulated well in the 1978 New York Transit Authority versus *Beazer* case. It, too, is mentioned as one of the cases we now rely on in its stated purposes and language as we seek the new law and it allows legitimate business goals and policies to stand. The revisions to S. 1745 now take this element into consideration.

I do not think we now need to offer amendments such as the one that I had to clarify what I considered to be an omission to the definition of business necessity. Under the compromise bill, we have achieved a balanced approach to the selection process. We have a bill that is fair to both employees and employers. The courts will now continue to interpret the issue of business necessity. As section 3 of this compromise correctly states, the purpose of S. 1745 is to:

*** codify the concepts of "business necessity" and "job related" enunciated by the Supreme Court in *Griggs v. Duke Power Co.*, 401 U.S. 424 (1971) and in other Supreme Court decisions prior to *Wards Cove Packing Co. v. Atonio*, 490 U.S. 642 (1989).

I have never doubted that an equitable compromise could be achieved. The administration had very legitimate concerns that as necessary as a civil rights bill may be, it could not, and would not, succumb to pressures that produced a document that served few, if any, well.

So, for those who wish to posture that there were really only a few words or phrases that caused the impasse, I would suggest that these few words were the life support system of the entire process. And for many businesses across this land, large and small, these words will also be the lifeblood of their continued success as they attempt to do the very best they can for their business' success, and for fairness and fair treatment to workers, both now and in the future. These issues were absolutely critical. We know the difference, and so does the American public.

We, in the Senate, have experienced several difficult weeks. This has been a time of reexamination of our processes and procedures, as well as a reassessment of our ability to govern and support the public good. We recognize that it is time to make some changes in the way we conduct our business. However, just as we were able to reach a compromise on this complicated issue, we will resolve the other problems too.

If all goes well, we are about to pass a bill that has taken almost 2 years to develop. In retrospect, we must admit that as tiresome and at times divisive as the process may have appeared, we have accomplished our objectives.

I am pleased to have been a part of this endeavor; clearly my role may not have been as large as some others. Some worked for extremely long and dedicated periods of time. It has been an arduous task, but I believe that the

time and effort has been well spent, and I am proud to have played a role in helping along this historic piece of legislation.

We have much to do, many people here to congratulate, including the President and many who work for him. I do so to all of them.

But I would state, so there may be no misunderstanding, that I did not allude to an amendment that I might offer on attorney's fees.

There might be a couple of amendments on attorney's fees. I will talk to the leadership before I commit to one that I have. Frankly, I am somewhat concerned about some of the lawyers in our day advertising, promoting, and soliciting work, especially in fields like this. If it is not incompatible with what we are doing and the timeframe that we are on, I will have something to say about soliciting and advertising with reference to civil rights and the lawyer profession in the United States.

I yield the floor.

A TRIBUTE TO CHAIRMAN TAE JOON PARK OF KOREA

Mr. THURMOND. Mr. President, I would like to take this opportunity to offer a warm welcome to a highly respected leader from the Republic of Korea, Tae Joon Park. Mr. Park is co-chairman of Korea's Democratic Liberal Party, and earlier this afternoon I had the great pleasure of hosting a luncheon in his honor. We were joined by my distinguished colleague Senator HELMS, and Senator DOLE was also able to visit with us briefly. The chairman was to meet with Senator SIMPSON later.

Mr. President, Chairman Park is a highly respected leader in both business and government, and I am very pleased we were able to meet with him during his visit to our Nation's Capital. During his stay in Washington, the chairman will also call on Vice President QUAYLE and Secretary Mosbacher.

Mr. Park's achievements are many and varied. He is considered a leading expert on Korea-Japan relations, United States-Korea relations, trade, national security and economic issues. He is a trusted adviser to President Roh and is recognized for his understanding of the needs of all the Korean people. In addition, Chairman Park is the founder and chairman of Pohang Iron & Steel Co., or POSCO—the largest integrated steel company in Korea.

Founded in 1968, POSCO ranks in the top three world-wide producers of integrated steel. The company has the largest single Korean investment in the United States and is the largest Korean purchaser of coal from this country.

POSCO's spectacular growth during a period of less than 20 years is due in large part to the outstanding leadership of Chairman Park. His foresight

and keen business mind have served him well in his positions as chairman of the Korea Iron and Steel Association, director of the International Iron and Steel Institute, and deputy chairman of the Federation of Korean Industries.

In addition to his many achievements as a businessman, Chairman Park has put his abilities to work for the people of Korea in a variety of public service positions. He has served as a member of the Korean Parliament, the 11th National Assembly, and the 13th National Assembly. From 1981 to 1983, he held the position of chairman of the Finance Committee in the National Assembly. In January 1990, he was elected chairman of the Democratic Justice Party, and in May of that year was elected cochairman of the Democratic Liberal Party.

Chairman Park's many contributions have been recognized around the world. He has received honorary degrees from Carnegie Mellon University in the United States and the universities of Sheffield and Birmingham in the United Kingdom. This past weekend, he was awarded an honorary engineering degree from the University of Waterloo in Canada.

Mr. President, it is with great pleasure that I welcome this distinguished leader to the United States. I also wish him a pleasant and productive journey to his next destination, Tokyo, where he will be meeting with the new Prime Minister of Japan.

EXTENSION OF MORNING BUSINESS

Mr. KENNEDY. Mr. President, I ask unanimous consent that the time between now and 3:30 be utilized for morning business.

The ACTING PRESIDENT pro tempore. Without objection, the period between now and 3:30 will be utilized for morning business.

Mr. KENNEDY. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SEYMOUR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BREAUX). Without objection, it is so ordered.

Mr. SEYMOUR. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1745, THE CIVIL RIGHTS ACT OF 1991

Mr. SEYMOUR. Mr. President, today I am very proud to join with my distin-

guished colleague from Missouri, Senator DANFORTH, the distinguished Republican leader, and a good number of my colleagues, as an original cosponsor of the compromise amendment that will make the civil rights bill the civil rights laws of 1991.

The fundamental premise, the root of civil rights, is found in the very simple words penned by Thomas Jefferson 215 years ago: "We hold these truths to be self-evident, that all men are created equal. * * *" These words are the foundation of very sacred principles, and we are a nation that aspires to them. We ask to be judged as people of character, not of color. We ask to live in a system where not just men, but all Americans are created equal. We ask that our religious beliefs serve to broaden our faith, not to bar us from opportunity.

Abiding by these principles has been a 200-year struggle—a struggle that has seen many monumental victories, from the Emancipation Proclamation to school desegregation, from the 14th amendment to the 19th amendment, from the Civil Rights Acts of 1866 and 1964, to the Americans With Disabilities Act of 1990. The champions of civil rights are men and women of dedication: Frederick Douglass, Abraham Lincoln, Booker T. Washington, Elizabeth Cady Stanton, Susan B. Anthony, and Martin Luther King—their names are words of inspiration, their achievements are milestones of social progress for all Americans, young and old.

But the struggle for equal opportunity continues. Each generation bears the responsibility of reaffirming and advancing the cause of civil rights, as well as the underlying principles of this Nation.

Our generation's contributions are sorely needed at this time. Race discrimination and sexual harassment remain harsh realities in the factories and offices of America.

The Department of Labor recently concluded that the "good ol' boy" traditions of corporate management have systematically created a glass ceiling, blocking qualified minorities, and women from the executive suite.

It is up to America's leaders—in both private and public sectors—to provide opportunities for Americans regardless of their gender, or ethnic and religious affiliations. But it is, ultimately, Congress that must provide workable, balanced legal solutions to combat intentional or institutional job discrimination.

That is the backdrop of the civil rights drama that has been before us since a series of Supreme Court decisions in 1989 required Congress to step in and restore the intent of the major civil rights laws. In fact, most of S. 1745, the Civil Rights Act of 1991, provides workable solutions that are non-controversial. For example, the bill restores section 1981—one of the Nation's oldest civil rights laws—to its original

intent by allowing victims of race discrimination in all facets of the work environment to seek legal remedies.

Also, S. 1745 will protect victims of discriminatory seniority systems, regardless of when these systems were put in place, insuring that minorities and women can seek appropriate remedies whenever discrimination strikes.

For the better part of two Congresses, our attention and unfortunately our rhetoric have been directed toward the provisions that govern cases of unintentional discrimination, or disparate impact cases. For 18 years, the 1971 Supreme Court decision in *Griggs versus Duke Power Co.* governed cases in which an employer's workplace or hiring practices were challenged because they had an adverse impact on minorities or women. Under *Griggs*, once a complaining party demonstrates that a specific hiring or job practice results in a disparate impact, the employer must bear the burden of justifying the challenged practice on the basis of business necessity.

In 1989, the Supreme Court's *Ward Cove* decision overturned the *Griggs* standard, transferring the burden of proof to the employee and relaxing the definition of business necessity for the employer.

Restoring the *Griggs* standard has been the stated goal of both sides of the civil rights debate and rightly so. The *Griggs* standard is fair to both the alleged victim and the employer, but it posed a delicate and difficult balance for courts to maintain. Many Justices on the Supreme Court understood the policy implications of tipping this standard in either direction. To tip it in favor of employers would allow them to construct discriminatory job practices or requirements under the guise of business necessity. To tip it in favor of challengers would force otherwise law-abiding employers to adopt quotas to avoid a lawsuit.

As Justice O'Connor warned in a 1988 opinion:

We agree that the inevitable focus on statistics in disparate impact cases could put undue pressure on employers to adopt inappropriate prophylactic measures. . . . If quotas and preferential treatment become the only cost-effective means of avoiding expensive litigation and potentially catastrophic liability, such measures will be widely adopted. The prudent employer will be careful to ensure that its programs are discussed in euphemistic terms, but will be equally careful to ensure that the quotas are met.

Allowing the evolution of disparate impact analysis to lead to this result would be contrary to Congress' clearly expressed intent, and it should not be the effect of our decision today. (*Watson v. Fort Worth Bank and Trust*, 108 S.Ct. 2777, at 2787-88.)

In short, pushing the *Griggs* standard in either direction leads to results contrary to our civil rights laws. One would encourage old, intentional discrimination, the other would simply encourage new discrimination—discrimination under a quota system.

Last year, Congress had the opportunity to restore fairness to our civil rights law by codifying the Griggs standard, but passed legislation that went beyond it. Had that bill become law, disparate impact cases could be won just by producing statistics that show gender or minority imbalances between the workplace and the qualified labor market—without having to directly link these imbalances to specific employment practices as required by Griggs. Also, the bill placed employers with an even greater burden of justifying their otherwise legitimate business practices.

In short, last year's legislation would have left employers little choice but to implement hiring and promotion practices based on numerical quotas to avoid costly lawsuits and legal fees—quotas that result in people being hired and promoted primarily on ethnic group membership, not individual merit.

Is that progress? Hardly.

A quota system not only represents a resounding defeat for civil rights, it is insulting to all Americans, regardless of ethnicity or gender, who strive to rise to the level that talent and determination will take them. The founders of the modern civil rights movement abhorred quotas or for that matter, any attempt to make race, gender, or religion the primary factor in job placement. As a candidate for President, then-Senator John Kennedy stated that to promise a position in government to any race or ethnic group was "racism in reverse at its worst."

Prior to last week's compromise, many in and out of Congress have been high on rhetoric and devoid of reason. They wrongly accused the President and others of using the quota argument as a cynical attempt to shore up votes. I find such accusations ironic. To propose what was originally a quota bill and call it civil rights legislation can equally be seen as partisan election-year labeling. However, the quota charge is far from an excuse to block civil rights legislation. So legitimate is this concern that many modifications have been made in the bill from its introduction in February 1990 to its recent resolution.

For too long, partisan politics dominated the civil rights debate, and all Americans have been the real losers. So I am extremely pleased that after many starts and stops, breakthroughs and breakdowns, we are here today not to engage in a rerun of rhetoric but in a true restoration of rights. Now is not the time for partisan politics. Now is the time for bipartisan progress.

Our compromise resolves the major controversies that have made prior versions of the bill a quota bill. It requires a challenger to link a disparate impact with a specific employment or hiring practice, unless it is impossible to distinguish such practices. And it allows

employers to justify their practices under a more flexible definition of business necessity. In short, this amendment truly restores the Griggs standard. Anything less would undermine the original intent of our major civil rights laws and encourage quota-based employment practices.

Finally, S. 1745 breaks new ground in civil rights laws by allowing damage remedies in cases of intentional gender and religious discrimination or harassment. Simply awarding backpay and reinstatement in cases where an employee was made a victim of heinous discrimination is not enough. In these cases, compensatory and punitive damages are necessary. We must send a message that vicious sexist tactics in the workplace will not be tolerated. Though I believe that this bill sends that message, I am hopeful that these provisions will be used more as an incentive for employers to establish antiharassment policies.

I am also mindful of the fact that this is a compromise as well, and underlying questions of fairness remain with respect to the caps on punitive or compensatory damages. I agree with many of my colleagues that the next step in the civil rights debate is a thorough examination of this unresolved issue.

The distinguished Senator from Missouri has shown from the first days of this Congress his desire to pass a civil rights bill. He exemplifies tremendous and tireless dedication to the cause of civil rights. My sincere congratulations go to him, as well as Senators DOLE, HATCH, JEFFORDS, and others. They did not give up in this quest for a compromise. Nor did the President, who deserves the thanks of all Americans for working with the Senate to produce the best legislation possible. It has not been an easy couple of days for them, or for any of us for that matter. But we can all take solace in the words of Theodore Roosevelt, who said: "Never throughout history has a man who lived a life of ease left a name worth remembering."

Mr. President, on this, the bicentennial of our Bill of Rights, it is only fitting that we enact legislation to reaffirm not simply those principles enumerated in that document and our Declaration of Independence, but also those important rights that have been gained through 200 years of struggle, of determination, of appealing to what Abraham Lincoln called the better Angels of our nature.

EXTENSION OF MORNING BUSINESS

Mr. SEYMOUR. Mr. President, I ask unanimous consent that morning business be extended until 3:45 p.m. under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SEYMOUR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. DANFORTH. Mr. President, I ask unanimous consent that morning business be extended until 4 p.m., under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FOWLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Georgia is recognized.

A TRIBUTE TO THE ATLANTA BRAVES AND THE MINNESOTA TWINS

Mr. FOWLER. Mr. President, noting that none of my colleagues seems to be seeking the floor, I thought I might take advantage of this pause in our legislative business to pay tribute as an Atlanta Braves fan to the world champions, the Minnesota Twins, and to the extraordinary Atlanta team that has so warmed the hearts of not only Georgians but, through national television this year, many of my fellow countrymen, wherever they may live.

Certainly there is a tinge of sadness in my soul over last night's results, but also a kernel of great joy because it was the best World Series that I have ever seen. More importantly, the commissioner of baseball, Fay Vincent, said last evening it was the best World Series he had ever seen.

Bobby Cox, the manager of the Atlanta Braves, paid great tribute to the Twins. Tom Kelly, the manager of the Minnesota Twins, said that the championship trophy ought to be divided, half go to Minneapolis and half to Atlanta.

So what those of us who love the game of baseball experienced, as well as millions and millions of other viewers, was a classic World Series in which two wonderfully balanced teams played baseball the way it ought to be played and gave great courage and heart and enthusiasm to many of us kids of all ages when we saw such pursuit of excellence on the sports field.

Some of my guys, of course, were starcrossed. Dave Justice's monumental clout into the upper deck, oh, at least 30, 40 feet further than Kent Hrbek's, just happened to be foul by a foot. And I will be the first to say the umpire made the right call. It was foul by a foot.

Baseball is not like life. In baseball fair is fair and foul is foul. There are no shades of gray. Unlike the elected Representatives of the people, there is no compromise in baseball, no chipping away of the soul when we settle for unsatisfactory results and forget our principles in the interest of winning.

In baseball, the diamond is imposed on the field and the play is either fair or it is foul, even though by inches. The principles of the game and the principles under which the game is played cannot be set aside for any temporary satisfactions or cheap victories.

Sometimes the umpires miss it, but that is because the umpires are human and they have to live under the same rules as the rest of our citizenry, which is why we sometimes make mistakes.

I wish many of us in the Congress could learn lessons of principle gleaned from the way those two teams played this series. Because it was not only a classic World Series, it was a classic of excellence in sportsmanship reflected in the comments of all the players about their combatants. In the end there was no partisanship, no rancor. They both played all out, pitched and hit as well as they could, summoned up resources that many thought they did not have, whether they were 21 years old like Steve Avery or 36 years old like Jack Morris. But in the end, they knew it was only a game and not life itself.

My hat is off, again, to the Minnesota Twins, who did not crow about their victory like we do as Democrats and Republicans but, instead, said we have met the worthiest of adversaries and we are lucky to have come out ahead.

It is a wonderful sight to have seen and it is wonderful in reflection.

In the National League Championship Series, it was the Braves who staged an incredible comeback against the Pittsburgh Pirates to win the National League pennant. Atlanta's first World Series was one for the record books. But for both teams, in going to 7 games for only the 36th time in the 88 years of World Series play, they tell me it has been 47 years since game 7 went into extra innings. Five one-run games, three extra-inning games, this will be a series long remembered and long savored.

As a Georgian, of course, I extend my congratulations not only to the extraordinary Atlanta Braves players but to Bobby Cox and his fine coaches; the general manager, John Scheurholz; president Stan Kasten; Ted Turner, the owner of the Braves, and of course to

all the fans both in Georgia and across the country who came and yelled and, yes, tomahawked their way to this championship season.

Yes, nobody, should have lost. But I believe the lessons we all learned at our father's and our mother's knees, which we sometimes dismiss as trite, can occasionally shine through sports excellence into all of our lives and illuminate them. Simply put, it is not whether you win or lose but how you play the game.

That was true in Atlanta and Minneapolis. It should be true in Washington and every city and town across the country. I am pleased to have had this wonderful diversion that contains so many lessons, if we would but heed them.

The late Bart Giamatti, the former commissioner of baseball, was a learned man. One of his great loves was the poet Yeats. When I heard the tribute of the Twins to the Braves, and the Braves to the Twins, I remembered the wonderful concluding lines from a W.B. Yeats poem: "An Irish Airman Foresees His Death," wherein the poet concludes:

Those that I guard I do not love,
Those that I fight I do not hate . . .
Nor law, nor duty bade me fight,
Nor public men, nor cheering crowds,
A lonely impulse of delight
Drove to this tumult in the clouds.

"A lonely impulse of delight" was given us in this spectacular World Series.

For that, we can all tip our hats and say thank you, Twins and Braves.

But look out next year Minnesota. Us Braves will be back!

MEASURE PLACED ON THE CALENDAR—H.R. 2950

The PRESIDING OFFICER (Mr. AKAKA). The clerk will read the bill (H.R. 2950) for the second time.

The bill clerk read as follows:

A bill (H.R. 2950) to develop a national intermodal surface transportation system, to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

Mr. FOWLER. Mr. President, I object to further consideration.

The PRESIDING OFFICER. Objection is heard.

The bill will be placed on the calendar.

EXTENSION OF MORNING BUSINESS

Mr. FOWLER. Mr. President, while I have the floor, I ask unanimous consent to extend morning business until 4:30 p.m. this afternoon, under the same conditions and limitations that were previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FOWLER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. FORD. Mr. President, I now ask unanimous consent, with the concurrence of the Republican leader, that the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 4:38 p.m., recessed subject to the call of the Chair; whereupon, the Senate reassembled at 5:47 p.m., when called to order by the Presiding Officer (Mr. SHELBY).

The PRESIDING OFFICER. The Senator from Ohio.

MORNING BUSINESS

Mr. METZENBAUM. Mr. President, I ask unanimous consent that there be a period for morning business lasting until the hour of 6:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIVIL RIGHTS ACT OF 1991

Mr. METZENBAUM. Mr. President, I rise in support of this long overdue restorative legislation. I would first like to applaud the tireless efforts of Senator DANFORTH to bridge the gaps that separated the proponents and opponents of this legislation. I do not agree with all of the changes made as part of this compromise, but I would like to thank him for his hard work over the past few months. I will support the compromise.

I would also like to thank my colleague from Massachusetts, Senator KENNEDY. For 2 years he has been the driving force behind this legislation. He has made it his personal crusade to fight for the working men and women of this Nation, to send a strong signal from Congress that America will not stand for a retreat on civil rights. The Nation owes him a great debt for his herculean efforts on this legislation, and I congratulate him on his endurance and on the final success we will achieve within the next day or two.

Two years ago, in the spring of 1989, the Supreme Court issued a series of decisions that shook the foundations of Federal civil rights law. In case after case, the Court retreated from longstanding rules and principles, making it harder for victims of discrimination to get into court, harder for them to

prove their cases, and harder for them to obtain meaningful relief if they won their cases. As a group, these decisions symbolized the Supreme Court's abandonment of its traditional role as protector of the powerless in our society.

Some 2½ years later, we are finally returning this Nation to the pursuit of fairness and equality of opportunity in the workplace.

Much of the battle over this legislation has been fought over legal mumbo-jumbo like the disparate impact theory, the Wards Cove decision, and the business necessity defense. Most people in America do not know what the phrases mean. What do they mean to the American workers?

Take the example of New York City firefighter Brenda Berkman. Prior to 1977, women were not even allowed to take the test to become a firefighter. Ms. Berkman was hired in 1982 only after winning a difficult court struggle in which she proved that the physical exam used by the fire department—which all female applicants had failed—had nothing to do with being a good firefighter. She could not have won her case without the disparate impact theory.

For 9 years since then, she has courageously put her life on the line every day to protect the lives and property of New Yorkers, serving some of the city's busiest areas in Harlem and Brooklyn, receiving a unit citation serving as an instructor at the fire academy, and sitting on the fire commissioner's special advisory board. By any standard, the career of this brave young woman has been an unqualified success.

But earlier this year, she told a congressional committee that, "if [the] Wards Cove [case] had been decided in 1979 rather than 1989, New York City would probably still not have a single woman firefighter."

According to Ms. Berkman, thousands of other women around the country would like to challenge practices which limit their employment opportunities, but their attorneys are telling them not to bother "because under the current Supreme Court standards, you have almost no opportunity of success."

Just by happenstance, this morning I switched on the TV featuring a community, somewhat several hundred miles from here, and I heard a program about some young man who was trying to bring a case for discrimination and could not find a lawyer willing to take his case. Some of the lawyers had indicated that they did not think there was any chance to recovery. And it went to the point that this young man, who was not a lawyer and did not know much about how to handle the law, was going to file suit on his own behalf in the courts.

The legislation overturns Wards Cove to ensure that American workers like

Brenda Berkman have an opportunity to prove that they can do the job.

Let us be clear about why it has taken 2 years to overturn the Wards Cove decision. From the outset of this process, the purpose and the effect of this legislation has been to overturn that case and restore the fair and even-handed legal rules that governed disparate impact suits before it was decided. But throughout this process, the President has unfairly labeled this legislation as a quota bill, igniting a firestorm of racial division and intolerance.

It was not a quota bill. It is not a quota bill. The quota label was wrong from the outset and has remained wrong to this day.

You can call something by a name but that does not make it so, and that is what the President has done, using his power on the airwaves of this country to convince the American people wrongly that this was a quota bill.

I hope we have finally put this tired and meritless rhetoric behind us. As I look at the language of the changes that have been made, I do not see anything that significantly changes the language with respect to the entire point that the President has made over a period of many months.

This legislation also restores many other legal principles that are critical to effective civil rights enforcement. The bill overturns Martin versus Wilks by requiring parties with an interest in a proposed consent decree to raise their interests in one proceeding prior to the entry of the decree. The bill would thus preclude endless, repetitive challenges to such decrees after their entry, as Wilks allowed. The bill also overturns Price Waterhouse by ensuring that employers will be held liable for blatant, willful discrimination even if they had other nondiscriminatory motives as well.

The bill overturns Patterson in order to make clear that Federal law prohibits race discrimination at any stage of a contractual relationship, not just in the making of a contract. And the bill overturns Lorraine to make clear that workers may challenge discriminatory seniority systems when they are first applied, rather than having to challenge them before they are put to use. It is imperative that we restore these minimal protections to America's working men and women—rights that they previously had but rights that have been taken away from them by the Supreme Court of the United States.

This legislation would also allow women in all intentional discrimination cases to recover damages for the first time. And it would include the disabled in those rights, as well. Compensatory damages would be available for any losses they prove in court. Punitive damages would also be available in cases where the employer has acted

with malice. But there are limits to those damages.

Let me pause for a moment to express my views as to these damages provisions. They are the most troubling provisions in this bill.

They discriminate between racial discrimination and discrimination against women and the disabled. This legislation includes a cap on damages for one reason, and one reason only: Because the White House insists on treating women differently in terms of the relief they can recover for intentional discrimination.

I abhor legislative caps. They are inconsistent with the very concept of a legal remedy. The harm suffered by women as a consequence of intentional discrimination can be astronomical. Their losses are not capped; why should their remedy be? And the same question is applicable with respect to the disabled.

I am also very troubled by the dollar amount of the caps, \$50,000, \$100,000, \$200,000, \$300,000—the total amount of compensatory and punitive damages. Let us remember—these are caps on damages for pain and suffering, mental anguish, future pecuniary losses, and punitive damages combined.

I want to point out and make clear that it does not include a limit with respect to backpay or for out-of-pocket losses.

But, having said that, let me point out that a woman or a disabled person working for one of these employers would be limited to these amounts in damages no matter how outrageous the employer's conduct was, no matter how long it continued, and no matter how great her losses or the disabled person's losses were. And if it were an employer of less than 100 employees, the limit is only a paltry \$50,000. And I say "paltry" because in these times those are not significantly substantial damages.

Notwithstanding the limitations in this bill, I will support the legislation. I will do so reluctantly, and with the hope we will revisit this issue very soon in order to address this remaining inequity.

I hope that we will move with new legislation after the passage of this bill to correct the inequity. I believe that we can move it rapidly through the Labor and Human Resources Committee. I believe we can bring it to the floor promptly and I feel certain the majority leader will bring it to a vote at early time. I will support this compromise because these provisions do represent a significant additional Federal remedy for women, the disabled, and religious minorities. And I support this compromise because the other provisions go a long way toward restoring the rights and protections the Supreme Court stripped away so suddenly 2½ years ago.

Let me address the bigger picture for a moment. Our Nation was built upon

the premise that every person has a fair chance, based on ability, to make it in our society. That is the very essence of the American dream.

But for the past 2 years, that dream has become a nightmare of racial division and intolerance. At stake here are the rights and opportunities of millions of hardworking American men and women for whom the American dream is slipping away.

So I rise to urge my colleagues to vote for swift passage of this restorative legislation. It was not fully restorative from the outset, and it is much less so now. But the time is past for hardened opposition to compromise. Let us act now in concert, to send a strong signal to this Nation that we still believe in the American dream.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 5:59 p.m., recessed subject to the call of the chair; whereupon, the Senate reassembled at 7:01 p.m., when called to order by the Presiding Officer [Mr. WIRTH].

THE SURFACE TRANSPORTATION BILL

Mr. MOYNIHAN. Mr. President, I appreciate the Chair's courtesy in allowing me to make this brief statement. It is really no more than a restatement of the remarks I made about this hour on Friday evening when I observed that the House of Representatives had sent to us their surface transportation bill. They passed their bill last Wednesday and, at some considerable effort, put it together and sent it to the Senate by noonday Friday.

Now, we, of course, passed our bill in June. On June 19, it passed the Senate 91 to 7. And by an equally resounding proportion, the bill has now passed the House of Representatives. We are ready to go to conference. The names of the conferees have been agreed to on our side and, we had thought, on the other side. Then we learned there was objection to our holding the bill at the desk, as would be our practice, substituting the Senate language and then going directly to conference.

Mr. President, this is difficult to understand. The President has properly said he wants a surface transportation bill. This will be, in many ways, the most important substantive program legislation we will pass in this session of Congress.

It is worth recording that the surface transportation program expired on September 30. We are now about to depart the month of October. Most States have not yet drawn down all of their

moneys, and so they have not closed down their highway programs, their surface transportation programs. This enormous activity across the country has not come to a dead halt.

But our good friend, the Senator from Missouri, former Governor, Senator BOND, observed on the floor last week that the State of Missouri is about to run out of money. And by our own calculation, the State of Missouri would be one of the States that had relatively more reserves, unexpended apportionment, still available.

If this goes on long, if you think we have a high unemployment rate today, wait until you see the numbers in December. Because this happens like that—bang—a major sector of the American economy stops and all the other activities that depend on that activity stop as well.

We are ready to go to conference. In fact, we are a month late. It was the President who asked us to get those bills done within 100 days. We did in the Senate. That was 100 days ago. If there are any substantive issues that concern any Senator, let he or she come to the floor and explain them or perhaps at least informally discuss the matter with the Republican leader or the Democratic leader.

I shall be chairman of the conferees on the Senate side. I am happy to hear from anybody. I spent the whole day Monday hoping this would be resolved. We are ready to go. We have begun informal staff conversations this afternoon with the House side. This will not be an easy conference.

It marks the first transportation program of the postinterstate high era. We have finished the largest public works program in history. The interstate is in place. Now we want to move to a transportation program that is directed toward productivity, toward cost effectiveness, toward intermodal flexibility. The term "intermodal" is in the title of the House bill and I am sure we will keep it. We are ready. Thanksgiving is not far away. And the closing down of this program is not far away.

I very much appreciate the President saying he wants this bill, wants a bill. And, indeed, we will give him a very good bill.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD an editorial in the New York Times on Saturday describing, if I may say, how very good a bill the Senate has passed.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 26, 1991]

RIGHT ROAD FOR TRANSPORTATION

The Federal transportation bill finally approved by the House this week shows a keen appreciation for traditional practices like building more highways and passing out more pork to individual members. It shows less appreciation for the nation's changing needs.

Now the House will wrestle with the Senate, which passed a different and better bill in July. When the two reach a compromise, they'll wrestle with President Bush, who wants a smaller program. But this multibillion-dollar melon, however it's finally sliced, will represent the Government's commitment to roads, bridges and mass transit for five or six years.

Mr. Bush proposed a five-year, \$105 billion program emphasizing road construction. The Senate bill provides \$123.5 billion, also for five years, but overturns Washington's longstanding bias toward highways and concrete. State and local authorities would have more say in spending their Federal aid, and mass transit would get a better crack at the money.

The bigger House plan—\$151 billion for six years—actually contains more dollars for mass transit than the Senate bill. But like the Bush plan, it disproportionately favors highways. It is also burdened with 460 projects earmarked for 267 Congressional districts.

The Administration would rely on existing taxes. The Senate would extend part of last year's gasoline tax increase to 1998; the House would extend it to 1999.

The Senate bill's virtue is its theme: Improve what's in place, rather than adding endless pavement. After 35 years of construction, the Interstate System is nearly finished. But traffic in and around the cities, where most of America lives, is worse than ever. The Senate would upgrade and repair existing roads and bridges, finance new transit systems, subsidize operating costs and invest in experimental technology.

Past aid formulas favored road-building by requiring states to put up more money to qualify for transit aid than for highway aid. The Senate bill wipes out that difference.

Both bills passed by huge majorities that could easily override a veto. But the new-era Senate bill and the old-hat-House bill are so different that it's impossible to predict the outcome of the Senate-House conference, or whether their compromise will still have veto-proof support.

In any case, the Senate's approach would do more, at less cost, to improve the efficiency of America's transportation system.

Mr. MOYNIHAN. Mr. President, if we do not get to conference, there will be no legislation, and then we will find out something about unemployment in this country. And if for unsubstantial reasons some Senator is holding it up, the question will arise: Which Senator, and why? I am not in the least intending to raise my voice, but I do raise my concerns.

I would hope that our incomparable Republican leader, Senator DOLE, will sort this out and get us going. Nothing else remains between us and a conference with the House, a Senate-House conference. This conference will take a month. These are not small bills. They are that thick. They affect everything in American life, directly or indirectly.

We are attempting to forge a new direction in as fundamental a Federal responsibility as transportation. We have had great approbation, approval, applause, for our bill. And here we are stalemated, stuck, stopped, for reasons unknown and unstated.

There has been some discussion in the press, as many of us are aware, of

the inadequacies of our institution. The President has expounded on the subject this last week. Well, here is an opportunity to see it in action.

The transportation sector accounts for 10 million jobs. We have a \$123 billion appropriation. Real money, for real work. Yet it is stopped for reasons unstated, and to this Senator, at this point, unknown. Indeed, these reasons become increasingly difficult to understand, and, under the circumstances, unwelcome.

Again, Mr. President, I do not wish to raise my voice. But I do raise this concern, and I hope it will be heard and shared.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MOYNIHAN. Mr. President, I believe the desire was that we should return to recess subject to the call of the Chair.

So I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 7:10 p.m., recessed subject to the call of the Chair; whereupon, the Senate reassembled at 7:56 p.m., when called to order by the Presiding Officer [Mr. GRAHAM].

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, throughout the day today, I have been involved in discussions with the Senator from Iowa, and several interested Senators, in the subject matter of his amendment. It is my belief that we have now reached agreement on a compromise proposal that will be acceptable to all or most of the participating Senators, and I hope, ultimately, to all of the Senators.

It had been my understanding and expectation that we would complete action on that aspect of the bill this evening, but it now appears that the drafting of the language and the review of that language by the interested Senators will take some further period of time this evening. Therefore, to accommodate the schedules of several Senators who have other commitments, I have concluded that it would be best to now seek consent to proceed to a proposed resolution by the distinguished junior Senator from Colorado relating to sexual harassment, to have a vote on that, and to attempt to reach agreement and proceed to deal with the amendment of Senator GRASSLEY tomorrow morning, as well as other amendments related to the bill.

It had been my hope that we could complete action on this measure this evening. That has proven not to be possible. I hope that we can complete action as soon as possible. We will begin

with the amendment that I have just described, that is, the Grassley amendment, or possibly an amendment by Senator DOLE, or others, tomorrow.

I do not know how many amendments will be offered. We hope not a large number. And we hope that we can complete action on the measure if possible tomorrow. I do not yet know whether that is possible because we do not know yet how many amendments there will be. But I am pleased that we have reached what I think is at least apparently an agreement on the subject matter of the scope of coverage of this and other measures, the subject matter first raised by the Senator from Iowa [Mr. GRASSLEY].

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I am going to propose now a unanimous-consent agreement with respect to the Brown resolution which will then be sent up by Senator HATCH, and this will be the only rollcall vote this evening.

Mr. President, accordingly, I now ask unanimous consent that the Senate now proceed to the immediate consideration of a resolution to be offered by Senator BROWN or his designee on the subject of sexual harassment, that no amendments or motions be in order with respect to the resolution, and that there be 2 minutes for debate equally divided on the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Utah [Mr. HATCH].

CONDEMNATION OF SEXUAL HARASSMENT

Mr. HATCH. Mr. President, I send a resolution to the desk on behalf of Senator BROWN, myself, Senator DOMENICI, Senator DANFORTH, Senator SIMPSON, and Senator PACKWOOD, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 209) to condemn sexual harassment.

The Senate proceeded to consider the resolution.

Mr. HATCH. Mr. President, this is a sense-of-the-Senate resolution. It is the sense of the Senate that the Senate does not tolerate or condone sexual harassment in Government, private sector, or congressional workplaces, and that the Senate should consider appropriate changes to the laws of the United States and the rules of the Senate to prevent sexual harassment.

Mr. President, it is a resolution I hope every Senator in this body will support.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, I wholeheartedly support this resolution. I commend the author of the resolution and the cosponsors for offering it.

I think, in view of the events of recent weeks, it is of critical importance that there be an unmistakable statement of opposition to and a statement that the Senate does not tolerate or condone sexual harassment in any respect, and we will, of course, as the resolution suggests, be considering appropriate changes in the laws and rules of the Senate to prevent sexual harassment in the future.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. LEVIN). Is all time yielded back?

Mr. HATCH. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. DURENBERGER], the Senator from North Carolina [Mr. HELMS], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Delaware [Mr. ROTH], are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. HELMS] would vote "yea."

The PRESIDING OFFICER (Mr. EXON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 0, as follows:

[Rollcall Vote No. 231 Leg.]

YEAS—92

Adams	DeConcini	Kerry
Akaka	Dixon	Kohl
Baucus	Dodd	Lautenberg
Bentsen	Dole	Leahy
Bond	Domenech	Levin
Boren	Exon	Lieberman
Bradley	Ford	Lott
Breaux	Fowler	Lugar
Brown	Garn	Mack
Bryan	Glenn	McCain
Bumpers	Gore	McConnell
Burdick	Gorton	Metzenbaum
Burns	Graham	Mikulski
Byrd	Gramm	Mitchell
Chafee	Grassley	Moynihan
Coats	Hatch	Murkowski
Cochran	Hatfield	Nickles
Cohen	Heflin	Nunn
Conrad	Hollings	Packwood
Craig	Inouye	Pell
Cranston	Jeffords	Pressler
D'Amato	Johnston	Pryor
Danforth	Kasten	Reid
Daschle	Kennedy	Riegle

Robb	Shelby	Thurmond
Rockefeller	Simon	Wallop
Rudman	Simpson	Warner
Sanford	Smith	Wellstone
Sarbanes	Specter	Wirth
Sasser	Stevens	Wofford
Seymour	Symms	

NAYS—0
NOT VOTING—8

Biden	Harkin	Kerrey
Bingaman	Helms	Roth
Durenberger	Kassebaum	

So the resolution (S. Res. 209) was agreed to, as follows:

S. RES. 209

Resolved,

CONDEMNATION OF SEXUAL HARASSMENT

(a) FINDINGS.—The Senate finds that—
(1) sexual harassment is a form of sex discrimination that violates title VII of the Civil Rights Act of 1964;

(2) sexual harassment is a prohibited practice under Federal law relating to Federal employees and military personnel;

(3) sexual harassment adversely affects an individual's employment and work performance, and creates an intimidating, hostile, or offensive work environment;

(4) sexual harassment results in significant emotional and monetary costs to both victims and employers;

(5) 5,557 charges of sexual harassment were filed with the Equal Employment Opportunity Commission in 1990;

(6) the Merit Systems Protection Board reported in 1988 that a survey of Federal employees found that 42 percent of all female respondents and 14 percent of all male respondents experienced some form of unwanted and uninvited sexual attention;

(7) the Department of Defense reported in September 1990 that among 20,000 United States military respondents surveyed, 64 percent of females and 17 percent of males experienced sexual harassment;

(8) a 1988 survey of Fortune 500 companies by Working Woman magazine found that sexual harassment costs a typical Fortune 500 company as much as \$6,700,000 a year in absenteeism, turnover, and lost productivity;

(9) sexual harassment cost the Federal Government an estimated \$267,000,000 in 1987, according to a 1988 United States Merit Systems Protection Board report;

(10) sexual harassment persists in the workplace; and

(11) the Senate has a responsibility to promote, in the public interest, working environments free from discrimination on the basis of an individual's race, color, religion, national origin, or sex.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Senate does not tolerate or condone sexual harassment in government, private sector, or congressional workplaces, and that the Senate should consider appropriate changes to the laws of the United States and the rules of the Senate to prevent sexual harassment.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a treaty which was referred to the appropriate committees.

(The treaty received today is printed at the end of the Senate proceedings.)

SECOND ANNUAL REPORT ON THE STATE OF SMALL BUSINESS—MESSAGE FROM THE PRESIDENT—PM 90

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Small Business:

To the Congress of the United States:

I am pleased to submit my second annual report on the state of small business. Nineteen ninety was an exciting year for small enterprises internationally—a year when new winds of economic freedom blew strongly across Central and Eastern Europe and the Soviet Union. It was also a year of new and difficult challenges, as citizens of those nations struggled to build new free market economies.

American business also faced new challenges in 1990, as the economy slowed after nearly 8 years of expansion. Gross national product grew more slowly in 1990 than in previous years and real business earnings were down from the previous year's level. Fewer start-up businesses opened their doors than in 1989, and more businesses closed.

Yet even in this slower growing economy the strong spirit of American enterprise flourished, as small businesses continued to hire and train almost 9 out of 10 of America's new private sector workers. Research indicated that small business owners also tend to retain their employees longer in economic slowdowns.

Evidence of women's and minorities' impressive strides into business ownership continued to surface. Newly available census data indicated that women's business ownership jumped by

more than 57 percent from 1982 to 1987, while business ownership by Black Americans increased by more than 37 percent.

We have much to celebrate in the fact that American business ownership increasingly reflects our great national strength—our diversity. The 20 million individuals who own small businesses continue to make remarkable contributions to the vitality of our economy. I believe that, working together, government and the private sector can make the economic environment even better for small businesses and for all Americans.

My Administration is committed to opening doors to free and fair trade, so that more American entrepreneurs can compete globally. For example, thanks in part to the "fast track" authority recently approved by the Congress, we will continue to improve our trade with Mexico, where 85 million people buy 70 percent of their imports from the United States. And the United States-Canada Free-Trade Agreement is stimulating trade with our northern neighbors.

Another priority is to reform our pension system. In small firms, for example, only 25 percent of employees are covered by pension plans. Often for legitimate business reasons—but at a significant cost in retirement security for employees—fewer pension plans are being formed than in previous years. We can do better. We can increase pension portability, pension accessibility, pension flexibility. We can eliminate some of the administrative headaches associated with pension plans, and my Administration has been working on legislative proposals to do just that.

I believe we can and must make health care more available and affordable—especially for those 35 million Americans without health insurance. Unfortunately, many of our Nation's uninsured are workers in small businesses, which employ many older, seasonal, and temporary workers—higher risk, higher cost workers from the standpoint of health insurers. These small firms often find the financial and administrative costs of health insurance prohibitive. We have many minds working on that problem in this country—and I think it will turn out that the best solutions are local ones, rather than national Government mandates.

We can free up more capital for investment in new products, new processes, new technologies, new ideas. Decisions about which new ideas are worth investment are best made by those who have the most to lose—the investors. It makes sense, then, that incentives to invest more—as we have proposed in the form of lower taxes on capital gains—will help channel new capital to good ideas, innovations, and businesses. That in turn will mean more economic growth and more jobs for Americans.

Another urgent priority for our Nation is education. We are not making the grade in education, and that threatens the ability of workers to perform their jobs and the ability of our Nation to compete in a global market. We have been working with the Governors to develop a set of goals that will make American students first in the world in math and science and make every American adult literate by the year 2000. Small businesses, which employ many of our entry-level workers, are on the front lines of this war against illiteracy, and their involvement will be key.

It is certainly true in this last decade of the 20th century that the big picture—the national and international view—is exciting as new democracies are formed, new leaders take the stage, nations move towards market economies. But I am more and more convinced that real change happens mostly at the small level, the local level, the individual level—in the millions of places where new ideas are born, new enterprises are established, new workers are trained. I am confident that individually and together, in the spirit of American enterprise, we will meet and surpass the challenges before us.

GEORGE BUSH.

THE WHITE HOUSE, October 28, 1991.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 2950. An act to develop a national intermodal surface transportation system, to authorize funds for construction of highways, for highway safety programs and for mass transit programs, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1671. A bill to withdraw certain public lands and to otherwise provide for the operation of the Waste Isolation Pilot Plant in Eddy County, New Mexico, and for other purposes (Rept. No. 102-196).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HOLLINGS (for himself, Mr. ROCKEFELLER, Mr. THURMOND, Mr. FOWLER, Mr. NUNN, and Mr. SANFORD):

S. 1883. A bill to provide for a joint report by the Secretary of Health and Human Services and the Secretary of Agriculture to assist in decisions to reduce administrative duplication, promote coordination of eligibility

services and remove eligibility barriers which restrict access of pregnant women, children, and families to benefits under the food stamp program and benefits under titles IV and XIX of the Social Security Act; to the Committee on Finance.

By Mr. D'AMATO:

S. 1884. A bill to require the Secretary of Agriculture to conduct inspections of garbage from Canada and to assess fees for such inspections; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MOYNIHAN (for himself, Mr. GARN, and Mr. SASSER):

S.J. Res. 221. A joint resolution providing for the appointment of Hanna Holborn Gray as a citizen regent of the Smithsonian Institution; to the Committee on Rules and Administration.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BROWN (for himself, Mr. HATCH, Mr. DOMENIGI, Mr. DANFORTH, Mr. SIMPSON, and Mr. PACKWOOD):

S. Res. 209. A resolution to condemn sexual harassment; considered and agreed to.

By Mr. LEVIN:

S. Res. 210. A resolution relating to violence in Yugoslavia; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS (for himself, Mr. ROCKEFELLER, Mr. THURMOND, Mr. FOWLER, Mr. NUNN, and Mr. SANFORD):

S. 1883. A bill to provide for a joint report by the Secretary of Health and Human Services and the Secretary of Agriculture to assist in decisions to reduce administrative duplication, promote coordination of eligibility services and remove eligibility barriers which restrict access of pregnant women, children, and families to benefits under the Food Stamp Program and benefits under titles IV and XIX of the Social Security Act; to the Committee on Finance.

REPORT ON DIFFERENCES IN PROGRAM RULES UNDER THE FOOD STAMP PROGRAM, AID TO FAMILIES WITH DEPENDENT CHILDREN, AND MEDICAID PROGRAMS

• Mr. HOLLINGS. Mr. President, today we are introducing legislation directing the Secretary of Agriculture and the Secretary of Health and Human Services to assist us in beginning to untangle one of the biggest rolls of red-tape ever created and perpetuated by this Congress: The processes by which persons in need gain access to the benefits of the Food Stamp, Aid to Families with Dependent Children [AFDC], and Medicaid Programs.

The bill would simply require that the Secretaries share with Congress, within 6 months of enactment, information on which they are the experts in the field—the rules and regulations they utilize in administering these pro-

grams. This is to be done in the form of a joint report in two parts. The first would consist of those program rules and regulations which could be made uniform without any change in statute—those which the Secretaries themselves have designated authority to establish. The second part would detail statutory barriers to uniformity across these programs. This report will provide Congress and the executive branch the information needed to conduct a comprehensive and coordinated review of the program rules across AFDC, Medicaid, and Food Stamps and to make informed decisions regarding uniformity.

The Agriculture Committees in both Houses have made a concerted effort over the past few years to coordinate the WIC and AFDC Programs, and this is greatly appreciated. They have also taken a first step to coordinate AFDC and Food Stamps, but we need to do more and to include Medicaid in this effort. These programs, particularly Medicaid, have been expanded and altered over the years with very little regard for the impact on potential recipients or the increasingly stressed case-workers who struggle to see that we weed out the cheaters and that those who do qualify for these programs receive the benefits. Our good intentions in expanding these programs have, in too many instances, not yielded the desired results because we've strangled applicants in a web of conflicting rules and regulations they are unable to overcome to access the benefits.

In an effort to improve the health of America's children, Congress has voted numerous times over the past several years to expand Medicaid eligibility for poor and low-income pregnant women, infants, and young children. Our efforts have been made with the knowledge that becoming eligible for Medicaid removes the most often cited barrier to obtaining health care—the inability to pay. Yet, today over 8 million American children are uninsured. Two-thirds of these children live in families where there is a full-time worker. Additionally, there are 433,000 pregnant women in America who are without insurance coverage. These are startling and troubling facts.

Recent studies have provided evidence of eligibility barriers unrelated to income and resource requirements which are undermining efforts to enroll these women and children for Medicaid benefits. All too often applicants are thwarted by bureaucratic barriers. Many of the applicants who need the benefits the most are the least likely to be able to negotiate their way through bureaucratic maze in order to become enrolled. A statewide study, sponsored by the South Carolina Hospital Association and conducted by Sarah C. Shuptrine, has shown that in fiscal year 1990, 36 percent of the pregnant women who applied for Medicaid

only were denied benefits. Of those, an astounding 72 percent were due to "failure to comply with procedural requirements." Of the Medicaid applications filed on behalf of infants and children, 43 percent were denied and over three-fourths of these denials were for procedural reasons. The findings were even worse for the families who applied for AFDC-Medicaid benefits. One out of every two applications for AFDC-Medicaid was denied in South Carolina and 68 percent of these denials were for procedural reasons.

Unfortunately, the problem of eligibility barriers is not confined to South Carolina; it is national in scope. Across the Nation in fiscal year 1988-89, 26 percent of AFDC-Medicaid applications were denied and 63 percent were denied for procedural reasons rather than for reasons related to income or resources. This means that over 1.7 million persons were denied benefits because they were unwilling or unable to complete all requirements for eligibility. My colleague, Senator ROCKEFELLER, and Ms. Shuptrine had the opportunity to learn, first hand, of the devastating effects this can have on families when they conducted public hearings as members of the National Commission on Children. Determined that the commission report would not be just another collecting dust on congressional bookshelves, but would really make a difference in children's lives, they set about the task of implementing the commission's recommendation for uniform eligibility criteria across the major Federal programs for pregnant women and children. They quickly learned, however, that this is currently an impossible task and that the assistance of the executive branch was essential in just getting to the first step.

Mr. President, I ask unanimous consent to include in the RECORD, at the end of my remarks, 1988 newspaper articles from the Dallas Times Herald, the Arkansas Gazette, the Charlotte Observer, and the New York Times. Virtually nothing has been done to remedy the situation since these articles appeared in 1988.

Other barriers to access were identified in a study Ms. Shuptrine undertook for the Greenville Hospital System in Greenville, SC. Both the Greenville and the statewide studies traced the origin of identified eligibility barriers and concluded that many of these barriers are resulting from Federal statutes and regulations. A major factor was determined to be the Federal error-rate fiscal sanctions enacted in 1983. The incentives in the error-rate sanction system encourage denials by making it risk-free to deny applicants. This is because there are Federal fiscal sanctions for making the error of an inappropriate approval, but no such fiscal sanction for inappropriate denial errors. Congress acted in 1989 and 1990 to direct the Secretary of Health and

Human Services to develop a more balanced error-rate system and studies are underway which hopefully will lead to a Federal error-rate system which is serious about both inappropriate approvals and wrongful denials.

Another Federal factor cited by the South Carolina eligibility studies as significantly increasing the potential for denial of benefits is the lack of uniform program rules across AFDC, Medicaid, and Food Stamps. This is certainly not a new issue. For well over a decade, efforts have been made without success to achieve uniformity in AFDC, Medicaid, and Food Stamp administrative procedures and resources. The South Carolina studies, and a major eligibility study in Georgia, provide new insight into the problems caused by differing program rules across these three major poverty programs. The studies state that the lack of uniformity adds significantly to the complexity of the eligibility process and thus increases the chance for denial due to procedural reasons.

Interviews with eligibility officials in five southern States were conducted under the auspices of the Southern Regional Project on Infant Mortality in 1988. Both administrative officials and frontline staff spoke of the problems inherent in the current system of eligibility determinations. Comments of these officials, provided in the report entitled "An examination of the Barriers to Accessing WIC, AFDC and Medicaid Benefits," indicate an environment which at best does not encourage eligibility workers to assist applicants:

Process and procedural requirements focus the caseworker on accuracy of information rather than on helping the person become eligible.

Now we are doing paperwork instead of casework.

Encouraging approval would require turning some attitudes around. That is not the mindset we are currently operating under.

Eligibility staff in Greenville, SC, commented that most applicants are confused by all of the verification requirements:

The clear majority just don't know how to follow up. They are confused about what they need and how to get it.

Some are confused about what questions they need to ask their employers. Most don't keep their pay stubs—if they receive pay stubs.

The studies also pointed out the fact that the differing program rules increase the likelihood of eligibility errors on the part of the applicant and the agency. Uniform program rules across AFDC, Medicaid, and Food Stamps would help us to achieve the following goals:

First, remove eligibility barriers for poor families with children and pregnant women who are eligible under current income criteria;

Second, achieve administrative simplification and reduce costly administrative duplication; and

Third, promote and facilitate service coordination and service integration efforts.

We are pleased today with this bill to take the first step toward uniformity in program rules across AFDC, Medicaid, and Food Stamps. The bill changes no statute, does not expand eligibility, calls for no policy recommendations, and does not trample on the turf of any congressional committee or executive branch department. It merely calls upon the Secretary of Health and Human Services and the Secretary of Agriculture to work with us by providing a report on the differences in program rules and the specific statutory citations for those differences.

We urge our colleagues to join us in full support of this effort.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[Dallas Times Herald, June 5, 1988]

DALLAS/TEXAS—STATE TOPS LIST IN REFUSING MEDICAID

(By Jeff South)

Texas disqualifies a higher proportion of Medicaid applicants than any other Southern state—usually for not doing all the paper work, according to study commissioned by the Southern Governors' Association.

"Obviously, something is wrong," said Sarah Shuptrine, a North Carolina consultant who found that during the 1985-86 fiscal year, Texas denied half the applications submitted for Medicaid and Aid to Families with Dependent Children. The 17 Southern states, as a group, denied one of every three Medicaid applications, and the national average was one of every four.

Only 15 percent of the rejected cases in Texas involved applicants who exceeded the state's income limits, among the strictest in the country. More than three-fourths of the denials were due to "failure to comply with procedural requirements"—such as missing an appointment with a social worker, or failing to complete the 10-page application from or to prove residency or income.

"If an applicant fails to obtain a particular document or fails to return an item by an appointed time, she is denied assistance," Shuptrine said. She said Texas had the highest rate of denials for procedural reasons, for example, in North Carolina, fewer than one-fifth of the Medicaid rejections were caused by procedural problems.

The figures don't surprise Patricia Harvey, who works for the Texas Department of Human Services and assists Medicaid applicants at Parkland Memorial Hospital. She said the application process can be intimidating even to college graduates—and most of her clients have much less education.

"It's a very complex form, especially for someone who may not have good verbal skills," Harvey said. Although the form is in English and Spanish, she added many applicants can read neither language. Other barriers include the lack of transportation to Medicaid offices and the difficulty obtaining identification papers, birth certificates, proof of residency, bank statements, medical bills and other documents.

In light of the arduous procedure, and the limited AFDC benefits Texas provides, "a lot

of people may choose to not follow through with their applications," said Randy Washington, the state's director of income assistance programs.

In Texas, a family of three qualifies for AFDC and Medicaid if its annual income is less than \$2,206, according to Shuptrine's report. Only Alabama had a more stringent eligibility level—\$1,416. The federal poverty is \$9,300 for a family of three.

Medicaid, funded 60 percent by the federal government and 40 percent by the state, pays the medical bills of the families that qualify. AFDC gives them a living allowance—in Texas, as much as \$184 a month for a family of three. Outside income is counted against this allowance, Washington said, and many families qualify only for \$10 or \$20 a month.

"Those are the folks who may look at the applications process and say, 'Is it really worth it?'"

Shuptrine said two other factors also discourage Medicaid applicants:

By Federal law, they can have no more than \$1,000 in assets. Many applications fear, rightly, that they will be disqualified for owning a car.

The federal government has threatened to fine states that make errors in approving people for Medicaid. "States are under a lot of pressure to verify eligibility," Shuptrine said.

Texas and Louisiana have erected another barrier to Medicaid: They are the only Southern states that have not opened their Medicaid programs to pregnant women with infants, whose family incomes are higher than the state guidelines but below the federal poverty level.

[From the Little Rock (AR) Gazette June 20, 1988]

NEED ISN'T ENOUGH TO GET PUBLIC AID—ARKANSAS APPLICANTS OFTEN UNABLE TO MEET OTHER CRITERIA

(By Mark Oswald and Anne Farris)

Being needy isn't enough to get public aid in Arkansas.

Applicants also have to fit into just the right slot.

"Never have any of the public assistance program been based only on whether someone needs the assistance or not," Kenny Whitlock, deputy director of the state Human Services Department, said.

"It's been based on whether you can meet the federal and state requirements."

"If it were just a need test, it would be a lot simpler," he said.

Although need is the main criterion, Whitlock's remarks illustrate some frustration with the system of determining who gets aid.

STATE REJECTIONS RATE HIGH

Whitlock made the comments in response to questions about a recent report that ranked Arkansas forth among 17 Southern and border states total rate of rejecting welfare applications. The report was prepared for the Southern Governor's Association and the Southern Legislative Conference.

From July 1986 through June 1987, the time covered by the report, Arkansas rejected 36.4 percent of its Aid to Families with Dependent Children and Medicaid applications. That represented 33,148 persons denied the federal-state benefits.

The rejection rate rose in the first half of 1988 to 47 percent Whitlock said.

The percentage is high in part because applicants have to be extremely poor to receive benefits in Arkansas. A quarter of those denied earned too much money.

A family of four is disqualified if its income is more than \$238 a month. Before July 1987, the maximum income allowed was \$224 a month.

The maximum AFDC monthly benefit also is \$238 a month for a family of four.

"They say be well below the poverty level, but, because our standards are so low, they are ineligible," Whitlock said.

Whitlock said his Department set the income limits for aid recipients "based on the amount of money available." Arkansas could raise the limits and get more federal money for welfare if the General Assembly provided additional state money.

PLENTY OF RED TAPE

Red tape—required documentation of income, family size and ties assets and other details—also is a major deterrent.

Of the Arkansans denied, 69 percent were turned down for failure to properly prove their eligibility, according to Sarah Shuptrine of Columbia, S.C. author of the Association report.

Whitlock said: "If they find out what's involved in the program and how little it pays, they just don't follow up with the requirements." He said the rules generally were set by federal regulations.

"A lot of people who need assistance can't qualify under our current structure," Whitlock added.

AFDC provides cash for children whose families have one parent who is dead, absent or disabled. Medicaid covers medical care to people who qualify for AFDC or other public assistance programs.

Here is a list of 17 southern and border states ranked in a 1986-87 survey of their rates of rejecting welfare applications:

WELFARE STATES

	Percent
Texas	50.0
Florida	42.9
Georgia	39.7
Arkansas	36.4
Louisiana	31.9
South Carolina	31.5
Virginia	28.7
Alabama	28.2
Mississippi	28.0
Tennessee	26.8
Maryland	24.8
Oklahoma	24.0
Kentucky	23.5
Missouri	22.8
Delaware	22.6
West Virginia	20.7
North Carolina	7.6

CHANGES APPROVED

(The House and Senate have approved changes in the welfare laws that would require state to pay benefits to two-parent families in which the primary wage earner is unemployed. The differences in the House and Senate bills have to be worked out in a conference committee before the measure can be sent to the White House.)

Arkansas' high welfare denial rate may be the flip side of another development that state officials have been proud of—high accuracy rates in determining eligibility for welfare programs.

In March, Governor Bill Clinton praised Human Services Department employees for the accuracy rates, which he said had saved the state \$10 million. "People have got to understand that state government is not full of people out here trying to throw their money away," he said.

Whitlock acknowledged there probably was a relationship between the higher accuracy rates and the high ranking in denial of bene-

fits. Shuptrine's report said that, since the early 1980s, states had been "under intense pressure" from the federal government to reduce errors in granting eligibility for welfare aid.

"The impending threat of federal fiscal sanctions is resulting in significant pressure on the eligibility agency"—which in Arkansas would be the Human Services Department—"from top management to the eligibility worker," the report said.

The report raised the question: "Are all procedures necessary to determine if a person qualifies for AFDC/Medicaid, or are certain procedures important only in avoiding federal fiscal sanctions?"

APPLICANT FRUSTRATED

Jane Gray of Jacksonville was one of thousands of welfare applicants turned down in 1987, and the experience has left her frustrated.

She applied for Aid to Families with Dependent Children when she was disabled and her husband, Rex, lost his construction job, the only source of income for the Grays and their three children.

"I would never go back [to the welfare office] again unless it came down to my kids needing it really bad," she said in an interview. "Hopefully, I'll never have to go back." Rex Gray now has a job again as a construction worker.

Gray said she ran into two problems. The state required documentation of her husband's income for the previous year, but his former employer "just skipped" after going bankrupt and couldn't be found.

The biggest problem was more complicated. Before her husband lost his job, the Grays were buying a prefabricated house. They had made a \$500 down payment on the \$19,500 home.

Once Rex Gray lost his job, they fell three months behind in payments and moved into a relative's home, she said. Another family moved into the home, made up the back payments and eventually became the owners.

Gray said state welfare workers contended the house's value really was \$40,000—since that is what the Grays would have paid including interest over about 20 years—and rejected the AFDC application because "they said I had given away a \$40,000 house."

Kenny Whitlock, deputy director of the state Human Services Department, said the state's 500 workers who process applications in 51 sites were trained and encouraged to help applicants work through the regulations. He said there were rules against giving away property to qualify for aid.

[From the Charlotte (NC) Observer, Mar. 1, 1988]

THE MEDICAID BACKLOG: WHAT'S NEEDED IS A CHANGE OF ATTITUDE ABOUT THE POOR

There are two reasons why Mecklenburg County's Department of Social Services has a Medicaid backlog that costs the county thousands of dollars in fines and delays benefits for indigent citizens. One reason is good news; the other is bad news.

The good news is that more North Carolinians are eligible for Medicaid because the state has raised income eligibility levels. As social services director Marlene Wall told the county commissioners last week, North Carolina "is making a serious effort to improve the health care of its citizens," with special emphasis on children and pregnant women.

If that effort means heavier caseloads for social services departments, so be it. The extra work is no reason to go back to unreal-

istically low income standards that left a lot of poor North Carolinians out of Medicaid, with no resources to pay for health care.

The other reason—the bad news—is what is, and ought to be, the focus of serious proposals for reform. That's the proliferation of rules, regulations and forms required to certify and maintain eligibility for Medicaid and other assistance programs, which has created an obstacle course for the poor who need help and for the caseworkers trying to help them.

In the mid-1970s the federal government launched an effort to stamp out fraud and other in Medicaid and other assistance programs for the poor, essentially by assuming every applicant was lying. As a result, certifying someone for eligibility in the adult Medicaid program, which required filling out 12 forms in 1974, requires 38 forms today.

One consequence in Mecklenburg is an inability to keep trained caseworkers. It's a vicious cycle: The heavy caseload and bureaucratic complexity cause caseworkers to quit; the high turnover rate creates an even heavier burden on the workers left behind, so some of them quit, too, making the turnover rate even higher.

After hearing a report on that and related problems last week, the county commissioners voted to spend \$222,000 for the rest of this fiscal year to hire 41 more caseworkers and provide some additional space for them. And that higher level of expense will carry over into next year's budget.

Beyond that, the commissioners agreed to work with commissioners in other counties in appealing to officials in Raleigh and Washington to simplify the system.

Simplification will require a change of attitude about public assistance and the people who need it. A "white paper" prepared by social services officials in 10 N.C. counties, including Mecklenburg, states that "the dignity of the individual client has been compromised by a system that presumes dishonesty." To change that system, it says, "the taxpayers of this nation will need to learn that it is extremely expensive and inefficient to presume dishonesty on the part of all applicants. A zero error rate is simply not cost effective when the price tag is delayed client benefits and continuous increases in program staffing levels."

County officials need to push for reform from the bottom up, of course. But it would help to have a change of attitude from the top, too, as part of the "kinder, gentler America" George Bush promised.

[From the New York Times, Oct. 29, 1988]
MANY REJECTED FOR WELFARE AID OVER
PAPERWORK

(By Martin Tolchin)

WASHINGTON.—A new study has found that hundreds of thousands of people who are eligible for welfare or Medicaid benefits fail to get help because of problems with their applications.

While just 7 percent of all applicants are denied assistance because they earn or own too much to qualify, at least 16 percent fail to obtain benefits because of application problems. Many others withdraw their applications at some point in the process.

The author of the report suggested in an interview that illiteracy and other language barriers, along with transportation problems and the difficulty of providing necessary documents, were keeping many needy people from help they are qualified for.

"A great deal of the problem is paperwork," said Sarah Shuptrine, a former South Carolina human services official who heads

the research company that conducted the study. "It has become a process that is more concerned with verification and keeping ineligible people off welfare than in trying to help people become eligible."

The study, sponsored in part by the Southern Governors' Association and the Southern Legislative Conference, found that 26.7 percent of the 9.7 million welfare applicants in the year studied were denied welfare or Medicaid benefits and 10 percent more withdrew their applications, perhaps because some found work or moved away.

Of the people who were denied welfare or Medicaid benefits, 59.7 percent had problems with their applications. The study did not seek to determine the reasons behind these failures, which included incomplete and flawed applications.

The study involved only people who started the application process at some point; it does not take into account people who may be entirely unaware that government assistance is available.

To figures on which the study was based, from state welfare departments and the Federal Department of Health and Human Services, are two and a half years old, but the study's authors and Federal and state welfare officials said in interviews that the findings would not be significantly different if later data were available.

STUDY STARTED IN SOUTH

David Seigel, a press spokesman for the Family Support Administration in the Department of Health and Human Services, and his agency had not yet seen the study. "We're always concerned when an individual is unable to complete a form to receive benefits," Mr. Siegel said.

The study was begun by the Southern groups and initially covered only 17 Southern states. It was financed by the Robert Wood Johnson Foundation as part of the Southern Regional Infant Mortality Project. The consulting company, Sarah Shuptrine & Associates, broadened the study at its own expense to include the entire nation. To keep all the data comparable, the period being studied remained the same, the year that ended June 30, 1986. That was the latest for which data were available when the Southern study was begun last year.

The study said denials for procedural reasons increased by 75 percent since 1980. This was a period in which the states were under "intense pressure" to remove ineligible people from the welfare and Medicaid rolls.

The programs, Medicaid for health care and Aid to Families with Dependent Children, receive Federal funds but are administered by the states. At the behest of the Reagan Administration, Congress passed legislation in 1982 under which a state would receive Federal compensation for ineligible welfare recipients who account for no more than 3 percent of the total admitted to the state's welfare rolls. States with a greater error rate, as monitored by the Federal Government, were required to return the money spent on those people.

WORKING TO KEEP PEOPLE OUT

As a result, state officials tightened their application procedures. The process is now "working to keep people out," said Ms. Shuptrine, who conducted the study. "I don't think it was necessarily designed to do that."

The study did not address the financial implications of the findings, supplying no price tag for the benefits denied. But Government data show that in the Federal fiscal year that ended Sept. 30, 1986, which overlapped

the year studied, the Federal Government and the states together spent \$46 billion on Medicaid and welfare.

Poor adults who are unable to obtain welfare often go to private charities, become street people, live with friends and relatives, and apply for Supplemental Security Income, according to testimony by social service agencies before the House Ways and Means Committee last spring.

Poor people unable to obtain Medicaid can receive care for acute conditions at general hospitals, but those hospitals are not obliged to provide care in non-acute cases and generally do not do so. Consequently, poor people unable to obtain Medicaid usually delay seeking treatment until their conditions become acute.

NEW YORK REJECTS FEW

The study found that New York State had one of the lowest denial rates in the nation, rejecting only 5.6 percent of its welfare and Medicaid applicants. Of these 72.8 percent failed to comply with procedural requirements.

Cesar Perales, New York State's Commissioner of Social Services, said: "I have been extremely concerned about the fact that people who might have been entitled to benefits could have been denied in New York. I have taken substantial steps to insure that just about anybody and everybody who is eligible receives benefits."

In one innovation, the state eliminated the requirement that the applicant provide a copy of his birth certificate. Instead, the state now accepts baptismal certificates, driver licenses and other documentation.

In Connecticut, 42.3 percent of those who apply for welfare or Medicaid are denied benefits. Of these, 87.2 percent of the denials were because of failure to comply with procedural requirements, the highest such rate in the nation.

Claudette Beaulieu, a spokesman for the Connecticut Department of Income Maintenance, said the state had never done a study to learn why. She said, however, that the state was under court order to process welfare applications within 45 days and that qualifying for Connecticut's complex package of benefits perhaps required more documentation and information than in other states.

New Jersey had a total denial rate of 5.6 percent. Of those whose welfare applications were denied, 40.9 percent failed to comply with procedural requirements.

The study found that the denial rate in California was 27.2 percent, in Ohio 24.1 percent, and in Texas 50 percent. New Mexico had the highest denial rate, 50.7 percent, while Montana had the lowest, 3.5 percent.

In California, 59.2 percent of those denied had failed to complete the application process, while 35.8 percent in Ohio and 77.3 percent in Texas failed to do so.

The states set their own income levels for welfare and Medicaid eligibility. At present two-thirds of the states supply welfare and Medicaid benefits if income is at or below 50 percent of the Federal poverty guideline, which is \$9,690 for a family of three.

In addition, Federal statutes and regulations establish ceilings on assets allowed welfare and Medicaid recipients. With certain exceptions, resources, including a home, may be no more than a total cash value of \$1,000, and the equity in the family automobile may not exceed \$1,500.

MORATORIUM ON PENALTIES

Under the penalties for high error rates set up in the 1982 law, states now owe the Fed-

eral Government \$1.2 billion for ineligible welfare recipients and \$138.12 million for ineligible Medicaid recipients, the report said.

Since 1986, however, there has been a moratorium on penalties, because states were having tremendous difficulties keeping their error rates to 3 percent or less. Three-fourths of the states were unable to meet the 3 percent goal.

Congress imposed the moratorium under pressure from the states. Although the states are not now being penalized, the Government is still keeping records on those that exceed the error rate. The moratorium may be lifted, at which time the states may be asked to return the excess funds retroactively. Thus, the states still have an incentive for keeping the error rate down.●

● Mr. ROCKEFELLER. Mr. President, I proud to join my distinguished colleague, Senator HOLLINGS, and others in promoting the goal of uniform eligibility among the basic Federal support programs for pregnant women and children.

It is a tragedy that many women and children could qualify for assistance—AFDC, Medicaid, food stamps, or WIC—are denied needed benefits because of administrative or procedural reasons. Federal redtape is no excuse for a child to miss a doctor's appointment or for a pregnant woman to do without milk until the paperwork is processed.

Needy mothers and children who qualify for such programs are usually struggling. They deserve assistance, not a run-around from agency after agency. In rural areas, like West Virginia where transportation is often a problem, requiring families to go to several different agencies can be a genuine obstacle.

Families deserve help, not endless forms and ridiculous requests for multiple copies of documents. They should have confidence that they will be able to get the Federal benefits they deserve, not a hassle or a denial letter based on administrative procedures rather than legitimate needs.

On the administrative side, it is a waste of precious staff resources to have individuals in different agencies process different applications that provide the same or similar information regarding a family's need.

Uniform eligibility requirements for the major Federal programs serving pregnant women and children would help both families and social service agencies. It would cut through Federal redtape for needy children and help families gain timely access to all of the services that they serve.

This is a simple idea that makes a great deal of sense.

But to achieve this long-range goal, Congress needs a thorough report to outline exactly what must be changed—both by statute and by legislative action—to establish uniform eligibility. Our legislation takes the first key step toward this important goal by directing the Secretaries of Health and Human Services and Agriculture to develop a specific report on changes required for eligibility.

As Chairman of the National Commission on Children, I have spent the last 2 years intensely focusing on the problems facing children and families. I was extraordinarily proud that the Commission unanimously adopted our report: "Beyond Rhetoric, and New American Agenda for Children and Families." This report lays out a bold blueprint of action for both the public and private sectors required to promote the well-being of children and families in our country.

One of the report's many recommendations called for the establishment, to the maximum extent possible, of uniform eligibility criteria across the major Federal programs for pregnant women and children. Our bill calls for an indepth study of this issue. Once Congress receives a thorough report from the administration on the barriers to uniform eligibility, we can roll up our sleeves and begin to make the changes truly needed to create uniform eligibility.

Too many children and families are doing without benefits that they need and are eligible to receive. We can, and we must, breakdown the administrative barriers that block needy families from receiving the Federal support they deserve.●

Mr. THURMOND. Mr. President, a 1988 report by the Office of Technology Assistance entitled "Healthy Children! Investing in the Future," cites research which shows that the frequency with which children in America who are sick are able to see a physician depends very much on their family income. The report also states that Medicaid eligibility improves a child's access to health care. Likewise, Medicaid eligibility improves opportunities for pregnant women to obtain prenatal care.

For several years, Congress has acted to broaden the Medicaid Program to serve more poor and low-income pregnant women and families with children. However, the problem is that otherwise eligible pregnant women and children are being denied Medicaid, Aid to Families with Dependent Children [AFDC], and food stamps for procedural, rather than substantive reasons.

Eligibility studies commissioned by the South Carolina Hospital Association and the Greenville Hospital System in South Carolina have identified specific eligibility barriers. The studies state that much of the complexity of the eligibility process results from confusion about the different program rules and requirements across the three major poverty-related programs—AFDC, Medicaid, and food stamps. The studies show that the eligibility process is complicated for both applicants and eligibility workers.

The South Carolina studies have gained National prominence and have provided encouragement for renewed discussions regarding the need for a

comprehensive, coordinated review of program rules across AFDC, Medicaid, and food stamps. Some of the major findings of the South Carolina studies are as follows:

One-half of all applications for AFDC are denied and over two-thirds of the denials are due to procedural reasons. These procedural denials affected 28,845 applicants, most of whom were children.

Over one-third of the pregnant women applying for South Carolina's Medicaid Program were denied and 73 percent of the denials were due to procedural reasons. These procedural denials affected 4,505 pregnant women.

Of the applications filed on behalf of infants and children, 43 percent were denied. Over three-fourths of these applications were denied for procedural reasons.

Today, I am pleased to join my colleague from South Carolina, Senator HOLLINGS, in introducing a bill which will help in addressing some of these administrative and procedural barriers. This legislation calls on the Secretary of Health and Human Services and the Secretary of Agriculture to provide information to the President and Congress in order to allow for a comprehensive review of program rules across AFDC, Medicaid, and food stamps. A joint report from the Secretaries will facilitate such a review, and lead to informed decisions regarding uniformity.

Our efforts to achieve uniformity should be geared to helping alleviate barriers which are keeping income eligible families from obtaining needed health benefits through the Medicaid program. Helping these poor- and low-income families to gain Medicaid will improve their access to cost-effective preventive and primary health care.

Improved access to health care for pregnant women and children is a matter of great importance. The rewards of improved access will be fewer infants who die before age 1, fewer infants who are born with disabling conditions and healthier children who have improved opportunities to learn and become productive members of our society.

Mr. President, having this joint report from the Secretary of Health and Human Services and Secretary of Agriculture will give us the information we need to simplify the application process, and remove administrative barriers. I look forward to the consideration of this legislation by the Senate.

● Mr. SANFORD. Mr. President, for decades, States have asked the Federal Government to simplify the administration of basic assistance programs to the poor—specifically AFDC, Medicaid, and food stamps. States now spend more man hours administering these programs because of this, which is turn costs more money for States.

The eligibility requirements for specific populations should be as uniform

as possible, but they are not. This makes it far more difficult for States to administer these basic programs. As these programs have become more complicated to administer, the amount of time spent by social workers has shifted from people to paper. Quality for workers and recipients alike has been compromised.

North Carolina has been interested in public assistance simplification for a long time, and is currently conducting a pilot project to test standardization of eligibility methodologies. Under the public assistance simplification project the information verified in determining eligibility for AFDC and Medicaid is used by the same worker to determine eligibility for food stamps. If this pilot project proves to be cost effective and more efficient, changes at the Federal level, both administrative and legislative changes, will still be needed.

We need to remove the unnecessary hassles from basic assistance programs, and the legislation I am introducing today with my colleagues is a significant step toward this goal.●

By Mr. D'AMATO:

S. 1884. A bill to require the Secretary of Agriculture to conduct inspections of garbage from Canada and to assess fees for such inspections; to the Committee on Agriculture, Nutrition, and Forestry.

CANADIAN GARBAGE INSPECTION

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation to prevent New York State and the rest of the Northeast from turning into a dumping ground for our neighbors to the north, Canada.

In mid-July, under pressure from Canadian garbage haulers, the Department of Agriculture, through its Plant and Animal Inspection Service, reversed a long-standing policy of inspecting garbage and allowing only a limited amount into the United States for incineration. They claimed that they had no authority to make such regulations.

However, by opening the border to Canadian trash, the United States is extending an invitation to disaster. By next summer we could see a tidal wave of trash coming over crossings like the Peace and Lewiston Bridges in northwest section of my own State and at thousands of other points all along the Canadian-American border.

Mr. President, it's a matter of economics. Currently, it costs about \$150 per ton to landfill household garbage in Canada. But in the United States landfill owners only charge around \$35 per ton for landfilling. Canadians can now get rid of their garbage at a bargain price. The Canadian tide of trash will decrease landfill space and the price of landfilling to businesses and municipalities will skyrocket.

The potential size of this problem is enormous. Currently, the city of To-

ronto in Ontario near Buffalo, NY produces 4.3 million tons of garbage a year. That is more than the five largest cities in upstate New York: Buffalo, Rochester, Syracuse, Albany, and Utica, combined. Under the old rules, more than 70 trucks of garbage a day come over the Peace and Lewiston crossings. With the new open dump policy, New York can expect more than 10 times that volume.

What my legislation does is simple. It in effect, makes it no longer profitable for Canadian haulers to ship their garbage to United States landfills.

It gives the Agriculture Department the authority to resume its inspection of Canadian garbage. More importantly, it allows Agriculture to assess an inspection fee of not less than \$150 per ton on garbage sent from Canada.

I should note that this legislation was drafted after consultation with Agriculture Secretary Madigan and my House colleagues from New York, Representatives BILL PAXON, JIM WALSH, and DAVE MARTIN on how to give Agriculture the legal authority it needs to stop this trashing of America. My friends in the House are introducing an identical bill.

Those of us who have supported the Free Trade Agreement know that the open border policy was not intended as an opportunity to make the United States the garbage capital of North America. This abuse of the agreement must be halted and halted now.

Mr. President, this is not only a New York issue. Landfills across the United States, particularly those that share a border with Canada, are as vulnerable as those in New York. I urge my colleagues, especially those on the Canadian border, to join me in support of this legislation.●

By Mr. MOYNIHAN (for himself, Mr. GARN, and Mr. SASSER):

S.J. Res. 221. Joint resolution providing for the appointment of Hanna Holborn Gray as a citizen regent of the Smithsonian Institution; to the Committee on Rules and Administration.

APPOINTMENT OF HANNA HOLBORN GRAY AS A CITIZEN REGENT OF THE SMITHSONIAN INSTITUTION

● Mr. MOYNIHAN. Mr. President, I rise to introduce a joint resolution to nominate Dr. Hanna Holborn Gray a regent of the Smithsonian Institution. Senators GARN and SASSER, who sit with me on the Board of Regents, are cosponsors. A companion measure was introduced by Representative MINETA and cosponsored by Representatives WHITTEN and MCDADE on October 9.

On March 12, 1992, the second and final 6-year term for Dr. William Bowen expires. He has served the Smithsonian ably and with distinction, and the Board will miss his service. At its September 16 meeting, the regents approved the nomination of Dr. Hanna Gray, a personal friend of mine who I

am certain will serve the Smithsonian with no less distinction. She will assume Dr. Bowen's seat when he leaves the Board.

Dr. Gray is president of the University of Chicago, a post she has held since 1978. A native of Germany and a scholar in the history of humanism and politics in the Renaissance and Reformation, she has written on subjects ranging from St. Thomas Aquinas to the aims and objectives of higher education. She taught at Harvard University and the University of Chicago before being named provost and then acting president of Yale University, the first female president of an Ivy League university. In 1986 she was one of 12 recipients of the Medal of Liberty, awarded by President Reagan to distinguished foreign-born Americans.

I urge the adoption of this measure and ask unanimous consent that its full text be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 221

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, occurring by reason of the expiration of the term of William G. Bowen of New Jersey on March 12, 1992, be filled by the appointment of Hanna Holborn Gray of Illinois. The appointment is for a term of six years and shall take effect on March 13, 1992.●

ADDITIONAL COSPONSORS

S. 25

At the request of Mr. CRANSTON, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 25, a bill to protect the reproductive rights of women, and for other purposes.

S. 360

At the request of Mr. BUMPERS, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 360, a bill to authorize the Small Business Administration to provide financial and business development assistance to military reservists' small businesses, and for other purposes.

S. 449

At the request of Mr. D'AMATO, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 449, a bill to provide for adherence with the MacBride Principles by United States persons doing business in Northern Ireland.

S. 456

At the request of Ms. MIKULSKI, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 456, a bill to amend chapter 83 of title 5, United States Code, to extend

the civil service retirement provisions of such chapter which are applicable to law enforcement officers to inspectors of the Immigration and Naturalization Service, inspectors and canine enforcement officers of the U.S. Customs Service, and revenue officers of the Internal Revenue Service.

S. 493

At the request of Mr. KENNEDY, the names of the Senator from Indiana [Mr. COATS] and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 493, a bill to amend the Public Health Service Act to improve the health of pregnant women, infants and children through the provision of comprehensive primary and preventive care, and for other purposes.

S. 544

At the request of Mr. HEFLIN, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 544, a bill to amend the Food, Agriculture, Conservation and Trade Act of 1990 to provide protection to animal research facilities from illegal acts, and for other purposes.

S. 1088

At the request of Mr. KENNEDY, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 1088, a bill to amend the Public Health Service Act to establish a center for tobacco products, to inform the public concerning the hazards of tobacco use, to provide for disclosure of additives to such products, and to require that information be provided concerning such products to the public, and for other purposes.

S. 1120

At the request of Mr. RIEGLE, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1120, a bill to provide for a demonstration project to examine whether having a respiratory care practitioner available to provide assistance in a home setting would reduce the overall costs under Medicare of providing care to pulmonary disease patients by decreasing hospitalization rates for such patients.

S. 1159

At the request of Mr. GORE, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1159, a bill to provide for the labeling or marking of tropical wood and tropical wood products sold in the United States.

S. 1521

At the request of Mr. MCCONNELL, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1521, a bill to provide a cause of action for victims of sexual abuse, rape, and murder, against producers and distributors of hard-core pornographic material.

S. 1599

At the request of Mr. BRADLEY, the name of the Senator from New Jersey

[Mr. LAUTENBERG] was added as a cosponsor of S. 1599, a bill to extend non-discriminatory (most-favored-nation) treatment to Estonia, Latvia, and Lithuania.

S. 1623

At the request of Mr. DECONCINI, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 1623, a bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes.

S. 1646

At the request of Mr. D'AMATO, the names of the Senator from Iowa [Mr. GRASSLEY], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 1646, a bill to amend the Harmonized Tariff Schedule of the United States to clarify the classification of certain motor vehicles.

S. 1648

At the request of Mr. MCCAIN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 1648, a bill to amend title VII of the Public Health Service Act to reauthorize and expand provisions relating to area health education centers, in order to establish a Federal-State partnership, and for other purposes.

S. 1748

At the request of Mr. BAUCUS, the name of the Senator from Iowa [Mr. GRASSLEY] was withdrawn as a cosponsor of S. 1748, a bill to amend various provisions of the Internal Revenue Code of 1986 relating to the taxation of regulated investment companies.

S. 1810

At the request of Mr. ROCKEFELLER, the names of the Senator from California [Mr. SEYMOUR], the Senator from Vermont [Mr. LEAHY], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 1810, a bill to amend title XVIII of the Social Security Act to provide for corrections with respect to the implementation of reform of payments to physicians under the Medicare Program, and for other purposes.

S. 1856

At the request of Mr. CRANSTON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1856, a bill to require the executive branch to gather and disseminate information regarding, and to promote techniques to eliminate, discriminatory wage-setting practices and discriminatory wage disparities which are based on sex, race, or national origin, and for other purposes.

SENATE JOINT RESOLUTION 164

At the request of Mr. GORE, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Joint Resolution 164, a joint resolution

designating the weeks of October 27, 1991, through November 2, 1991, and October 11, 1992, through October 17, 1992, each separately as "National Job Skills Week."

SENATE JOINT RESOLUTION 202

At the request of Mr. INOUE, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Joint Resolution 202, a joint resolution to designate October 1991, as "Crime Prevention Month."

SENATE JOINT RESOLUTION 217

At the request of Mr. HATFIELD, the names of the Senator from California [Mr. CRANSTON], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Maryland [Ms. MIKULSKI], the Senator from Massachusetts [Mr. KERRY], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Indiana [Mr. LUGAR], the Senator from Arizona [Mr. MCCAIN], the Senator from Oklahoma [Mr. NICKLES], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Kentucky [Mr. FORD], the Senator from Alabama [Mr. SHELBY], the Senator from Michigan [Mr. RIEGLE], and the Senator from Nevada [Mr. REID] were added as cosponsors of Senate Joint Resolution 217, a joint resolution to authorize and request the President to proclaim 1992 as the "Year of the American Indian."

SENATE RESOLUTION 201

At the request of Mr. DANFORTH, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of Senate Resolution 201, a resolution to express the sense of the Senate regarding enforcement of the oilseeds GATT panel ruling against the European Community.

SENATE RESOLUTION 204

At the request of Mr. D'AMATO, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of Senate Resolution 204, a resolution expressing the sense of the Senate that the United States should pursue discussions at the upcoming Middle East Peace Conference regarding the Syrian connection to terrorism.

AMENDMENT NO. 1274

At the request of Mr. GORE his name was added as a cosponsor of amendment No. 1274 proposed to S. 1745, a bill to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes.

SENATE RESOLUTION 209—CON-DEMNING SEXUAL HARASSMENT

Mr. BROWN (for himself, Mr. HATCH, Mr. DOMENICI, Mr. DANFORTH, Mr. SIMPSON, and Mr. PACKWOOD) submitted the following resolution; which was considered and agreed to:

S. RES. 209

Resolved,

CONDEMNATION OF SEXUAL HARASSMENT

- (a) FINDINGS.—The Senate finds that—
- (1) sexual harassment is a form of sex discrimination that violates title VII of the Civil Rights Act of 1964;
 - (2) sexual harassment is a prohibited practice under Federal law relating to Federal employees and military personnel;
 - (3) sexual harassment adversely affects an individual's employment and work performance, and creates an intimidating, hostile, or offensive work environment;
 - (4) sexual harassment results in significant emotional and monetary costs to both victims and employers;
 - (5) 5,557 charges of sexual harassment were filed with the Equal Employment Opportunity Commission in 1990.
 - (6) the Merit Systems Protection Board reported in 1988 that a survey of Federal employees found that 42 percent of all female respondents and 14 percent of all male respondents experienced some form of unwanted and uninvited sexual attention;
 - (7) the Department of Defense reported in September 1990 that among 20,000 United States military respondents surveyed, 64 percent of females and 17 percent of males experienced sexual harassment;
 - (8) a 1988 survey of Fortune 500 companies by Working Women magazine found that sexual harassment costs a typical Fortune 500 company as much as \$6,700,000 a year in absenteeism, turnover, and lost productivity;
 - (9) sexual harassment cost the Federal Government an estimated \$267,000,000 in 1987, according to a 1988 United States Merit Systems Protection Board report;
 - (10) sexual harassment persists in the workplace; and
 - (11) The Senate has a responsibility to promote, in the public interest, working environments free from discrimination on the basis of an individual's race, color, religion, national origin, or sex.
- (b) SENSE OF THE SENATE.—It is the sense of the Senate that the Senate does not tolerate or condone sexual harassment in government, private sector, or congressional workplaces, and that the Senate should consider appropriate changes to the laws of the United States and the rules of the Senate to prevent sexual harassment.

SENATE RESOLUTION 210—RELATIVE TO VIOLENCE IN YUGOSLAVIA

Mr. LEVIN (for himself and Mr. GORE) submitted the following resolution; which was considered and agreed to:

S. RES. 210

Whereas, continued violence and unrest in Yugoslavia will jeopardize the stability and security of central Europe, and could threaten vital interests of the United States: Now, therefore, be it

Resolved, That it is the Sense of the Senate that:

The Senate urges the President to provide active leadership in encouraging the United Nations to promote and maintain a cease-fire, and to support by any appropriate actions the resolutions of the Security Council, including consideration of sending a peace-keeping force to Yugoslavia which would help preserve a cease-fire.

AMENDMENTS SUBMITTED

VETERANS' COMPENSATION RATE AMENDMENTS OF 1991

CRANSTON AMENDMENT NO. 1275

Mr. MITCHELL (for Mr. CRANSTON) proposed an amendment to the bill (H.R. 1046) to amend title 38, United States Code, to increase, effective as of December 1, 1991, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Compensation Rate Amendments of 1991".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. DISABILITY COMPENSATION.

(a) 3.7-PERCENT INCREASE.—Section 1114 is amended—

- (1) by striking out "\$80" in subsection (a) and inserting in lieu thereof "\$83";
- (2) by striking out "\$151" in subsection (b) and inserting in lieu thereof "\$157";
- (3) by striking out "\$231" in subsection (c) and inserting in lieu thereof "\$240";
- (4) by striking out "\$330" in subsection (d) and inserting in lieu thereof "\$342";
- (5) by striking out "\$470" in subsection (e) and inserting in lieu thereof "\$487";
- (6) by striking out "\$592" in subsection (f) and inserting in lieu thereof "\$614";
- (7) by striking out "\$748" in subsection (g) and inserting in lieu thereof "\$776";
- (8) by striking out "\$865" in subsection (h) and inserting in lieu thereof "\$897";
- (9) by striking out "\$974" in subsection (i) and inserting in lieu thereof "\$1,010";
- (10) by striking out "\$1,620" in subsection (j) and inserting in lieu thereof "\$1,680";
- (11) in subsection (k)—

(A) by striking out "\$66" both places it appears and inserting in lieu thereof "\$68"; and

(B) by striking out "\$2,014" and "\$2,823" and inserting in lieu thereof "\$2,089" and "\$2,927", respectively;

- (12) by striking out "\$2,014" in subsection (l) and inserting in lieu thereof "\$2,089";
- (13) by striking out "\$2,220" in subsection (m) and inserting in lieu thereof "\$2,302";
- (14) by striking out "\$2,526" in subsection (n) and inserting in lieu thereof "\$2,619";
- (15) by striking out "\$2,823" each place it appears in subsections (o) and (p) and inserting in lieu thereof "\$2,927";
- (16) by striking out "\$1,212" and "\$1,805" in subsection (r) and inserting in lieu thereof "\$1,257" and "\$1,872", respectively; and
- (17) by striking out "\$1,812" in subsection (s) and inserting in lieu thereof "\$1,879".

(b) SPECIAL RULE.—The Secretary of Veterans Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons with the purview of section 10 of Public Law 85-857 who

are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. ADDITIONAL COMPENSATION FOR DEPENDENTS.

- Section 1115(1) is amended—
- (1) by striking out "\$96" in clause (A) and inserting in lieu thereof "\$100";
 - (2) by striking out "\$163" and "\$50" in clause (B) and inserting in lieu thereof "\$169" and "\$52", respectively;
 - (3) by striking out "\$67" and "\$50" in clause (C) and inserting in lieu thereof "\$69" and "\$52", respectively;
 - (4) by striking out "\$77" in clause (D) and inserting in lieu thereof "\$80";
 - (5) by striking out "\$178" in clause (E) and inserting in lieu thereof "\$185"; and
 - (6) by striking out "\$149" in clause (F) and inserting in lieu thereof "\$155".

SEC. 4. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.

Section 1162 is amended by striking out "\$436" and inserting in lieu thereof "\$452".

SEC. 5. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.

Section 1311 is amended—

- (1) by striking out the table in subsection (a) and inserting in lieu thereof the following:

"Pay grade	Monthly rate	Pay grade	Monthly rate
E-1	\$616	W-4	\$884
E-2	635	O-1	780
E-3	652	O-2	805
E-4	693	O-3	862
E-5	711	O-4	912
E-6	727	O-5	1,005
E-7	762	O-6	1,134
E-8	805	O-7	1,225
E-9	1,841	O-8	1,343
W-1	780	O-9	1,440
W-2	811	O-10	2,580
W-3	835		

"If the veterans served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$907.

"If the veteran served as Chairman or Vice-Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$1,693."

- (2) by striking out "\$68" in subsection (b) and inserting in lieu thereof "\$71";
- (3) by striking out "\$178" in subsection (c) and inserting in lieu thereof "\$185"; and
- (4) by striking out "\$87" in subsection (d) and inserting in lieu thereof "\$90".

SEC. 6. DEPENDENCY AND INDEMNITY COMPENSATION FOR ORPHAN CHILDREN.

(a) DIC FOR ORPHAN CHILDREN.—Section 1313(a) is amended—

- (1) by striking out "\$299" in clause (1) and inserting in lieu thereof "\$310";
- (2) by striking out "\$431" in clause (2) and inserting in lieu thereof "\$447";
- (3) by striking out "\$557" in clause (3) and inserting in lieu thereof "\$578"; and
- (4) by striking out "\$557" and "\$110" in clause (4) and inserting in lieu thereof "\$578" and "\$114", respectively.

(b) SUPPLEMENTAL DIC FOR DISABLED ADULT CHILDREN.—Section 1314 is amended—

- (1) by striking out "\$178" in subsection (a) and inserting in lieu thereof "\$185";

(2) by striking out "\$299" in subsection (b) and inserting in lieu thereof "\$310"; and
 (3) by striking out "\$151" in subsection (c) and inserting in lieu thereof "\$157".

SEC. 7. EFFECTIVE DATE FOR RATE INCREASES.

The amendments made by this Act shall take effect on December 1, 1991.

UNITED STATES COMMISSION ON CIVIL RIGHTS REAUTHORIZATION ACT

SIMON (AND HATCH) AMENDMENT NO. 1276

Mr. MITCHELL (for Mr. SIMON, for himself and Mr. HATCH) proposed an amendment to the bill (H.R. 3350) to extend the U.S. Commission in Civil Rights, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Commission on Civil Rights Reauthorization Act of 1991".

SEC. 2. ANNUAL REPORT.

Section 5 of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975c) is amended by adding at the end the following: "The Commission shall, in addition to any other reports under this section, submit at least one annual report that monitors Federal civil rights enforcement efforts in the United States to Congress and to the President."

SEC. 3. REAUTHORIZATION.

Section 7 of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975e) is amended to read as follows:

"SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this Act \$7,159,000 for fiscal year 1992, and an additional \$1,200,000 for fiscal year 1992 to relocate the headquarters office."

SEC. 4. TERMINATION.

Section 8 of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975f) is amended by striking "1991" and inserting "1994".

SEC. 5. COMMISSION CHAIR AND VICE CHAIR.

Section 2(c), subsections (a), (d), and (f) of section 3 and section 6(f) of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975(c), 1975a (a), (d), and (f), and 1975d (f)) are amended by striking "Chairman" each place the term appears and inserting "Chairperson".

ADDITIONAL STATEMENTS

PHOENIX FOR BUSINESS

• Mr. DECONCINI. Mr. President, those of us from the Southwest have long known that Arizona, and its capitol Phoenix are great for business. Now Fortune magazine has discovered it and our secret is out. Fortune's November 4, 1991 cover story, "The Best Cities for Business," ranks the city of Phoenix 10th overall for business.

The article points to Phoenix's "particularly high quality labor" and its close proximity to the large west coast market. With Phoenix's Skyharbor

International Airport, business men and women can travel conveniently to all major cities in the United States.

Phoenix's labor force ranks No. 7 in the survey in quality. And the high quality educational system is seen as integral to the continued strength of the labor force. Specifically, the large community college system is critical for work force training. Additionally, Arizona State University is the fifth largest university in the Nation, and was recently ranked No. 3 in a U.S. News & World Reports article on up and coming universities. Phoenix also has the Thunderbird School of International Management which is the largest and oldest international management school in the country. Thunderbird is consistently at the top, or near the top of rankings concerning international management schools.

Another major benefit of Arizona is its relative low cost of living. Compared to its west coast neighbors, Arizona is considerably lower in its cost of living and office space in Phoenix is abundant and inexpensive.

I applaud the Fortune article, but I also must point out it misses some important points. It is Arizona's important intangibles that truly make it No. 1. Phoenix is known as the Valley of the Sun, a very accurate sobriquet. The Sun shines 85 percent of the time during daylight hours, and average annual temperature is a balmy 72 degrees Fahrenheit. For those who make Phoenix and Arizona their home they will always be No. 1, but for now we are pleased with the ranking from Fortune magazine.●

S. 581, THE TARGETED JOBS TAX CREDIT LEGISLATION

• Mr. GORTON. Mr. President, I am pleased to rise today and join many of my colleagues in sponsoring S. 581, a bill to extend permanently the targeted jobs tax credit [TJTC].

The targeted jobs tax credit works. Since its inception, this program has helped an average of 500,000 individuals per year nationwide gain employment. By providing employers with tax incentives to offset training costs, this program encourages the hiring of individuals who are otherwise limited in their employment opportunities due to a lack of skills, training, or education.

Those individuals benefiting from this program include: welfare recipients, economically disadvantaged youths, the disabled, and Vietnam-era veterans. Further, I am pleased to point out that this bill also includes a provision which creates a new category of eligibility for economically disadvantaged Persian Gulf-era veterans.

Through this important program, unemployed individuals gain the skills, training and employment opportunities they need to succeed. Welfare recipients are taken off public assistance,

given a sense of independence and contribution, and transformed into tax-paying citizens. Individuals get the opportunity to establish a work history which can lead to continued stable employment. It helps to create a more skilled and highly motivated work force. These educated and skilled workers are invaluable if America is to remain competitive in this global marketplace.

The administration has recognized the importance of this program and included a proposal in the President's fiscal 1992 budget to extend it for another year. However, I support this effort to permanently extend the targeted jobs tax credit. Businesses, which are vital to the program's success, are understandably reluctant to participate and invest their resources in a program which may not exist past the next year.

This is a valuable program, Mr. President. Its proven benefits not only provide assistance to the unemployed, but to businesses, the government, and the country as well. Given its effectiveness, it will serve our interests to provide for a permanent extension of this program. Mr. President, I wholeheartedly endorse S. 581, and urge my colleagues to join me in support of this legislation.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Leon Fuerth to participate in a program in Germany sponsored by the Konrad Adenauer Stiftung on November 9-16, 1991.

The committee has determined that participation by Mr. Fuerth in this program, at the expense of Konrad Adenauer Stiftung, is in the interest of the Senate and the United States.●

TRIBUTE TO DR. SAMUAL U. RODGERS

• Mr. BOND. Mr. President, I rise today to urge my colleagues in the U.S. Senate to join me in paying tribute to a humanitarian who has provided remarkable service in the area of quality health care for the poor. I am speaking of Dr. Samuel U. Rodgers.

Dr. Samuel U. Rodgers has instituted his vision by developing and implementing programs which address current health care needs of the community through integrity and commitment. For well over 40 years Dr. Rodgers has worked closely with legislators, community leaders, and health care professionals as a voice for the poor. I congratulate Dr. Rodgers as recipient of the 1991 March of Dimes Make a Difference Award.

I join today with the Greater Kansas City Area March of Dimes in honoring the many unsung heroes who routinely go about the business of making a difference in the quality of life in the arena of maternal and child health. We salute the valiant whose enthusiasm and deeds bring good to the community in ever increasing measure. When we give of ourselves we experience the renewing power of life.●

TRIBUTE TO AVILA COLLEGE, KANSAS CITY, MO

● Mr. BOND. Mr. President, I rise today to urge my colleagues in the U.S. Senate to join me in paying tribute to a remarkable institution which has provided distinguished educational service to Kansas City, MO. I am speaking of Avila College.

Avila College is a 4-year, Catholic, liberal arts college sponsored and founded by the Sisters of St. Joseph of Carondelet in 1916. Sister Francis Joseph Ivory and the other Sisters of St. Joseph came to Kansas City in 1866 and founded St. Teresa's Academy. In 1916 the sisters then went on to found Avila College to provide a strong liberal arts college education. Avila College has responded to the need for innovative educational experiences such as the Women's Leadership Institute, the Women's Entrepreneur Program, and Elderhostel. Avila College was the first in the Greater Kansas City metropolitan area to offer a baccalaureate degree in nursing; first to provide weekend programs; and first to develop course programs in public administration, women's studies, and gerontology.

The students and faculty of Avila College have continued to uphold the tradition of providing service to the community by repairing and winterizing homes for the elderly, distributing food to the homeless, and participating in projects such as Project Warmth and Toys for Tots. The graduates of Avila College have contributed to the health, welfare, commerce, and culture of the Greater Kansas City metropolitan area through their work in health care, business, education, mental health, the arts, and social service.

Mr. President, the staff, alumni, and students of Avila College are celebrating its septuaginta-quinquennial. I join them in wishing Avila College a happy 75th anniversary. Kansas City is fortunate

to have such a fine educational institution.●

CHIEF JUDGE EARL E. O'CONNOR

● Mrs. KASSEBAUM. Mr. President, much has been said in the Senate recently about judicial temperament. As one Senator stated, judicial temperament is that inexplicable quality that commands respect, assures integrity, and denotes wisdom in one's conduct both on and off the bench. This quality goes to the heart of one's character and demeanor. It has been stated that no qualification is more important among our judiciary than judicial temperament.

On November 10, Chief Judge Earl E. O'Connor will have completed more than 20 years on the Federal bench. Throughout his public service no one has better exemplified the quality of judicial temperament than Chief Judge O'Connor. His judicial manner has enhanced the reputation and respect of the court both with the public and within the judiciary. Judge O'Connor serves as an example for all who administer justice and serve the public. I congratulate him on his 20 years of service and thank him for his fine work.●

COMMENDING MS. DONNA JEAN SMITH

● Mr. BOND. Mr. President, I rise today to urge my colleagues in the U.S. Senate to join me in paying tribute to a humanitarian who has provided remarkable service as a foster parent. I am speaking of Ms. Donna Jean Smith.

Ms. Smith has provided outstanding foster care to a number of children that come from troubled backgrounds. Donna Jean is a very special person who epitomizes dedication, concern, understanding, and love. The children that have received her care have been taught the importance of problem solving and becoming productive adults through education and commitment.

I congratulate Donna Jean Smith for the high honor of being nominated for the 1991 March of Dimes "Make a Difference Award."

I join today with the Greater Kansas City Area March of Dimes in honoring the many unsung heroes who routinely go about the business of making a difference in the quality of life in the arena of maternal and child health. We salute the valiant whose enthusiasm and deeds bring good to the community in ever increasing measure. When we give of ourselves we experience the renewing power of life.●

CONGRATULATING THE CHICAGO STATE UNIVERSITY COUGARS WOMEN'S TENNIS TEAM

● Mr. DIXON. Mr. President, the Chicago State University Cougars Women's

Tennis Team just completed their fall tennis season with a record of 20-0. They are to be congratulated on their outstanding team accomplishment.

The Chicago State University Cougars are to be noted for more than just their perfect record. They defied the skeptics, and the pundits who could not believe an all African-American team could win at a sport so overwhelmingly dominated by white players.

While tennis has not been as readily accessible to many in the African-American community, it provides an equal opportunity for success for those who choose to play it. Not a great deal of equipment is needed to play tennis. To play it well, however, is up to the individual.

Chicago State is loaded with talent, and it should be no surprise to anyone that the Cougars tore up the college tennis world this fall with their smart play.

Talent is not restricted to any particular race, ethnic group, or gender. Opportunity is, however, in far too many cases. What has happened on the far South Side of Chicago this fall, is the opportunity for success, coupled with the cultivation of tremendous talent by Coach Lonnie Wooden. The fruits of that labor are a well deserved perfect record.

Again, I congratulate the Cougars on their success, and wish each and every one of them best wishes for future success both on and off the court.

I thank my colleagues.

I ask that an article from the October 24, 1991, Chicago Tribune be inserted in the RECORD at this time.

The article follows:

[From the Chicago Tribune, Oct. 24, 1991]

CHICAGO STATE WOMEN ADD A DIFFERENT
TONE TO TENNIS

(By Mark Shapiro)

Tennis balls have become yellow and tennis clothes have become multicolored, but the sport's dominant hue has always been white. That's why the college tennis world hasn't quite figured out what to make of Chicago State's women's team.

The team is entirely African-American. It's also been a major success story. The Cougars just completed a 20-0 fall season, which followed a 17-4 record in 1990-91. Of the more than 100 players who opposed Chicago State this fall, only three were African-American.

"People we play can't believe us," said Crystal Embry, one of the Cougars' top players. "When we beat them, then they're convinced."

Coach Lonnie Wooden recalls overhearing a spectator at a match last year who needed some convincing.

"This person just said, 'There's no way an all-black team can beat us,'" Wooden recalled. "Of course, we did."

"We do get a reaction. People are very surprised when they play us."

Part of the surprise comes from the fact that urban commuter schools aren't supposed to be tennis powers, even though Chicago State's Far South Side campus is sprawling and its enrollment is above 8,000.

But mostly, Wooden said, "People want to know, 'Where in the world do you get young African-American girls who can play tennis.'"

Wooden has managed to do that quickly. A Chicago State grad who tried out for the tennis team in 1975 at the urging of a friend because the team was short of players, he became tennis coach in 1986. He didn't start a women's program until 1988.

"When we started, we had scholarships that we literally couldn't give away," Wooden recalled. "African-Americans have just not been attracted to this sport the way they should."

"We've lacked role models. We see blacks excelling in almost every other sport, but not in tennis. It's always been a club sport. Court time can be \$15 to \$22 an hour. Private lessons can be \$25 to \$40. It's a barrier."

Embry is a player Wooden grew almost by himself, becoming her private coach. Her initial exposure to the game is fairly typical, Wooden said.

"When I saw it on TV, I didn't like it," she said. "I didn't care that much for it until I played. Coach Wooden introduced me to the game when I was in 6th grade, and I've grown to love it. I decided to do something with it."

Embry, who became Wooden's protege, played at Corliss High School and won three Public League championships.

Embry said she's happier at Chicago State than at a bigger-name school.

"I felt I'd be comfortable here," Embry said. "I wanted to go somewhere where my talent would be recognized right away. At another school, I might have had to wait while a junior or a senior was the No. 1 player. Here I was able to start at the top."

Embry has since been supplanted at No. 1 by the player Wooden considers the key to his success, freshman Martha Gates, a standout at Clifton Central High School in Kankakee who finished fifth in last fall's 128-player state tournament and was ranked 78th in the nation.

"Everywhere she played, I showed up," Wooden said, recalling how he recruited Gates. "You might say I let her know I was interested."

"He certainly was persistent," Gates said. Like the team itself, Gates didn't lose a match this fall.

Wooden said he began the fall season believing that four losses would constitute a "fantastic" record. But slowly he and his players began to realize they could do even better.

"The Illinois State match set the stage," Wooden said of his Cougars' 5-4 victory on Sept. 23. "That was a strong, competitive team we played. When we beat them, we felt we really belonged in Division I."

The point was driven home by a 7-2 victory over Eastern Michigan, which fielded most of the players who had beaten the Cougars 9-0 last spring.

But it wasn't until last Friday's victory over Ferris State in Big Rapids, Mich., that Wooden knew his team was home free.

"This is a tennis school," Wooden said of Ferris. "You can get a degree there in teaching tennis. We knew they were the only team in our way."

The Cougars won 6-3 and capped the perfect season with an expected romp over Grand Valley State (Mich.). Other victims included De Paul, Illinois-Chicago, Wisconsin-Green Bay and Wisconsin-Milwaukee.

"It feels good to be unbeaten," Embry said. "There's a lot of pride in beating some of the bigger schools."

Wooden is disappointed that only Gates and the Cougars' No. 2 player, sophomore Tiantia Turner of Memphis, have been invited to the Rolex Midwest Regional beginning Oct. 31 in Madison, Wis., a meet that ends the fall season. He plans to make a few phone calls in hopes of persuading tournament officials to invite Embry and perhaps other Cougars.

Meanwhile, the team soon will move indoors, practicing in some of those high-priced clubs. Some of the work will be done at Chicago State's one indoor court.

"It's good in a sense because you can't spread out much, so you stress your sharpness," Wooden said. "It's a lot of drilling, fundamentals. It's dull, dull, dull."

"It makes you appreciate going outside even more," Embry said.

The Cougars won four of their six matches last spring and only five matches are now on the Cougars' schedule next spring. That's because most opponents have conference commitments, Wooden said. The Cougars' success suggests another possible reason: Maybe some teams are avoiding them.●

TRIBUTE TO MS. PEGGY BERRY

● Mr. BOND. Mr. President, I rise today to urge my colleagues in the U.S. Senate to join me in paying tribute to a humanitarian who has provided remarkable service as a Healthy Families and Young Children project home visitor. I am speaking of Ms. Peggy Berry.

Through her work with healthy families and young children Peggy has gone above and beyond the call of duty to provide home visits, promote immunization, home and auto safety, educate parents for effective parenting, and provide referrals to community organizations. Peggy Berry has, through her own initiative, expanded the Healthy Families Program, implemented the "Mom and Me" support group, "Stories Under the Sky" onsite reading program for low-income housing units, and lead many workshops and outreach programs to train others. I congratulate Peggy Berry as recipient of the 1991 March of Dimes "Make a Difference Award."

I join today with the greater Kansas City area March of Dimes in honoring the many unsung heroes who routinely go about the business of making a difference in the quality of life in the arena of maternal and child health. We salute the valiant whose enthusiasm and deeds bring good to the community in ever increasing measure. When we give of ourselves we experience the renewing power of life.●

TRIBUTE TO MS. NOLA AHLQUIST-TURNER

● Mr. BOND. Mr. President, I rise today to urge my colleagues in the U.S. Senate to join me in paying tribute to a humanitarian who has provided remarkable service as program director of county health programs for mothers, children, and youth. I am speaking of Ms. Nola Ahlquist-Turner.

Nola Ahlquist-Turner has served her community for nearly 20 years as a health care provider and administrator. Nola has taken on improving the lives of our children through implementing the Women With Infant Children Program [WIC], school nursing, home visiting, child care licensure, and maternal and infant care project. I congratulate Nola Ahlquist-Turner for the high honor of being nominated for the 1991 March of Dimes "Make a Difference Award."

I join today with the Greater Kansas City Area March of Dimes in honoring the many unsung heroes who routinely go about the business of making a difference in the quality of life in the arena of maternal and child health. We salute the valiant whose enthusiasm and deeds bring good to the community in ever increasing measure. When we give of ourselves we experience the renewing power of life.●

TRIBUTE TO JUDGE WILLIAM F. MAUER

● Mr. BOND. Mr. President, I rise today to urge my colleagues in the U.S. Senate to join me in paying tribute to a humanitarian who has provided remarkable service as an advocate for drug-exposed infants. I am speaking of Judge William F. Mauer.

Judge William F. Mauer championed legislation in the State of Missouri designed to provide education to physicians and pregnant women concerning the effect of drug usage on unborn children. Judge Mauer has been heard by community leaders, health care professionals, legislators, and at-risk women throughout the Nation. I congratulate Judge Mauer for the high honor of being nominated for the 1991 March of Dimes "Make a Difference Award."

I join today with the Greater Kansas City Area March of Dimes in honoring the many unsung heroes who routinely go about the business of making a difference in the quality of life in the arena of maternal and child health. We salute the valiant whose enthusiasm and deeds bring good to the community in ever increasing measure. When we give of ourselves we experience the renewing power of life.●

REMOVAL OF INJUNCTION OF SECRECY FROM THE EXTRADITION TREATY WITH THE BAHAMAS

Mr. MITCHELL. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the extradition treaty with the Bahamas, treaty document No. 102-17, transmitted to the Senate today by the President, and ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the Presi-

dent's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty between the Government of the United States of America and the Government of the Commonwealth of The Bahamas signed at Nassau on March 9, 1990. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty is designed to update and standardize the conditions and procedures for extradition between the United States and The Bahamas. Most significant, it substitutes a dual criminality clause for a current list of extraditable offenses, so that, *inter alia*, certain additional narcotics offenses will be covered by the new Treaty. The Treaty also provides a legal basis for temporarily surrendering prisoners to stand trial for crimes against the laws of the Requesting State.

The Treaty further represents an important step in combating terrorism by excluding from the scope of the political offense exception serious offenses typically committed by terrorists; e.g., crimes against a Head of State or first family member of either Party, aircraft hijacking, aircraft sabotage, crimes against internationally protected persons, including diplomats, hostage-taking, narcotics trafficking, and other offenses for which either the United States or The Bahamas may have an obligation to extradite or submit to prosecution by reason of a multilateral treaty, convention, or other international agreement.

The provisions in this Treaty follow generally the form and content of extradition treaties recently concluded by the United States. Upon entry into force, it will supersede the existing Extradition Treaty between the United States and The Bahamas.

This Treaty will make a significant contribution to international cooperation in law enforcement. I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

GEORGE BUSH.

THE WHITE HOUSE, October 28, 1991.

VETERANS' COMPENSATION RATE AMENDMENTS OF 1991

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Veterans' Affairs Committee be discharged from H.R. 1046 regarding the rates of disability compensation for veterans, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 1046) to amend title 38, United States Code, to increase, effective as of December 1, 1991, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I rise in strong support of this legislation to provide a cost-of-living adjustment in compensation paid to service-connected disabled veterans and to survivors of veterans who died from service-connected causes. I believe that we must attach the highest priority to meeting the Nation's responsibilities to these 2.2 million veterans and 341,000 survivors. This is—and always has been—my No. 1 priority in veterans' affairs. Through an annual COLA, we ensure that the value of these essential benefits is not eroded by inflation.

Mr. President, I am deeply disappointed, though, that we are considering at this point a House bill that contains only a COLA, rather than the Senate bill that was recommended by our committee—by voice vote without dissent—and on which I filed a report on August 2. That bill, S. 775, contained other provisions of great importance to disabled veterans and their survivors, including provisions aimed at: First, updating a 1988 law that provided compensation for veterans suffering from diseases related to their exposure to ionizing radiation during military service; and second, providing for the investigation of exposures of service personnel to hazardous levels of radiation from sources other than nuclear detonations.

I have made every effort since I reported S. 775 on August 2 to obtain a time agreement on the bill. I long have indicated my willingness to enter into a time agreement that would have permitted amendments to strike the radiation provisions from the bill. I felt then, and still feel today, that amendments to strike them would win very few votes, but they should be considered by the Senate if any Senator wishes to oppose the provisions.

Mr. President, I assure my colleagues that enactment of the clean COLA we are about to pass will diminish my efforts to enact the radiation provisions in the committee-reported S. 775. I intend to continue to push for enactment of these important provisions.

BUDGET SAVINGS

Mr. President, the pending measure also raises another issue. The con-

troversial scorekeeping rules contained in last year's budget agreement have inspired the Director of the White House Office of Management and Budget, Richard Darman, to claim that enactment of a veterans' compensation COLA lower than the 5.2-percent increase included in OMB's fiscal year 1992 baseline would result in savings that could be used to offset unrelated administration legislation. Under the pay-as-you-go rules, the so-called sequester baseline contains funding for a veterans' compensation COLA at a percentage equal to the veterans' pension COLA, which in turn is, by law, the same percentage as the Social Security COLA. Since the Social Security/VA-pension COLA is 3.7 percent, this year, that also is the percentage for the veterans' compensation program. In an October 1 letter to Representative DAN ROSTENKOWSKI, chairman of the House Committee on Ways and Means, Mr. Darman proposed to use this purported savings—the difference in the cost of a 5.2-percent and a 3.7-percent COLA—to offset the cost of administration proposals that would benefit the Soviet Union and Andean nations.

Mr. President, Mr. Darman thus has proposed to take what he considers a savings in compensation for disabled veterans and their survivors and use it to fund a foreign policy initiative. The distinguished chairman of the Ways and Means Committee, Mr. ROSTENKOWSKI, did not agree.

Mr. President, I ask unanimous consent that the exchange of correspondence between Mr. Darman and Representative ROSTENKOWSKI on this matter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,

Washington, DC, October 1, 1991.

HON. DAN ROSTENKOWSKI,

Chairman, Committee on Ways and Means,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of September 23rd concerning the potential budgetary impact of the Soviet most-favored-nation (MFN) initiative. You ask that we provide recommendations on appropriate offsets for the Soviet MFN initiative and for the previously submitted Andean Trade Initiative. At the time of my letter of September 19th, the estimated revenue impact of proposed legislation to implement the Andean Trade Initiative was under consideration, as I noted.

Regarding the Soviet MFN Initiative, we estimate that this initiative would decrease net revenue by \$19 million in fiscal year 1992. Of this amount, we estimate that reduced revenue from the Baltic Republics (Estonia, Latvia, and Lithuania) would account for less than \$1 million. Estimated net revenue losses in fiscal year 1992 from implementation of the Andean Trade Initiative are \$18 million.

The estimated revenue losses from the Soviet and Andean trade initiatives in fiscal year 1992 and future years would be more than offset by the impact of legislation enacted as of August 15, 1991, and by the enact-

ment of the following House-passed legislation, which the Administration supports: H.R. 1046, the Veterans Compensation Rate Amendments; and the benefits provisions in Section 632 of H.R. 2100, the fiscal year 1992 National Defense Authorization Act. The decrease in the fiscal year 1992 baseline deficit that would result from this legislation, both enacted and proposed, is \$83 million. Estimates of the annual changes in baseline deficits that result from the legislation are listed in the OMB Sequestration Update Report issued on August 20, 1991.

I encourage the Committee to proceed expeditiously to schedule these important trade initiatives.

With best regards,

RICHARD DARMAN,
Director.

COMMITTEE ON WAYS AND MEANS,
Washington, DC, October 4, 1991.

Hon. RICHARD G. DARMAN,
Director, Office of Management and Budget,
Washington, DC.

DEAR MR. DIRECTOR: I appreciated receiving your letter of October 1, 1991, providing me with cost estimates for the Soviet Union and Andean trade initiatives and outlining your proposed method for offsetting the revenue losses that would result from these Administration initiatives. Like you, I would like to move as quickly as possible to schedule Committee action on these important trade initiatives, and will do so once I am satisfied that the budgetary consequences of these initiatives are fully offset to avoid any possible mini-sequester later this year.

Upon receipt of your letter, I reviewed the status of the two pending bills that you identified as possible offsets, H.R. 1046, the Veterans Compensation Rate Amendments of 1991, and H.R. 2100, the National Defense Authorization Act. I want you to know that I hesitate to consider either bill as an appropriate financing measure for the Administration's trade initiatives because they do not fall within the legislative jurisdiction of the Committee on Ways and Means. As a strong supporter of the pay-as-you-go rules enacted last year, I firmly believe that it is my responsibility, as Chairman, to ensure that bills reported from this Committee are properly financed by this Committee itself whenever possible.

I am also concerned that the savings you identified may not materialize when the conferences on these two measures are concluded. With respect to H.R. 1046, the cost of living adjustment proposed in the House bill differs from that proposed by the Senate, leaving in question how much will ultimately be saved; in addition, the bill awaits both Senate floor action and a conference. With respect to H.R. 2100, I am told that the Senate counterpart to section 632 of the House bill—which you identify as an appropriate budget offset for the Administration's trade initiatives—is budget-neutral, leaving me uncertain about the prospects for real savings when the bill emerges from conference. Regardless, the timing for final enactment of either of these measures, and the magnitude of ultimate savings, cannot be easily predicted at this time.

Given your suggestion that we use provisions in these two measures to offset the cost of the Administration's trade initiatives, I plan to continue to consult with the two Committees of jurisdiction about the prospects and timing for enactment of the anticipated savings, and will refrain from scheduling action on these trade initiatives until the budget picture is clearer.

I know, Mr. Director, that you share my concern about not advancing legislation in anticipation of enacting savings measures that may never become law, and that you are equally concerned about the detrimental effect of a sequester of Medicare funds, however small. I am also acutely aware of your personal commitment, and that of the Administration, a commitment I fully share, to the pay-as-you-go discipline and budget enforcement provisions enacted last year.

I would suggest, however, that an alternative course, and one I prefer, is available that might expedite consideration of these important trade initiatives—that would be for the Administration to identify budget offsets for these trade initiatives that fall within the jurisdiction of the Committee on Ways and Means. If the Administration is prepared to identify such offsets, I am fully prepared to lay them, as well as the Administration's trade initiatives, before my Committee at the earliest opportunity.

Thank you again, Mr. Director, for your prompt response to my letter and your willingness to explore with me suitable financing measures for these important trade initiatives.

With warm regards, I am

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

Mr. CRANSTON. Mr. President, I wish this measure really could be considered to save millions of dollars. That money could be put to very good use to reverse certain cutbacks made in veterans' benefits in last year's Omnibus Budget Reconciliation Act and to make needed improvements in certain veterans' and survivors' benefits.

However, looking ahead to next year, I am concerned that the same approach could work against veterans if the President's COLA estimate turns out to be lower than the actual inflation rate. If, for example, the numbers were reversed and the President's estimate for the COLA was 3.7 percent but the actual rate was 5.2 percent, Mr. Darman's logic would force us to make entitlement cuts in order to enact a compensation COLA equal to the Social Security COLA without triggering a sequester.

CONCLUSION

Mr. President, today we confirmed with VA officials that payments reflecting the COLA will not be delayed if the Senate passes this bill.

Mr. President, I thank the ranking minority member of the committee, Senator SPECTER, for his support of the committee's compensation bill, S. 775—including the radiation provisions. I also thank the other members of the committee who support S. 775 and helped develop that bill. They can count on my continued efforts to pass that important legislation.

Mr. President, despite my disappointments concerning S. 775 and the delay in Senate consideration of that measure, I am pleased that we are about to pass a COLA bill in time to avoid any delay in getting the increase to service-connected disabled veterans and the survivors of veterans who died from service-connected causes.

Mr. President, I urge all of my colleagues to support this measure.

Mr. DOLE. Mr. President, I am in full support of the Veterans' Compensation Rate Amendments of 1991 and I want to applaud the way in which the distinguished chairman of the Veterans' Committee and the ranking Republican member, Senator SPECTER, were able to quickly get this legislation to the floor. Too often in the past the veterans cost-of-living adjustment has been held up because it has been used as a legislative vehicle to carry a host of new programs. Too often our Nation's veterans have had to wait while differences in policy have been ironed out. This year, because of the determination of the Veterans' Committee, veterans and their dependents will not have to wait.

Recently, Secretary Derwinski of the Department of Veterans Affairs, wrote to members of the committee stating that in order for the VA to include the COLA in January checks, congressional action must take place by October 24. Senator CRANSTON and Senator SPECTER immediately got to work on putting together a workable compromise that allowed the veterans' COLA to be cleared of its amendments and brought to the floor for consideration as a separate bill. Through their efforts, and the support of the other members of the Senate Veterans' Committee, we here today can ensure that our veterans and their dependents, will not have to wait to receive the cost-of-living allowance that is their due. This legislation makes sure that the cost-of-living adjustments will be reflected in the January checks of those that have served and sacrificed for our Nation.

Mr. SIMPSON. Mr. President, I am pleased to announce my wholehearted support for H.R. 1046, the Veterans' Compensation Rate Amendments of 1991. In particular, I am quite pleased to see that the House and Senate Veterans' Affairs Committees have now acted in a true spirit of cooperation and concern for our veterans, by rapidly passing this important piece of veterans' legislation.

H.R. 1046 will serve as the single vehicle which provides solely for the veterans' COLA. This will guarantee that our service-connected disabled veterans and their widows and orphans receive their much deserved COLA's in their January checks.

Last year, the Congress failed to pass a COLA for these veterans when the bill became loaded down—and larded down—with unnecessary, costly, and burdensome provisions.

Several of us tried to remedy that situation, and we were poised to pass a bill that would have provided only the COLA, but that effort was stymied by an objection raised in the House of Representatives.

Veterans deserve to have their COLA, without having to depend on Congress

to pass separate legislation authorizing it every year. That is why I have introduced separate legislation to provide for an automatic COLA for these veterans.

Let us assure that disabled veterans and their survivors do not have to be faced with this uncertainty ever again.

In the future, I will continue to pledge my efforts to secure rapid consideration and passage of a bill to provide that cost-of-living adjustment just as we have done with this bill.

At the same time, I look forward to the day that this Congress will pass legislation that provides for an automatic cost-of-living adjustment for this class of veterans.

Mr. THURMOND. Mr. President, I rise today to support passage of H.R. 1046, which would provide a cost-of-living adjustment for service-connected disabilities and the rates of dependency and indemnity compensation, DIC for the survivors of certain disabled veterans.

This measure will provide a cost-of-living adjustment of 3.7 percent. This amount is tied to the consumer price index and is equal to the cost-of-living adjustment for Social Security as well as veterans' pensions. The effective date of the increase in veterans' compensation and DIC is to be December 1, 1991, with the increase reflected in the January 1, 1992, payment.

Mr. President, immediate passage of this measure is imperative. According to the Department of Veterans Affairs, it requires nearly 10 weeks of preparation time to make the needed adjustments in its rate tables and computer programs.

Mr. President, I have stated many times that this grateful Nation should care for those who are in any way disabled as a result of their patriotic duty in our Armed Forces. Passage of this measure will allow VA to make the adjustments necessary to assure that these much-needed benefits are timely received. I urge my colleagues to support this important measure.

Mr. MURKOWSKI. Mr. President, as the former ranking Republican of the Veterans' Affairs Committee, I rise today to express my very strong support for H.R. 1046, a bill which would provide a cost-of-living adjustment for veterans' service-connected disability compensation and dependency and indemnity compensation.

I am especially pleased that the passage of this bill—together with prompt approval by President Bush—will ensure that our service-connected disabled veterans and their widows and orphans will receive their cost-of-living increase on time. The increase will now be reflected in checks issued in January.

Mr. President, on Monday, October 21, I received a copy of a letter from VA's Secretary Edward Derwinski stating that there was an urgent need to

pass the COLA authorization legislation by October 24 in order to ensure that the increase would be included in January checks.

On October 22, I wrote to the distinguished chairman of the Senate Veterans' Affairs Committee, Mr. CRANSTON, and recommended to him that the Senate quickly take up and pass H.R. 1046 which would provide for such a COLA. I was pleased to learn late last night that indeed Senator CRANSTON agreed with this approach.

The veterans COLA has been delayed for the past 3 years. Although eventually veterans received retroactive benefits, this is no way to do business. Therefore, Mr. President, I remain convinced that the annual COLA authorization process is not the best way to achieve the goal of providing COLA's for our veterans. I strongly support a bill introduced by Senator SIMPSON, S. 23, which provides for the indexing of the veterans COLA. I hope that the Senate will debate this issue sometime this year.

I ask unanimous consent that the text of Secretary Derwinski's letter and my letter to Senator CRANSTON be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows.

THE SECRETARY OF
VETERANS' AFFAIRS,
Washington, October 15, 1991.

HON. ARLEN SPECTER,
Ranking Minority Member, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.

DEAR SENATOR SPECTER: This letter is to bring to your attention the urgent need to pass a cost-of-living adjustment (COLA) for veterans' compensation and dependency and indemnity compensation by October 24, 1991. If this does not occur, the Department will be required to make retroactive adjustments for the third straight year.

The enclosed fact sheet outlines the difficulties facing VA and the consequences of a delay. Your cooperation in helping VA provide timely COLA increases will be appreciated.

Similar letters have been sent to Chairman Cranston, Chairman Montgomery and Congressman Stump.

Sincerely yours,

EDWARD J. DERWINSKI.

Enclosure.

FACTSHEET ON COLA

ISSUE

Urgency of passage of COLA by October 24, 1991.

DISCUSSION

VA requires approximately 10 weeks to prepare new rate tables and to reprogram the computers to pay the new rate. If the effective date of the increase in veterans' compensation and DIC is to be December 1, 1991, with the increase reflected in the January 1, 1992, payment, immediate passage of the COLA is imperative.

A second issue to be considered in the timely passage of the COLA is the requirement imposed by section 8005 of Public Law 101-508. When the COLA was passed last year, the legislation directed VA to pay an additional increase for one month, to compensate for the one month delay in last year's in-

crease. The COLA last year was effective January 1, 1991, rather than December 1, 1990.

If the increase is not enacted by October 24, VA would have to make a special one-time retroactive payment covering one month. VA would not be able to do this until about two months after the effective date of the regular increase. For example, if the increase is not enacted until November 15, 1991, the new rates could not be reflected any earlier than the February 1, 1992, check and the one-time payment could not be paid earlier than April 1, 1992.

There is another problem with making a one-time payment retroactively that involves beneficiaries who are receiving compensation or DIC concurrently with service retired pay or Survivor Benefit Plan (SBP). Because of the statutory requirement to offset retired pay or SBP against compensation or DIC payments, VA will not be able to adjust these accounts automatically without creating overpayments in several hundred thousand cases. To avoid these overpayments, VA will be required to adjust 470,000 awards manually, which will be a costly and time-consuming procedure.

U.S. SENATE,
Washington, DC, October 22, 1991.

HON. ALAN CRANSTON,
Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Yesterday I received a copy of a letter from VA Secretary Edward Derwinski regarding the VA's urgent need for the Congress to quickly pass a cost-of-living adjustment (COLA) for veterans' compensation and DIC benefits. The Secretary stated that in order for VA to include the COLA in the January checks, Congressional action on the COLA must take place by October 24, 1991.

A House-passed bill (H.R. 1046) which provides solely for the veterans' COLA is being held at the desk and could serve as the vehicle to quickly pass the veterans' COLA. I strongly recommend that the Senate consider H.R. 1046 in an urgent manner.

Our service-connected disabled veterans and their widows and orphans deserve to have their COLA's included in their January checks. Passage of H.R. 1046 would ensure that this most important obligation is met.

Sincerely,

FRANK H. MURKOWSKI,
U.S. SENATOR.

Mr. MURKOWSKI. Mr. President, again I urge my colleagues to support this bill which will ensure that our veterans receive a COLA on time.

Thank you, Mr. President.

Mr. SPECTER. Mr. President, as ranking Republican member of the Committee on Veterans' Affairs, I am pleased to support passage of H.R. 1046, the Veterans Compensation Rate Amendments of 1991, as amended by the committee.

This bill would authorize cost-of-living allowances by increasing the statutory rates of disability compensation paid to service-disabled veterans and of dependency and indemnity compensation [DIC] paid to the survivors of veterans who die as a result of service. The percentage increase—3.7 percent—is based on the increase in the consumer price index [CPI], and is the same percentage as will be provided to

Social Security recipients and VA pension beneficiaries. The proposed rate adjustment is thus designed to assure that these beneficiaries keep abreast of the increasing cost of living.

Ensuring that compensation and DIC keep pace with the cost of living is among the most important missions of the Congress. Since 1973, legislation has been enacted every year but one, 1983, granting increases in these benefits to America's most deserving beneficiaries.

I am pleased, Mr. President, that we are able to keep our faith with these veterans and survivors. I look forward to rapid House and White House action so that these beneficiaries will see the increased rates in their January checks.

I urge my colleagues to support this important bill.

AMENDMENT NO. 1275

(Purpose: to make revisions in the rates of disability compensation, dependency and indemnity compensation, and other compensation, and for other purposes)

Mr. MITCHELL. Mr. President, on behalf of Senator CRANSTON, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. CRANSTON, proposes an amendment numbered 1275.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Compensation Rate Amendments of 1991".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. DISABILITY COMPENSATION.

(a) 3.7-PERCENT INCREASE.—Section 1114 is amended—

- (1) by striking out "\$80" in subsection (a) and inserting in lieu thereof "\$83";
(2) by striking out "\$151" in subsection (b) and inserting in lieu thereof "\$157";
(3) by striking out "\$231" in subsection (c) and inserting in lieu thereof "\$240";
(4) by striking out "\$330" in subsection (d) and inserting in lieu thereof "\$342";
(5) by striking out "\$470" in subsection (e) and inserting in lieu thereof "\$487";
(6) by striking out "\$592" in subsection (f) and inserting in lieu thereof "\$614";
(7) by striking out "\$748" in subsection (g) and inserting in lieu thereof "\$776";
(8) by striking out "\$865" in subsection (h) and inserting in lieu thereof "\$897";
(9) by striking out "\$974" in subsection (i) and inserting in lieu thereof "\$1,010";
(10) by striking out "\$1,620" in subsection (j) and inserting in lieu thereof "\$1,680";

(11) in subsection (k)—

(A) by striking out "\$66" both places it appears and inserting in lieu thereof "\$68"; and

(B) by striking out "\$2,014" and "\$2,823" and inserting in lieu thereof "\$2,089" and "\$2,927", respectively;

(12) by striking out "\$2,014" in subsection (l) and inserting in lieu thereof "\$2,089";

(13) by striking out "\$2,220" in subsection (m) and inserting in lieu thereof "\$2,302";

(14) by striking out "\$2,526" in subsection (n) and inserting in lieu thereof "\$2,619";

(15) by striking out "\$2,823" each place it appears in subsections (o) and (p) and inserting in lieu thereof "\$2,927";

(16) by striking out "\$1,212" and "\$1,805" in subsection (r) and inserting in lieu thereof "\$1,257" and "\$1,872", respectively; and

(17) by striking out "\$1,812" in subsection (s) and inserting in lieu thereof "\$1,879".

(b) SPECIAL RULE.—The Secretary of Veterans Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons with the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. ADDITIONAL COMPENSATION FOR DEPENDENTS.

Section 1115(1) is amended—

(1) by striking out "\$96" in clause (A) and inserting in lieu thereof "\$100";

(2) by striking out "\$163" and "\$50" in clause (B) and inserting in lieu thereof "\$169" and "\$52", respectively;

(3) by striking out "\$67" and "\$50" in clause (C) and inserting in lieu thereof "\$69" and "\$52", respectively;

(4) by striking out "\$77" in clause (D) and inserting in lieu thereof "\$80";

(5) by striking out "\$178" in clause (E) and inserting in lieu thereof "\$185"; and

(6) by striking out "\$149" in clause (F) and inserting in lieu thereof "\$155".

SEC. 4. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.

Section 1162 is amended by striking out "\$436" and inserting in lieu thereof "\$452".

SEC. 5. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.

Section 1311 is amended—

(1) by striking out the table in subsection (a) and inserting in lieu thereof the following:

Table with 4 columns: Pay grade, Monthly rate, Pay grade, Monthly rate. Rows include E-1 to E-9, W-1 to W-3, and W-4 to W-10.

"If the veterans served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$907.

"If the veteran served as Chairman or Vice-Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$1,693."

(2) by striking out "\$68" in subsection (b) and inserting in lieu thereof "\$71";

(3) by striking out "\$178" in subsection (c) and inserting in lieu thereof "\$185"; and

(4) by striking out "\$87" in subsection (d) and inserting in lieu thereof "\$90".

SEC. 6. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.

(a) DIC FOR ORPHAN CHILDREN.—Section 1313(a) is amended—

(1) by striking out "\$299" in clause (1) and inserting in lieu thereof "\$310";

(2) by striking out "\$431" in clause (2) and inserting in lieu thereof "\$447";

(3) by striking out "\$557" in clause (3) and inserting in lieu thereof "\$578"; and

(4) by striking out "\$557" and "\$110" in clause (4) and inserting in lieu thereof "\$578" and "\$114", respectively.

(b) SUPPLEMENTAL DIC FOR DISABLED ADULT CHILDREN.—Section 1314 is amended—

(1) by striking out "\$178" in subsection (a) and inserting in lieu thereof "\$185";

(2) by striking out "\$299" in subsection (b) and inserting in lieu thereof "\$310"; and

(3) by striking out "\$151" in subsection (c) and inserting in lieu thereof "\$157".

SEC. 7. EFFECTIVE DATE FOR RATE INCREASES.

The amendments made by this Act shall take effect on December 1, 1991.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the amendment (No. 1275), in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 1046), as amended, was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MOST-FAVORED-NATION TREATMENT TO THE PRODUCTS OF THE PEOPLE'S REPUBLIC OF CHINA

Mr. Mitchell. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 2212.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendments of the Senate to the bill (H.R.

2212) entitled "An Act regarding the extension of most-favored-nation treatment to the products of the People's Republic of China, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered. That the following Members be the managers of the conference on the part of the House:

From the Committee on Ways and Means, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. Rostenkowski, Mr. Gibbons, Mr. Jenkins, Mr. Downey, Mr. Pease, Mr. Archer, Mr. Vander Jagt, and Mr. Crane.

As additional conferees from the Committee on Foreign Affairs, for consideration of sections 1 through 3 of the Senate amendment, and modifications committed to conference: Mr. Fascell, Mr. Solarz, Mr. Faleomavaega, Mr. Broomfield, and Mr. Leach.

Mr. MITCHELL. Mr. President, I ask that the Senate insist on its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses and that the Chair be authorized to appoint conferees.

There being no objection, the Presiding Officer [Mr. EXON] appointed Mr. BENTSEN, Mr. MOYNIHAN, Mr. MITCHELL, Mr. PACKWOOD, and Mr. DOLE conferees on the part of the Senate.

U.S. COMMISSION ON CIVIL RIGHTS EXTENSION ACT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 272, H.R. 3350, a bill to extend the U.S. Civil Rights Commission.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 3350) to extend the United States Commission on Civil Rights.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1276

Mr. MITCHELL. Mr. President, on behalf of Senators SIMON and HATCH, I send a substitute amendment to the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. SIMON (for himself and Mr. HATCH), proposes an amendment numbered 1276.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Commission on Civil Rights Reauthorization Act of 1991."

SEC. 2. ANNUAL REPORT.

Section 5 of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975c) is amended by adding at the end the following: "The Commission shall, in addition to any other reports under this section, submit at least one annual report that monitors Federal civil rights enforcement efforts in the United States to Congress and to the President."

SEC. 3. REAUTHORIZATION.

Section 7 of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975e) is amended to read as follows:

"SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this Act \$7,159,000 for fiscal year 1992, and an additional \$1,200,000 for fiscal year 1992 to relocate the headquarters office."

SEC. 4. TERMINATION.

Section 8 of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975f) is amended by striking "1991" and inserting "1994."

SEC. 5. COMMISSION CHAIR AND VICE CHAIR.

Section 2(c), subsections (a), (d), and (f) of section 3 and section 6(f) of the United States Commission on Civil Rights Act of 1983 (42 U.S.C. 1975(c), 1975a (a), (d), and (f), and 1975d (f)) are amended by striking "Chairman" each place the term appears and inserting "Chairperson."

Mr. SIMON. Mr. President, I am pleased to announce that we have reached a bipartisan agreement on reauthorization of the U.S. Commission on Civil Rights.

This legislation is the product of a Constitution Subcommittee hearing held over the summer at which civil rights organizations and the Commission testified and numerous discussions among Democrats and Republicans, House and Senate committees, the Commission and other interested parties.

The substitute to the House bill that Senator HATCH and I offer today extends the life of the Commission on Civil Rights for 3 years until the end of fiscal year 1994. This represents a genuine compromise. The original bill I introduced sought a 4-year reauthorization. The administration sought 10 years and the Commission sought 25 years. The House-passed bill would have reauthorized the Commission for 2 years. Each of us has had to come up or come down from our original positions.

There were numerous reforms that I and others sought for the Commission that are not contained in the legislation we have agreed to. But that is the essence of compromise and we will all have significant opportunities to work with the Commission to enable it to respond to the civil rights challenges in the 1990's and shape the national agenda.

For the fiscal year we are now in, fiscal year 1992, the Commission is authorized for \$7.159 million of appropriations. This is the same amount that is contained in the Commerce-Justice-State appropriations bill.

We have also authorized \$1.2 million in supplemental appropriations which

will enable the Commission to relocate its headquarters to Capitol Hill. Because of extensive fire safety deficiencies at the Commission's current downtown location, the General Services Administration will not renew the Commission's lease and requires it to incur expenses this fiscal year in order to be able to move in November 1992.

Mr. President, I ask unanimous consent that a letter from the General Services Administration to the U.S. Commission on Civil Rights be printed in the RECORD, along with a seven-paragraph summary enumerating Commission moving and related expenses.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION, NATIONAL CAPITAL REGION, Washington, DC, April 22, 1991.

Ms. BETTY EDMISTON, Chief, Administrative Services, U.S. Commission on Civil Rights, Washington, DC.

DEAR Ms. EDMISTON: I would like to update you on the status of space occupied by the U.S. Commission on Civil Rights (CCR) in Thomas Circle South, 1121 Vermont Avenue, NW, Washington, DC.

The lease for CCR's existing space expires November 22, 1992. This building at 1121 Vermont Avenue, NW, has extensive fire safety deficiencies. Due to the severity of these deficiencies, the General Services Administration (GSA) will not renew the lease. CCR will need to vacate the space at the expiration of the lease in November, 1992. The safety of Federal employees is a high priority for GSA; therefore, CCR will move to a building offering quality safety for its tenants.

We will continue communications for the development of your relocation space. If you have any questions regarding CCR's space, please do not hesitate to contact myself or Ms. Susan Shircliff of my staff on 708-9000.

Sincerely,

RON KENDALL, Chief, Assignment and Acquisition Branch.

ADDITIONAL INFORMATION RELATED TO THE RELOCATION OF COMMISSION OFFICES IN WASHINGTON, DC

The Commission's relocation of its headquarters and Eastern Regional Division is being planned for October-November 1992, to coincide with the completion of the Judiciary Office Building and the expiration of our lease at 1121 Vermont Avenue, N.W. The General Services Administration has advised that extensive fire safety deficiencies exist in our current location and that they will not extend our current lease.

In order to adequately prepare for our relocation which will occur very early in FY 93, contractual arrangements must be finalized and funds obligated in FY 92. Because leadtimes on acquisitions may take as long as four months from the time an order is placed until delivery, it is imperative that FY 92 funds be provided for relocation-related expenses.

We anticipate the largest relocation expense to be a one-time space build-out cost for drywall installation, carpeting, lighting, electrical and telephone outlets, locks, etc. At the current time, the General Services Administration is conducting discussions with the construction contractor for the Judiciary Office Building on build-out costs. While exact costs are not yet known, GSA

informally advised that the original ballpark estimate was approximately \$600,000.

In relocating the Commission's headquarters and Eastern Regional Division to the Judiciary Office Building, the General Services Administration reviewed space requirements for the Commission and made a final determination on the exact quantity of square feet to be allotted us. As a result, offices are being downsized and new, smaller size furniture is needed to ensure office efficiency and good space utilization. Exclusive of minor furniture purchases, the Commission has not acquired new furniture in many years. The acquisition of new furniture is required in FY 92 to ensure delivery, inspection, placement, and installation prior to our move in October-November. While the acquisition for furniture has not yet been initiated, we anticipate a FY 92 expense of approximately \$500,000.

The Commission is currently utilizing an older telephone system which is no longer in production. Telecommunications consultants for the Judiciary Office Building have advised that our old, non-electronic system is not compatible with the telecommunications system wiring for the new building. The acquisition of a new telephone system, with an expense of approximately \$170,000, will need to be finalized in FY 92 to ensure delivery, installation and the completion of testing prior to our relocation in October-November 1992.

In addition to the above, the Commission anticipates numerous other smaller dollar expenses related to the relocation. For example, new stationary and envelopes will have to be printed, computers and computer wiring will have to be de-installed and reinstalled, etc., prior to our move in October-November 1992. As with the other items noted above, acquisitions must be finalized in FY 92 to ensure timely delivery coinciding with our move.

Should funding not be made available in FY 92 for relocation-related expenses, the Commission would be forced to continue to reside in a location which has been determined unsafe for Federal employees. Attached for your information is a copy of the letter from GSA advising of the severity of the problems with our current space and informing us of our forced relocation.

Mr. SIMON. Mr. President, in fiscal years 1993 and 1994, no set authorization is specified in the Simon/Hatch amendment. Under current law, when the Commission is not authorized appropriations, it is required to terminate its operation. Under the Simon/Hatch amendment, this will not be the case. In the absence of further legislation that enacts a different level of appropriations for fiscal years 1993 or 1994, the current authorization of \$7.159 million will remain in effect for each of those fiscal years.

While we certainly expect to be closely reviewing the Commission's operations and authorization, a failure on Congress' part to agree to subsequent authorizations will not require the Commission to shut down prior to September 30, 1994.

Mr. President, let me be clear about what we are doing today. As chairman of the Senate Subcommittee on the Constitution, I believe that the Commission has taken some positive steps forward since its last reauthorization. I

am aware, however, that the Commission has not been restored to its previous and historic status as the widely regarded conscience of the Nation on civil rights matters. Under its new Chairman, Arthur Fletcher, the Commission has begun to work more in unison than it has in the past.

Many individuals on both sides of the aisle raised serious concerns about the lack of written work product from the Commission in the past few years. On the positive side, the Commission has issued reports on the Indian Civil Rights Act, economic status of black women, bigotry and violence on American college campuses, and other subjects. Its State advisory committees have also been active. The Commission has provided me a list of its accomplishments and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. COMMISSION ON CIVIL RIGHTS ACCOMPLISHMENTS DURING CURRENT AUTHORIZATION

REPORTS

The Indian Civil Rights Act Report.
The Economic Status of Black Women: An Exploratory Investigation.

Report of the U.S. Commission on Civil Rights on the Civil Rights Act of 1990.

Bigotry and Violence on American College Campuses.

Intimidation and Violence: Racial and Religious Bigotry in America.

STATE ADVISORY COMMITTEE REPORTS

Efforts to Promote Housing Integration in Atrium Village and the South Suburbs (IL).
Bigotry and Violence on Missouri's College Campuses (MO).

Bigotry and Violence on Nebraska's College Campuses (NE).

Reporting and Bias-Related Incidents in Pennsylvania (PA).

Implementing the 1988 Fair Housing Amendments Act (PA).

Bigotry and Violence in Rhode Island (RI).
Early Childhood Education Issues in Texas;

Implications for Civil Rights (TX).

Housing and Utility Rate Issues on Reservations/North Dakota (ND).

Rights of the Hearing Impaired (IL).

Ageism Affecting the Hiring and Employment of Older Workers (VT).

Police-Community Relations in Tampa An Update (FL).

Recent Decisions of the Supreme Court and the Proposed Civil Rights Act of 1990 and 1991 (DE & PA).

Fair and Open Environment? Bigotry and Violence on College Campuses in California (CA).

In-School Segregation in North Carolina Public Schools (NC).

Reversing Political Powerlessness for Black Voters in South Carolina (SC).

Community Perspectives on the Massachusetts Civil Rights Act (MA).

Implementation in Arizona of the Immigration Reform and Control Act (AZ).

OTHER

Statement on the Elimination of Race Baiting in Election Campaigns.

Changing Perspectives on Civil Rights—Nashville, TN.

Changing Perspectives on Civil Rights—Los Angeles, CA.

Statement on Minority Scholarship.

Mr. SIMON. Mr. President, in light of the reasonable concerns about the Commission's reporting on Federal civil rights enforcement, the new bill requires the Commission to issue at least one report annually to the President and Congress on some aspect of this issue. We are mindful of the Commission's resources and do not expect this report to be exhaustive on every aspect of every Federal agency's civil rights enforcement role.

Nonetheless, the Commission's Chairman has testified that monitoring Federal civil rights enforcement is the Commission's No. 1 priority. Therefore, the bill expects annual reporting on this subject as a core responsibility of the Commission. If the Commission is successful in its mission, I expect its appropriations to grow in the future and the resources it can devote to both the substance of this report and additional reports will correspondingly grow.

Finally, Mr. President, let me say that the work of the Commission has never been as important as it is today. The Commission, since its inception in 1957, has taken this Nation and often led the Congress and the President through traumatic and challenging times on civil rights. As the fights for equality for African-Americans and women have been won, the Nation as a whole has gained. Clearly, the national effort in these areas is not over and the Commission's vigorous return to the effort is essential.

As the Nation becomes more diverse with growing populations of Hispanic and Asian-Americans, with more and more barriers to the workplace, schools, and accommodations for the disabled individuals dropping, and a greater understanding, even in recent weeks, of gender discrimination and sex harassment, additional challenges for true equality are ahead of us. We need a strong and independent U.S. Commission and Civil Rights to help guide the Nation as it has done before. The Commission ought to be looking at the conditions for these populations and taking the lead. It has started to do that in some areas but it needs to do more.

The Constitution Subcommittee will continue to monitor the progress on civil rights in the Nation and the Commission's role in that progress. This reauthorization bill enables the Commission to take an active role in civil rights over the next 3 years.

Mr. HATCH. Mr. President, I am pleased to have played a part in working out this compromise measure to preserve the U.S. Commission on Civil Rights. While it is far from a perfect measure, I believe it is worthy of the Senate's support. I want to commend Senator PAUL SIMON and his staff, Susan Kaplan, John Trasvina, and Brant Lee, for their efforts in preserving the Commission.

I earlier sponsored legislation extending the Commission for 10 years. I believed such an extension would stop the Commission from being a political football, always worrying about whether it will continue in existence for more than 1 or 2 years. Senator SIMON favored a 4-year extension, also a reasonable extension. Unfortunately, the House of Representatives passed legislation extending the Commission's life for only 2 years, and slashing its already slender funding.

I am disappointed that we could only agree on a 3-year extension, with an authorization for funding for 1 year. It may be that there are those who wish to keep the Commission on a short leash, until it is brought to heel and reflect a monolithically liberal outlook, as it had prior to 1984.

I have also reluctantly agreed that the Commission be required to file an annual report on some aspect of Federal civil rights enforcement. While I have no quarrel with the requirement that the Commission file an annual report, I believe it infringes upon the independence of the Commission to dictate the subject of those reports. With its limited resources, the Commission will not have the flexibility to address new civil rights issues or more timely issues because of this specific mandate. It is ironic that some of those who purportedly were concerned about the Commission's independence in the 1980's now wish to infringe on that independence.

In order to resolve the dispute on these matters, I have agreed to support this compromise. But if the Commission continues to be used as a political football by those who wish it to toe a particular line, and if the Commission performs as if it has to toe that line in order to survive rather than reach independent findings, then I believe its future will remain in doubt for the foreseeable future.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the (No. 1276) in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 3350), as amended, was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL MEMORIAL CEMETERY OF ARIZONA

Mr. MITCHELL. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1823.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1823) entitled "An Act to amend the Veterans' Benefit and Services Act of 1988 to authorize the Department of Veterans Affairs to use for the operation and maintenance of the National Memorial Cemetery of Arizona funds appropriated during fiscal year 1992 for the National Cemetery System", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. NATIONAL MEMORIAL CEMETERY OF ARIZONA.

(a) IN GENERAL.—Subsection (f) of section 346 of the Veterans' Benefits and Services Act of 1988 (102 Stat. 541) is amended—

(1) by striking out paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively;

(2) in paragraph (1) (as redesignated by paragraph (1) of this section)—

(A) by striking out subparagraph (B);

(B) by striking out "(A) Subject to subparagraph (B), in" and all that follows through "section 903(b)(1)" and inserting in lieu thereof "In addition to amounts made available to carry out chapter 24 of title 38, United States Code, in the three-year period beginning on the date on which the conveyance under subsection (a) is made, the Secretary shall use amounts available for payments under section 2303(b)(1) of such title"; and

(C) by adding at the end thereof the following:

"The amount the Secretary may use under such section 2303(b)(1) during a year for the purposes of this subsection may not exceed the greater of—

"(A) the amount that the Secretary estimates would have been obligated for payment during that year pursuant to such section 2303(b)(1) in connection with the burial of deceased veterans had the cemetery not been transferred to the Department of Veterans Affairs; or

"(B) the amount obligated for the purposes of such payment during fiscal year 1987."

(b) TECHNICAL AMENDMENT.—Section 346 of the Veterans' Benefits and Services Act of 1988 (102 Stat. 541) is amended—

(1) by striking out "Administrator" the first place it appears and inserting in lieu thereof "Secretary of Veterans Affairs"; and

(2) by striking out "Administrator" each subsequent place it appears and inserting in lieu thereof "Secretary".

Mr. MITCHELL. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion. The motion was agreed to.

Mr. MITCHELL. I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROMOTION AND MAINTENANCE OF A CEASE-FIRE IN YUGOSLAVIA

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 210, a resolution submitted earlier today by Senators LEVIN and GORE regarding the violence in Yugoslavia.

The PRESIDING OFFICER. The clerk will report the resolution.

The bill clerk read as follows:

A resolution (S. Res. 210) relating to violence in Yugoslavia.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 210) was agreed to.

The preamble was agreed to.

The resolution and its preamble are as follows:

S. RES. 210

Whereas, continued violence and unrest in Yugoslavia will jeopardize the stability and security of central Europe, and could threaten vital interests of the United States: Now, therefore, be it

Resolved, Therefore, that it is the sense of the Senate that:

The Senate urges the President to provide active leadership in encouraging the United Nations to promote and maintain a cease-fire, and to support by any appropriate actions the resolutions of the Security Council, including consideration of sending a peace-keeping force to Yugoslavia which would help preserve a cease-fire.

Mr. MITCHELL. I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, as if in executive session, I ask unanimous consent that on Monday, November 4, the Senate proceed into executive session to consider the nomination of Robert M. Gates to be Director of Central Intelligence at 12 noon on that day, notwithstanding the provisions of rule XXII; that debate on the nomination be considered during the session of the Senate on Monday; that debate on the nomination resume on Tuesday, November 5, at 10 a.m.; that the Senate stand in recess from 12:30 p.m. until 2:15 p.m. for the two-party conferences; that debate on the nomination extend from 2:15 p.m. until 6 p.m., and that no later than 6 p.m. the Senate proceed to vote on the confirmation of the Gates nomination.

I further ask unanimous consent that the time allocated for debate on the nomination during Tuesday's session

be equally divided and controlled between Senators BOREN and BRADLEY.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. LOTT. Reserving the right to object, Mr. President, I will not object. Just one clarification. Earlier I thought it indicated that the vote would occur at 6, but it now says not later than 6 p.m.

Mr. MITCHELL. Mr. President, this was the change made at the suggestion of Senator BRADLEY who will control the time in opposition and indicated that he may not use all of the time and may be willing to yield some of it.

What I am going to announce, if this unanimous-consent request is agreed to, is that the vote will occur no earlier than 2:15 p.m. and no later than 6 p.m.

Mr. LOTT. Mr. President, I thank the leader for that clarification. I withdraw my reservation.

The PRESIDING OFFICER. Without objection, the unanimous-consent request by the majority leader is agreed to.

Mr. LOTT. Mr. President, if the leader will yield for one further clarification, does that mean then there will not be any votes on Monday?

Mr. MITCHELL. Yes. I am about to announce that.

Mr. LOTT. I thank the leader.

ORDERS FOR NOVEMBER 4 AND 5, 1991

Mr. MITCHELL. Mr. President, and Members of the Senate, in light of this agreement just obtained regarding the Gates nomination, there will be no rollcall votes on Monday, November 4, and the first rollcall vote on Tuesday, November 5 will occur not prior to 2:15 p.m. at the close of the party conferences.

If all time is used on the debate of the nomination, the vote will occur at 6 p.m. on Tuesday.

If some portion of that time is yielded back, the vote will occur between 2:15 p.m. and 6 p.m., but no earlier than 2:15 and no later than 6; so that Senators may now be assured that there will be no votes on Monday, November 4, and on Tuesday, November 5, until 2:15 p.m. at the earliest. The time during that 2-day period will be used for debate on the Gates nomination. Any Senator who wishes to address the Senate should be prepared to be here and debate on that day. During the first day, the debate will be open to any Senator who wishes to address the Senate. On the second day, Tuesday, November 5, the time will be equally divided and controlled between Senator BOREN and Senator BRADLEY.

The PRESIDING OFFICER. Is there further business to come before the Senate?

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 9:15 a.m. on Tuesday, October 29; that when the Senate reconvenes on Tuesday, October 29, the Journal of the proceedings be deemed to have been approved to date, the call of the calendar be waived, and no motions or resolutions come over under the rule; that the morning hour be deemed to have expired.

I further ask unanimous consent that the time for the two leaders be reserved for their use later in the day, and that there then be a period for morning business not to extend beyond 9:30 a.m., with Senators permitted to speak therein for up to 5 minutes each; further, that on Tuesday, October 29, the Senate stand in recess from 12:30 p.m. until 2:15 p.m. in order to accommodate the respective party conferences.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

ADJOURNMENT UNTIL TOMORROW AT 9:15 A.M.

Mr. MITCHELL. If there is no further business today, I now ask unanimous consent that the Senate stand adjourned as previously ordered.

There being no objection, the Senate, at 8:43 p.m., adjourned until Tuesday, October 29, 1991, at 9:15 a.m.

EXTENSIONS OF REMARKS

BUTTRESSING THE BIG BANKS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. DORGAN of North Dakota. Mr. Speaker, as the debate begins on H.R. 6, the Financial Institutions Safety and Consumer Choice Act of 1991 this week, I commend to my colleagues the following editorial entitled "Buttressing the Big Banks" that was recently featured in the Washington Post.

The editorial highlights the catastrophic consequences that have occurred because banks chasing higher yields engaged in risky practices such as lending billions of dollars to corporate takeover artists or hostile takeovers—nearly 1,000 banks went belly up and hundreds of others on the brink of failure.

I, along with Congressmen OBEY and PENNY, have proposed an amendment to the banking bill to prohibit any insured depository institution and any affiliate of any insured depository institution from engaging in risky highly leveraged financing transactions [HLFT] that extend to leveraged buyouts or hostile takeovers. We believe that the amendment is necessary to ensure the safety and soundness of insured depository institutions and to limit unjustifiable exposure to Federal deposit insurance funds.

Let me point out that not all leveraged transactions are bad. Some are particularly important to small- and medium-sized businesses that need capital for which to grow. That is why we have exempted from the HLFT definition loans to any obligor in which the total financing package, including all obligations held by all participants, does not exceed \$20 million at the time of origination. But, it has been clear to me that highly leveraged financing for hostile takeovers and other megamergers is not only unhealthy for our economy, but it also threatens the long-term viability of the deposit insurance fund system. We can no longer afford to insulate the dealmakers and Wall Street crowd who would exploit Federal deposit guarantees to help assemble these transactions.

BUTTRESSING THE BIG BANKS

(By Jerry Knight)

America's largest banks are in bigger trouble than government officials and the banks themselves have publicly admitted, and many congressional and private banking experts question whether the industry will be able to solve its problems without direct help from taxpayers.

Congress this week will vote on the Bush administration's request to arrange a huge loan to the Federal Deposit Insurance Corp. to pay for bank failures.

The banking industry is supposed to pay back the money—with interest—so that ordinary taxpayers never feel the bite. But congressional Democrats and many banking

economists fear that U.S. banking is simply too weak to repay the money.

The unprecedented loan from the U.S. Treasury is only one part of what Cleveland State University economist Edwin Hill believes will be a \$200 billion investment needed to restore the health of the banking industry.

The banking industry's trouble is concentrated in 158 large banks, each with assets of more than \$1 billion, according to Hill and economist Roger Vaughan, who are researching the industry for a book on the future of American finance to be published by The Washington Post. "We're dealing with a group of crippled giants," said Hill. Those big banks alone will need to raise at least \$64 billion in new capital to operate safely, Hill and Vaughan calculate. The rest of the country's banks will need another \$56 billion, the economists concluded later a massive computer analysis of the balance sheets of every one of the country's more than 12,000 banks.

In addition, they say, the banks will also be called on to put up more than \$50 billion to repay depositors in failed banks, and an additional \$30 billion to rebuild the federal government's bank insurance fund. The economists estimates exceed the FDIC projection that bank failures will cost at least \$30 billion and as much as \$44 billion. The FDIC is seeking congressional authority to borrow as much as \$70 billion to cover operating expenses.

The banking industry is in trouble because of a series of ill-fated decisions over the last decade to lend money to Third World countries, corporate takeover artists and real estate developers who ended up not being able to repay their loans. Those bad loans have caused nearly 1,000 banks to fail, left hundreds more on the brink of failure and badly eroded the capital reserves of another 2,000 banks.

Banking industry officials do not dispute, the need for a huge infusion of new capital, but they say private investment can meet the need. Banks can sell stock, they can earn profits that can be reinvested, they can merge with stronger banks that have plenty of capital.

Banks need capital as a reserve to protect themselves against losses on their loans. Unless the banks can rebuild their capital, they will not be able to make the loans needed to help generate economic growth. The depleted capital and weakened condition on the banks is one reason some businesses are having trouble getting loans, a development that is delaying the nation's recovery from the recession.

The faltering health of the banks has implications not only for the economy, but also for politics. In a briefing on banking legislation last week, House Speaker Thomas S. Foley (D-Wash.) was warned that even if Congress approves the \$70 billion line of credit to the FDIC sought by the White House, the banking industry may need direct taxpayer help before the 1992 presidential election.

That could be a major embarrassment for the administration's banking regulators, who have been insisting for two years that they have the banking crisis under control

and that they will allow it to become a replay of the savings and loan cleanup, which is expected to cost taxpayers \$160 billion, plus interest.

The banking industry's problems do not approach the scale of the S&L disaster, and not even the most pessimistic analysts expect the banking situation to get that bad.

More than 9,700 of the nation's 12,000 banks are solidly healthy, Hill and Vaughan calculated from data provided by Ferguson & Co., a research and consulting firm based in Washington and Dallas. More than 88 percent of the 12,000 U.S. banks made money in the first half of the year, and the earnings of many banks improved in the third quarter, earnings reports issued in the past few days show.

But profits for the industry as a whole were down 12 percent in the first half of the year, and some of the nation's biggest and most troubled banks suffered even more devastating losses in the third quarter. An \$886 million loss was reported by New York's Citicorp, the nation's biggest banking company, a \$508 million loss was recorded by Security Pacific Corp. of Los Angeles and a \$50 million loss was suffered by C&S/Sovran Corp. of Norfolk and Atlanta.

All three are among the group Vaughan calls "crippled giants."

Nationwide, one out of every eight banks is losing money, hundreds more are earning puny profits and a substantial number of others are hiding their losses with accounting decisions that cover up their true condition, according to banking industry analyst Alex Sheshunoff, president of Alex Sheshunoff & Co. in Austin, Tex.

Bank analysts and government regulators say openly that many banks are masquerading as profitable—or understanding their losses—by refusing to set aside sufficient reserves to cover their losses on bad real estate loans. Banks are supposed to put some of their profits into a loan-loss reserve whenever it appears probable that a loan on which payments are past due will have to be charged off as a loss.

"Our major concern is that some banks, particularly in the Northeast, are not yet dealing with the reality of their nonperforming [past due] loans by setting up sufficient loan-loss reserves to account for future chargeoffs," said Sheshunoff.

Though banks' bad loans grew by billions of dollars in the first half of the year, their loss reserves continued to shrink, he noted. Only two years ago, banks had enough reserves to cover 86 percent of their loss, but that ratio was down to less than 65 percent as of June 30. "They have discretion over what they put in reserves," Sheshunoff added. "But when the nonperformers go up and the reserves go down, it becomes harder to justify."

Some of the strongest banks, such as Wachovia Bank and Trust in North Carolina, Bank One in Ohio and Moragan Guaranty Trust Co. in New York have enough reserves to cover all their bad real estate loans, noted Auburn University economist James Barth.

Banks that don't set aside reserves for losses "are able to postpone the recognition of problems," said Barth. "Those accounting

* This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

techniques give you time, breathing room, but you can't paper over problems year in and year out."

Barth formerly was chief economist for the Federal Home Loan Bank Board, where he saw the same technique used to hide the losses of failing S&Ls, allowing the losses to grow into a crisis. Barth contends that taxpayers are already helping the FDIC because the agency has borrowed more than \$2 billion from the Treasury at a low interest rate and he is skeptical that a bigger bailout can be avoided.

Just as in the S&L scandal, Barth said, regulators are to blame for allowing the cost of the problem to grow because they have permitted banks to skimp on loss reserves until their problems suddenly explode and the losses have to be recognized.

Banks sometimes can get away with skimping on loan-loss reserves if their fortunes turn around quickly and borrowers resume making payment on overdue loans. But economists see little likelihood that will happen now. Most of the banks' bad loans are to commercial real estate developers and nobody expects that business to bounce back.

Economists Hill and Vaughan say the real estate market is the key to the future health of the banking industry. Even if banks suffer no new losses on Third World debt, corporate takeover loans or consumer loans, a further decline in real estate values would trigger more bank failures.

Last week, the administration raised its estimate of the cost of bank failures for the fifth time, projecting the FDIC could be required to spend as much as \$44 billion, but even that estimate is considered low by Hill and Vaughan, who calculate that the FDIC will need at least \$50 billion.

The banking legislation scheduled to come up for a vote in Congress this week gives the banks 15 years to pay off the loan to the FDIC, but the American Bankers Association wants to stretch out the timetable to 30 years. "We all buy homes over a 30-year period. Why not recapitalize the fund over a 30-year period?" said Robert Dugger, chief economist for the ABA.

He said bankers are confident that with enough time they can replenish the deposit insurance fund and pay back the loan to the FDIC.

But Democratic banking committee leaders in Congress are skeptical. House Banking Committee, Henry B. Gonzalez (D-Tex.) flatly predicts the banks will not be able to repay the FDIC loan and the taxpayers will get stuck with that bill. And Senate Banking Committee Chairman Donald W. Riegle Jr. (D-Mich.) said that the longer the FDIC delays raising the premiums it charges for deposit insurance, the more it "increases the chances the taxpayers are going to have to pay for the bailout of the bank insurance fund" run by the FDIC.

Riegle and Gonzalez will play pivotal roles in the next few days on banking legislation that bankers and administration officials say could determine whether the industry can come up with the capital it needs.

The administration wants to repeal federal laws limiting interstate banking and give banks a chance to make more money by selling insurance and securities. But Congress has yielded to pressure from insurance agents and has tightened limits on banks selling insurance and rejected proposals to allow corporations such as General Motors Corp. to buy banks.

Administration officials say opening up ownership of banks could draw billions of dollars of additional capital into the banking

industry and giving banks new powers could provide profits that could be used to rebuild their own capital.

"You're not going to attract capital by rolling back the clock," said Treasury Undersecretary Robert Glauber, the administration's point man on banking issues. "The way to get people to invest in banks is to make the banking industry more competitive."

WHAT THE FDIC SEES AHEAD FOR THE INDUSTRY

(By Jerry Knight)

The Federal Deposit Insurance Corp. expects to spend at least \$32 billion to pay off depositors in failed banks over the next 26 months, and the cost of bank failures could top \$44 billion if commercial real estate prices continue to fall and the economy remains mired in recession.

The new forecast issued last week represents a \$13 billion increase over what the FDIC was predicting last January and a \$6.6 billion increase since June when the FDIC issued its last forecast. The agency blamed deteriorating economic conditions for the latest increase in its costs estimate, which has been revised upward five times in the past two years.

The forecasts also reveal that the FDIC expects some large banks to fail next year, because the number of failures hasn't changed much in the new forecast but the total cost has jumped by \$12 billion. The FDIC's forecast now is not far out of line with predictions of other forecasters once called unrealistically negative by officials of the FDIC. Barely a year ago, the agency denounced economists Robert Litan, Dan Brumbaugh and James Barth for predicting at least \$30 billion in bank failures were ahead. The FDIC's own projections have passed that point already but still are short of the \$63 billion "worse case" scenario the three economists outlined in a study for a house banking subcommittee.

THE BIGGEST WEAK BANKS

Bank	Assets (in billions)	Bad loans (in millions)	Minimum new capital needed (in millions)
Citibank	\$159.9	\$8,967.0	\$5,762.9
Chase Manhattan	76.2	4,238.2	2,868.5
Security Pacific	55.0	2,151.2	1,466.5
First Interstate	20.2	343.5	130.0
Marine Midland	16.5	994.2	521.5
Sorvan	13.8	479.7	127.4
Maryland National	12.6	688.8	495.9

Note.—Assets and bad loans figures are for second quarter; needed capital figures are based on first quarter.

Sources: Sheshunoff Information Services, Hill and Vaughan with data from Ferguson & Co.

A TRIBUTE TO CAROLE BESWICK

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the outstanding work and dedicated public service of Carole Beswick of Redlands, CA. Carole will be honored by her friends and family for her long record of achievement, including 8 years of service on the Redlands City Council, in a special evening ceremony on November 3.

Carole was born in Los Angeles, and having moved with her parents and brother, Herb, at-

tended elementary and high school in Whittier. In 1963, she graduated from the University of Southern California with a bachelor of science degree in education, and later pursued graduate study at California State College, Los Angeles and La Sierra College.

Carole's involvement in public and community affairs is certainly no secret to the people of Redlands who recognize her as a tireless and effective advocate for our community. She began her political career as a member of the Redlands City Planning Commission in 1978 and has been closely identified with the city over the years. Encouraged by her friends and supporters, Carole sought a position on the city council and was elected in 1983 where she served as mayor of Redlands for 6 years.

Carole's activism and breadth of experience goes far beyond city hall. Since 1987, she has served as a member of the South Coast Air Quality Management District Board. She is also a founding member of the Redlands Centennial Bank and the San Bernardino County gangs and drugs task force. Carole also serves as secretary of the Redlands Community Hospital board of directors, chairman of the Redlands Bicycle Classic, chairman of the Advisory Committee—Redlands Symphony Association, member of the Redlands Noon Rotary Club, and a member of the Redlands Area United Way, board of directors. For 5 years, she also served as a member and chairman of the Southern California Earthquake Preparedness Project Policy Advisory Board.

In her "spare time," Carole enjoys skiing, bicycling, knitting, and reading. Having once studied voice, she is also very active in her church choir, and pursues her singing talents in opera, light opera, at the Redlands Bowl, and the University of Redlands. Carole and her husband, Richard, have three children.

On a personal level, I want Carole to know how much Arlene and I appreciate having her and Rick as our dear friends.

Mr. Speaker, I ask that you join me and our colleagues in celebrating the many fine contributions that Carole Beswick has made to Redlands, CA. Carole's efforts over the years have made a tremendous difference to our community and it is indeed fitting that the House join the city of Redlands in paying tribute to her today.

COSPONSORSHIP OF LEGISLATION TO ESTABLISH AN UNDERGRADUATE CRITICAL SKILLS SCHOLARSHIP PROGRAM

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. STOKES. Mr. Speaker, I rise to announce my cosponsorship of legislation establishing an Undergraduate Critical Skills Scholarship Program at the Federal Bureau of Investigation.

During my tenure as chairman on the House Permanent Select Committee on Intelligence, I was struck by the lack of minorities and women employed in professional positions throughout the intelligence community. When

questioning agency directors on the lack of minority and female representation, their responses fell into two categories: First, qualified women and minorities interested in intelligence community careers could not be located; and second, when such individuals were identified, intelligence community agencies did not possess the resources to compete with benefits offered by the private sector.

Subsequently, to help facilitate the recruitment of minorities and women, language creating a Critical Skills Scholarship Program was included in the Intelligence Authorization Act of 1987. Under the act, the Central Intelligence Agency and National Security Agency were authorized to provide college scholarships to high school students who agreed to major in disciplines such as computer science, mathematics, engineering, physics, and foreign languages. These disciplines were defined as being critical to the missions of the Central Intelligence Agency and National Security Agency. In exchange, the scholarship recipients agreed to work for their sponsoring agency following graduation for a period of 1½ years for each year or partial year for which a scholarship was provided. Similar authority was extended to the Defense Intelligence Agency in the Intelligence Authorization Act of 1990.

Last year, the first group of students to receive critical skills scholarships graduated from college and became full-time employees at CIA and NSA, respectively. The directors of the intelligence community agencies are confident their critical skills scholarship programs will ensure a steady supply of talented and skilled men and women needed to perform their missions well into the future.

The FBI is our Nation's primary agency responsible for defending against hostile foreign intelligence operations. The FBI's need to recruit highly skilled employees is no less difficult than that of the CIA, NSA, or DIA. It is time that we armed the FBI with the same tools to assist its recruitment efforts as are now employed by its brethren in the intelligence community.

I am proud to cosponsor this important bill and urge my colleagues to join in its support.

THE MARINE MILITARY ACADEMY: THE TRADITION ENDURES

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. BLAZ. Mr. Speaker, I rise today in tribute to an educational institution that has been instilling in young men for 25 years those values that have won for our beloved Marine Corps a special place in the hearts of the American people. I speak of the Marine Military Academy in Harlingen, TX; an academic institution whose students are taught, in the tradition of the U.S. Marine Corps, to stretch their mental, physical, cultural, and spiritual boundaries. They are also taught to emulate the Marine Corps ideal: self-sacrifice; high standards of ethical and moral behavior; responsibility for one's actions; dependability; trust; and, in particular, leadership by exam-

ple. The lessons learned at the Marine Military Academy, an independent, college preparatory school, have placed its graduates in good stead throughout their lives. The class of 1991, many of its members now placed in the service academies and at colleges and universities throughout the Nation, was the 25th to graduate from this unique school.

The Marine Military Academy is the product of one man's search for a private military school that would teach his son the values that he himself had learned as a U.S. Marine. That man was Bill Gary, an Arizona rancher who, after finding no school that met his requirements, decided to found one. In 1965, with the help of others who felt as he did, many of them also former Marines, the work of passing on those lessons learned through years of dedication and hard experience began. The class of 1966 numbered 58 cadets; the class of 1991 numbered 105. Despite his imagination and innovative ideas, Bill Gary would not have been able to fulfill his dream without strong financial support.

The rest is history, but it is most fitting and proper that we recall and record that Bill Gary was most fortunate to have many supporters. Indeed, one of his most avid supporters was a retired Marine brigadier general, one of the most decorated marines of World War II, whose personal decorations included the Navy Cross, the Silver Star and the Purple Heart. His name: Walter S. McIlhenny. He served on the board at the Academy, and as president of the board, for nearly 20 years prior to his death. His devotion and great love for the school were dramatically reaffirmed when he left to the Academy his personal fortune to endow scholarships for those needing financial assistance.

Mr. Speaker, it is my belief that in these days of crises in our schools, when our young people's lives are assaulted from every direction by drugs, alcohol, and a lack of basic spiritual, ethical, and moral values, there is much to be learned from the Marine Military Academy about its curriculum, and how knowledge is imparted to its students.

It is with great pride that I congratulate and salute the faculty and students of the Marine Military Academy on the occasion of its 25th commencement. There is absolutely no doubt in my mind that under the leadership of its current president, Maj. Gen. Hal Glasgow, USMC, retired, the Academy will continue to set a standard of excellence that has been its hallmark. I commend also the devoted men and women, mothers and fathers, husbands and wives, teachers and assistants as well as the entire family of retired and active duty Marine Corps and Navy personnel and their supporters who contribute so generously and so loyally of their time, their service, and their resources to keep this dream alive and productive.

As educators throughout the land ponder ways to revitalizing our educational system by instituting "break the mold" types of schools, knowing smiles must appear on those who, 25 years ago, not only had the same thought but also the tenacity and the fortitude to make it a reality.

ANN TAYLOR: A VOLUNTEER WHO WORKED HER WAY TO THE TOP

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize today Ann Taylor who was recently featured in the Miami Herald upon her installation as chairman of the Greater South Dade-South Miami Chamber of Commerce. The article, "Chamber Leader Knows Her Stuff" by Wanda Fernandes tells how the Coral Gables resident worked her way up from a volunteer to chairman of the 1,400 member chamber of commerce:

Coral Gables resident Ann Taylor is proof that sometimes a slow climb up the ladder is the best way to the top.

Nine years ago, Taylor volunteered to help the Greater South Dade Chamber of Commerce. Her first job was the tedious task of writing numbers on 400 cards for a bidding auction. Thursday, she will be installed as the 1991-92 chairman of the Greater South Dade-South Miami Chamber of Commerce.

The chamber, at 6410 SW 80th St., was formed last October with the merger of the Greater South Dade and South Miami/Kendall area chambers. It currently has 1,400 members.

Taylor, other officers and board members will be installed at a luncheon at the Dadeland Marriott Hotel in Kendall.

GOOD BACKGROUND

"She was chosen to be chairman because her teaching abilities and marketing skills have given her a good background for this organization. Also because she was a volunteer, she has a good knowledge of the community," said Peter Thompson, chamber president.

"It's a natural progression and attainable by everybody. You just have to do what has to be done," said Taylor, who has served on the chamber's special events, membership and executive committees.

Taylor, who is vice president of community relations and advertising for Florida International Bank in Perrine, said she got involved in chamber work at the urging of the bank president, an active chamber member. Since joining, Taylor, a mother of two, has worked both weekends and weekdays.

"The bank's policy is you give back to the community and to have that support from the bank is great. Sometimes the level of involvement is so much that they wonder if I still work for the bank," said Taylor.

BUSINESS, SOCIAL CONCERNS

Taylor says her goal as chairman will be to develop new programs that address homeless and environmental concerns, but her main focus is getting down to business.

"The true purpose of the organization is to promote business and I want to get back to those basics. You are only as good as the service you provide to your clients and our clients are the chamber members, who are business people," she said.

There are 24 board members, nine of whom are on the executive board. Taylor says she will implement policy based on the "consensus" of the board so everyone is a part of the process.

"I have surrounded myself with nine talented leaders who represent this community. The reason so many people give so much time to the chamber is that the people are outstanding," said Taylor.

"STRETCHING POSITIONS"

Taylor says she has worked tirelessly on the committees because they have been "stretching positions."

"The projects I've worked on have been rewarding both professionally and personally. I have enjoyed every minute of it; both for the business contacts and because I've learned so much," said Taylor.

I am happy to pay tribute to Ann Taylor by reprinting this article from the Miami Herald. She has served her community well through her hard work for the Greater South Dade-South Miami Chamber of Commerce.

PARLIAMENTARY SUPPORT FOR DEMOCRATIC INSTITUTIONS IN HAITI

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. TORRICELLI. Mr. Speaker, as you know, our colleague from Ohio, Mr. FEIGHAN, who serves with distinction on the Foreign Affairs Committee, also serves as President of the U.S. delegation to the Interparliamentary Union.

Mr. FEIGHAN recently shared with me the text of a resolution that was adopted unanimously by the IPU during its 86th conference in Santiago, Chile, earlier this month. The resolution places the world's parliamentarians clearly on record in support of the restoration of constitutional democracy in Haiti.

I know that Haitian democrats will take heart from this action. I congratulate our colleague for his leadership on this matter and insert the resolution at this point:

PARLIAMENTARY SUPPORT TO DEMOCRATIC INSTITUTIONS IN HAITI

(Resolution adopted unanimously)

The 86th Inter-Parliamentary Conference, Filled with consternation by the coup d'Etat which took place in Haiti on 30 September 1991 and which overthrew the Head of State elected by the sovereign people in a free and fair vote, as attested to by the United Nations and many observers,

Reaffirming the attachment to democracy of the world inter-parliamentary community, which cannot accept such a takeover by force which runs counter to political developments in the world, especially in Latin America,

1. Condemns the coup d'Etat perpetrated on 30 September 1991 in Haiti;
2. Cannot accept the establishment of a pseudo legality under the threat of bayonets;
3. Demands the immediate re-establishment of the rule of law in Haiti and of the reinstatement of its legitimate President;
4. Welcomes the position taken in this respect by the Organization of American States, and supports resolution MRE/RES.1/91 adopted by the ad hoc session of the Foreign Affairs Ministers of the OAS member countries;
5. Urges all the world's Parliaments and their members to work resolutely and rapidly for the re-establishment of democracy in Haiti.

GREEK AND TURKISH CYPRIOTS CAN LIVE TOGETHER IN PEACE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. BROOMFIELD. Mr. Speaker, I want to share with my colleagues in the Congress an inspiring article about a small town in Cyprus where Greeks and Turks live together peacefully.

On the rest of Cyprus, the Greek and Turkish communities have been separated since the 1974 invasion. Despite the bitter differences between the two groups, however, Greek and Turkish residents of the town of Pyla do business together and even sometimes marry. U.N. forces in the area have successfully resolved disputes. Pyla offers hope to all of us who want a better tomorrow for that long-suffering island.

The recent delay in the U.N.-sponsored peace conference disappointed those of us in Congress who have worked for many years for peace in Cyprus. The Turkish elections and the continuing obstruction by the leader of the Turkish Cypriot community, Rauf Denktash, reportedly were factors in the delay of the high-level international meeting designed to find a just resolution to the dispute.

All of us hope that the international meeting will be held before the retirement of Secretary General Perez de Cuellar, who has labored so diligently for a settlement. Meanwhile, it is refreshing to know that in one place at least, Turkish and Greek Cypriots coexist peacefully.

I commend the following New York Times article on Pyla to my colleagues in the Congress.

[From the New York Times, Oct. 23, 1991]

IN A SMALL TOWN ON TORN CYPRUS, THE
TWIN MEET

(By Marlise Simons)

PYLA, CYPRUS.—Heading for lunch and the promise of lamb stew, the town clerk locked the door of the town hall. Or rather, one of the town halls, for Pyla has two local governments and two Mayors. Indeed, many things in this little town come in pairs.

On the sun-splashed square, two cafes face each other, one for Turkish and the other for Greek coffee drinkers. There are two schools, each teaching in a different language. And beyond the narrow, winding streets, there is one cemetery for Muslims and another for Orthodox Christians.

Depending on who is describing Pyla, the town, with its 1,000 people, either illustrates what is known in far-off capitals as "the Cyprus problem" or it provides a laboratory for a more hopeful future, demonstrating that Greeks and Turks can coexist despite their bitter differences.

With new talks to reconcile the divided island expected to take place this year, Pyla, the only officially mixed community in Cyprus, finds itself under a national microscope.

Nestled between a mountain ridge and the sea, this Bronze Age town, about 25 miles southeast of Nicosia, has seen its share of strife—Cretans, Crusaders and Venetians as well as Ottoman and British rulers have invaded and fought near here. But in the upheaval that tore apart Cyprus in 1974 and moved Turks to the north and Greeks to the south, Pyla was not carved up.

SOMETIMES THEY MARRY

On this brown and arid land, the military line dividing Cyprus stops outside the cluster of limestone homes and carob trees and only picks up beyond the village. Inside Pyla, as Cyprus had done for centuries, Greeks and Turks mingle, trade, compete and sometimes marry.

Some outsiders insist that the key to peace here is the small contingent of United Nations soldiers, an Austrian group, who set the rules, patrol and mediate. Longtime residents here indignantly reject this explanation.

"We all know each other, and we don't like outsiders," declared a burly waiter at the local restaurant. "We eat and drink together. This is a small place—we have to get along."

In Nicosia, the island's capital, the partisans and opponents of re-creating a single Cyprus have been pressing their case loudly. But Pyla, less prone to speech making, keeps itself busy managing the local rivalries.

Early this year, for example, there was the battle of the minaret, initiated when the Turkish residents asked for a permit to build a spire on top of the old mosque. The Turks said they wanted a minaret to call for prayers in the proper style. The Greek Cypriot authorities in Nicosia identified this as a subversive act and said the minaret would serve as a military observation post and probably a gun platform.

U.N. PRODUCES COMPROMISE

Charges and countercharges flew for weeks. The Turkish Army, which already has watchtowers on a mountain towering over the village, declared the Greek suspicions to be preposterous. After long negotiations, the United Nations contingent produced an acceptable compromise, and today the slender point of the minaret dominates the village skyline. But it is 10 feet lower than originally planned.

New friction arose when the Turkish soccer team wanted to fence in the playing field but the Greek team disagreed. The United Nations soldiers stepped in, pronounced the field too small anyway and promised each team their own new field.

Outside the office that serves as the Greek town hall, a notice of impending electricity cuts was posted in Greek and Turkish. A similar sign hung outside the Turkish Mayor's office. But what happens if the two Mayors do not agree?

"First they meet with their councilors—they each have four," the Greek town clerk said. "If they still can't agree, they go to the United Nations."

"We are finding the Don Camilo books a very good allegory, very instructive," said an Austrian officer at the United Nations base on the edge of town. He was invoking Giovanni Guareschi's portraits of strife in an Italian village that involved the Communist Mayor, the Catholic priest and their respective followers. Then, adding a soldierly view, he said, "If there were no politicians out there, we would have no fights here."

Politicians in Nicosia, the divided capital, have inevitably opposing visions of life here. Rauf Denktash, leader of the Turkish Cypriots, said that recent events, including the minaret and soccer decisions, proved how Greeks refused to recognize Turks as equals.

But Ferdi Sabit, a Turkish opponent of Mr. Denktash, said Pyla served as an example, "because people live together and they are not fighting." A spokesman for the Greek Cypriot Government said Pyla was not a fair example of coexistence because its inhabitants were strongly influenced by Mr. Denktash.

If the two groups have had to learn to co-exist, over the last 17 years they have also had to get used to the foreign customs of United Nations troops.

On a recent afternoon, with the temperature passing 110 degrees, a man in a starched white jacket and chef's toque appeared on the central square, carrying a big brown object. With that he climbed up on the United Nations lookout post.

The Turks and the Greeks in the cafes looked puzzled. But he proved to be a pastry chef on the Sacher Hotel in Vienna, who had made a Sacher torte while doing his military service here.

A TRIBUTE TO LIONEL HELLER

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the outstanding contributions and dedicated public service of Lionel Heller of San Bernardino, CA. Lionel will be honored by the Arrowhead Chapter of Hadassah at their 18th annual dinner on November 17.

Lionel Heller is no stranger to the people of San Bernardino, having been involved with numerous community and charitable organizations over the years. He is past president of Congregation Emanu El, chairman of San Bernardino Community Hospital Foundation, and chairman of the United Jewish Appeal. He is also a 33-year member of the San Bernardino Rotary, as well as a member of the board of the YMCA and the San Bernardino Hospital Corporate Board. Lionel, his wife Carol, and their three children have lived in San Bernardino for over 30 years.

Over the years, Lionel has helped raise thousands of dollars for the Arrowhead Chapter of Hadassah. With his extraordinary wit and charm, he has served tirelessly as auctioneer at the annual Bid'n Buy fundraising auction.

Mr. Speaker, I ask that you join me and our colleagues in recognizing Lionel Heller for his many years of service. His commitment and dedication to the community is certainly worthy of recognition by the House today.

A TRIBUTE TO AUNG SAN SUU KYI ON HER RECEIVING THE 1991 NOBEL PEACE PRIZE

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. BLAZ. Mr. Speaker, I rise today to commend Aung San Suu Kyi, leader of the democratic opposition of Burma's military government, for winning the 1991 Nobel Peace Prize.

Although I have never met Aung San Suu Kyi, I have great admiration for her and her efforts to emphasize the importance of fundamental and inalienable human rights. Her efforts are even more remarkable given the fact that she has been under house arrest and incommunicado since July 1989.

After reading Aung San Suu Kyi's essay on the question of human rights, it is easy to understand why she received the Nobel Peace Prize. It is certainly true for all the world community and especially Burma that it is not enough merely to call for freedom, democracy, and human rights. As she says, there has to be a determination to persevere in the struggle against corrupting influences of desire, ill-will, ignorance, and fear. Aung San Suu Kyi has embodied this determination to persevere in the face of great hardships and barriers.

As a Member of Congress whose congressional district is the nearest to her own country of Burma, I have great pride in entering her published essay in the RECORD, and commending it to my colleagues and fellow Americans as a prime display of courage written in a place dominated by fears.

INDIAN PROVISIONS IN H.R. 2950, THE INTERMODAL SURFACE TRANSPORTATION INFRASTRUCTURE ACT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. MILLER of California. Mr. Speaker, last Wednesday the House passed H.R. 2950, the Intermodal Surface Transportation Infrastructure Act of 1992. Among the many provisions in this bill, vital funding is included for road construction and improvement on Indian reservations. Unfortunately, it has been a bad joke for some time that you can tell where an Indian reservation begins because that is where the roads end. For too long roads in Indian country have been neglected.

We have a fiduciary responsibility through agreements made long ago with tribal governments to see that Indians have safe and modern infrastructure. Without these facilities, it is impossible for tribes to compete in the area of economic development. As chairman of the Committee on Interior and Insular Affairs, I have received countless stories of school buses unable to drive to schools because of substandard roads, and of emergency vehicles unable to reach patients in need of medical treatment because of poor road conditions. These are everyday events on Indian reservations and ones which the Federal Government must change.

The Bureau of Indian Affairs recently published a needs study which concluded that at least \$227 million per year would be needed for 25 years to bring Indian roads up to an acceptable level. While H.R. 2950 does not fund the Indian Reservation Roads Program at that level, it does substantially raise the funding level from the present paltry \$80 million.

H.R. 2950 includes a set-aside for Indian tribes in the Bridge Replacement and Rehabilitation Program for the first time. Previously tribes had to wait until a State government determined that a reservation bridge was a priority before it would be considered for funding. This bill brings tribes into the consultation process with States and local governments from the start so that Indians will be represented in the planning process for future

roads and funds are made available for the planning process.

H.R. 2950 directs the Secretary of Transportation to conduct a study of inequities between Indian and non-Indian roads and instructs that recommendations be made to address those inequities. Further, this bill extends Indian employment preferences so that more Indian labor will be used when building on or near reservations. Funds are also made available to tribes for transportation safety programs.

Mr. Speaker, enactment of H.R. 2950 will not solve all the infrastructure problems in Indian country. Only a long-term commitment to providing safe and modern roads and bridges to Indians will solve these problems. This bill will, however, go a long way to achieving this objective.

I want to thank my colleague, Mr. ROE the chairman of the Public Works Committee and my colleague, Mr. MINETA the chairman of the Subcommittee on Surface Transportation for their assistance in securing the Indian provisions in this bill. Without their willingness to help and dedication toward our native Americans it would not have been possible. I would also like to thank the able staff of the Public Works Committee—especially Caryl Rinehart for the long hours she put into the Indian provisions in this bill.

H.R. 1527 AMENDED TO ADDRESS RURAL TELEPHONE COALITION CONCERNS

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. SLATTERY. Mr. Speaker, on October 23 and 24, the House Energy and Commerce Telecommunications and Finance Subcommittee held extensive hearings concerning several proposals before the subcommittee regarding the modified final judgment that divested AT&T in the early 1980's. Among other proposals, the subcommittee heard testimony from witnesses concerning H.R. 1527, legislation Representative BILLY TAUZIN and I have introduced that would allow the regional Bell companies, under proper safeguards, to enter the telecommunications equipment manufacturing business.

At that hearing, I indicated that I would amend H.R. 1527 to reflect the amendments added to S. 173, the companion measure to this bill, by Senator LARRY PRESSLER. These amendments, which were adopted by voice vote prior to the Senate's 71-24 approval of S. 173, address concerns raised by the Rural Telephone Coalition regarding the impact that Bell company entry into the telecommunications equipment manufacturing business could have upon small and rural telephone companies. With the addition of these amendments to H.R. 1527, Arland Hocker, the Rural Telephone Coalition witness appearing before last week's subcommittee hearings, indicated that the provisions of this measure would be acceptable to the Rural Telephone Coalition. The text of the amended version of H.R. 1527 follows:

H.R. 1527

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 "Telecommunications Equipment Research and Manufacturing Competition Act of 1991".

SEC. 2 FINDINGS:

The Congress finds that the continued economic growth and the international competitiveness of American industry would be assisted by permitting the Bell Telephone Companies, through their affiliates, to manufacture (including design, development, and fabrication) telecommunications equipment and customer premises equipment, and to provide telecommunications equipment, and to engage in research with respect to such equipment.

SEC. 3. AMENDMENTS TO THE COMMUNICATIONS ACT OF 1934.

Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

"SEC. 227. REGULATION OF MANUFACTURING BY BELL TELEPHONE COMPANIES.

"(a) **GENERAL AUTHORITY.**—Subject to the requirements of this section and the regulations prescribed thereunder, but notwithstanding any restriction or obligation imposed before the date of enactment of this section pursuant to the Modification of Final Judgment on the lines of business in which a Bell Telephone Company may engage, a Bell Telephone Company, through an affiliate of that company, may manufacture and provide telecommunications equipment and manufacture customer premises equipment, except that neither a Bell Telephone Company nor any of its affiliates may engage in such manufacturing in conjunction with a Bell Telephone Company not so affiliated or any of its affiliates.

"(b) **SEPARATE MANUFACTURING AFFILIATE.**—Any manufacturing or provision authorized under subsection (a) shall be conducted only through an affiliate that is separate from any Bell Telephone Company.

"(c) **COMMISSION REGULATIONS.**—The Commission shall prescribe regulations to ensure that—

"(1) such manufacturing affiliate shall maintain books, records, and accounts separate from its affiliated Bell Telephone Company which identify all financial transactions between the manufacturing affiliate and its affiliated Bell Telephone Company and, even if such manufacturing affiliate is not a publicly held corporation, prepare financial statements which are in compliance with Federal financial reporting requirements for publicly held corporations, file such statements with the Commission, and make such statements available for public inspection;

"(2) consistent with the provisions of this section, neither a Bell Telephone Company nor any of its nonmanufacturing affiliates shall perform sales, advertising, installation, production, or maintenance operations for a manufacturing affiliate, except that—

"(A) a Bell Telephone Company and its nonmanufacturing affiliates may sell, advertise, install, and maintain telecommunications equipment and customer premises equipment after acquiring such equipment from their manufacturing affiliate; and

"(B) institutional advertising, of a type not related to specific telecommunications equipment, carried out by the Bell Telephone Company or its affiliates, shall be permitted if each part pays its pro rata share;

"(3)(A) such manufacturing affiliate shall conduct all of its manufacturing within the United States and, except as otherwise provided in this paragraph, all component parts of customer premises equipment manufactured by such affiliate, and all component parts of telecommunications equipment manufactured by such affiliate, shall have been manufactured within the United States;

"(B) such affiliate may use component parts manufactured outside the United States if—

"(i) such affiliate first makes a good faith effort to obtain equivalent component parts manufactured within the United States at reasonable prices, terms, and conditions; and

"(ii) for the aggregate of telecommunications equipment and customer premises equipment manufactured and sold in the United States by such affiliate in any calendar year, the cost of the components manufactured outside the United States contained in the equipment does not exceed 40 percent of the sales revenue derived from such equipment;

"(C) any such affiliate that uses component parts manufactured outside the United States in the manufacture of telecommunications equipment and customer premises equipment within the United States shall—

"(i) certify to the Commission that a good faith effort was made to obtain equivalent parts manufactured within the United States at reasonable prices, terms, and conditions, which certification shall be filed on a quarterly basis with the Commission and list component parts, by type, manufactured outside the United States; and

"(ii) certify to the Commission on an annual basis that for the aggregate of telecommunications equipment and customer premises equipment manufactured and sold in the United States by such affiliate in the previous calendar year, the cost of the components manufactured outside the United States contained in such equipment did not exceed the percentage specified in subparagraph (B)(ii) as adjusted in accordance with subparagraph (G);

"(D)(i) if the Commission determines, after reviewing the certification required in subparagraph (C)(i), that such affiliate failed to make the good faith effort required in subparagraph (B)(i) or, after reviewing the certification required in subparagraph (C)(ii), that such affiliate has exceeded the percentage specified in subparagraph (B)(ii), the Commission may impose penalties or forfeitures as provided for in title V of this Act;

"(ii) any supplier claiming to be damaged because a manufacturing affiliate failed to make the good faith effort required in subparagraph (B)(i) may make complaint to the Commission as provided for in section 208 of this Act, or may bring suit for the recovery of actual damages for which such supplier claims such affiliate may be liable under the provisions of this Act in any district court of the United States of competent jurisdiction;

"(E) the Commission, in consultation with the Secretary of Commerce, shall, on an annual basis, determine the cost of component parts manufactured outside the United States contained in all telecommunications equipment and customer premises equipment sold in the United States as a percentage of the revenues from sales of such equipment in the previous calendar year;

"(F) a manufacturing affiliate may use intellectual property created outside the United States in the manufacture of telecommunications equipment and customer premises equipment in the United States;

"(G) the Commission may not waive or alter the requirements of this paragraph, ex-

cept that the Commission, on an annual basis, shall adjust the percentage specified in subparagraph (B)(ii) to the percentage determined by the Commission, in consultation with the Secretary of Commerce, as directed in subparagraph (E);

"(4) any debt incurred by such manufacturing affiliate may not be issued by its affiliated Bell Telephone Company, and such manufacturing affiliate shall be prohibited from incurring debt in a manner that would permit a creditor, on default, to have recourse to the assets of its affiliated Bell Telephone Company's telecommunications services business;

"(5) such manufacturing affiliate shall not be required to operate separately from the other affiliates of its affiliated Bell Telephone Company;

"(6) if an affiliate of a Bell Telephone Company becomes affiliated with a manufacturing entity, such affiliate shall be treated as a manufacturing affiliate of that Bell Telephone Company and shall comply with the requirements of this section;

"(7) such manufacturing affiliate shall make available, without discrimination or self-preference as to price, delivery, terms, or conditions to all regulated local telephone exchange carriers for use with the public telecommunications network, any telecommunications equipment, including software integral to the functioning of telecommunications equipment, including upgrades manufactured by such affiliate so long as each such purchasing carrier—

"(A) does not either manufacture telecommunications equipment, or have an affiliated telecommunications equipment manufacturing entity, or

"(B) agrees to make available, to the Bell Telephone Company affiliated with such manufacturing affiliate or any of the regulated local exchange telephone company carrier affiliates of such company, any telecommunications equipment, including software integral to the functioning of telecommunications equipment, including upgrades manufactured for use with the public telecommunications network by such purchasing carrier or by an entity or organization with which such purchasing carrier is affiliated;

"(8)(A) such manufacturing affiliate shall not discontinue or restrict sales to other regulated local telephone exchange carriers of any telecommunications equipment, including software integral to such telecommunications equipment, including upgrades, that such affiliate manufactures for sale as long as there is reasonable demand for the equipment by such carriers, except that such sales may be discontinued or restricted if such manufacturing affiliate demonstrates to the Commission that it is not making a profit, under a marginal cost study implemented by the Commission, on the sale of such equipment;

"(B) within sixty days, the Commission shall reach a determination as to the existence of reasonable demand as referred to in subparagraph (A). In doing so, the Commission shall consider—

"(i) whether the continued manufacture of the equipment will be profitable;

"(ii) whether the equipment is functionally or technologically obsolete;

"(iii) whether the components necessary to manufacture equipment continue to be available;

"(iv) whether alternatives to the equipment are available in the market; and

"(v) such other factors as the Commission deems necessary and proper;

"(9) Bell Telephone Companies shall, consistent with the antitrust laws, engage in joint network planning and design with other regulated local telephone exchange carriers operating in the same area of interest; except that no participant in such planning shall delay the introduction of new technology or the deployment of facilities to provide telecommunications services, and agreement with such other carriers shall not be required as a prerequisite for such introduction or deployment; and

"(10) Bell Telephone Companies shall provide, to other regulated local telephone exchange carriers operating in the same area of interest, timely information on the planned deployment of telecommunications equipment, including software integral to such telecommunications equipment, including upgrade;

"(d) INFORMATION REQUIREMENTS.—

"(1) FILING OF INFORMATION ON PROTOCOLS AND TECHNICAL REQUIREMENTS.—The Commission shall prescribe regulations to require that each Bell Telephone Company shall maintain and file with the Commission full and complete information with respect to the protocols and technical requirements for connection with and use of its telephone exchange service facilities. Such regulations shall require each such company to report promptly to the Commission any material changes or planned changes to such protocols and requirements, and the schedule for implementation of such changes or planned changes.

"(2) FILING AS PREREQUISITE TO DISCLOSURE TO AFFILIATE.—A Bell Telephone Company shall not disclose to any of its affiliates any information required to be filed under paragraph (1) unless that information is immediately so filed.

"(3) ACCESS BY COMPETITORS TO INFORMATION.—The Commission may prescribe such additional regulations under this subsection as may be necessary to ensure that manufacturers in competition with a Bell Telephone Company's manufacturing affiliate have access to the information with respect to the protocols and technical requirements for connection with and use of its telephone exchange service facilities required for such competition that such company makes available to its manufacturing affiliate.

"(e) ADDITIONAL COMPETITION REQUIREMENTS.—The Commission shall prescribe regulations requiring that any Bell Telephone Company which has an affiliate that engages in any manufacturing authorized by subsection (a) shall—

"(1) provide, to other manufacturers of telecommunications equipment and customer premises equipment that is functionally equivalent to equipment manufactured by the Bell Telephone Company manufacturing affiliate, opportunities to sell such equipment to such Bell Telephone Company which are comparable to the opportunities which such Company provides to its affiliates;

"(2) not subsidize its manufacturing affiliate with revenues from its regulated telecommunications services; and

"(3) only acquire equipment from its manufacturing affiliate at the open market price.

"(f) COLLABORATION PERMITTED.—A Bell Telephone Company and its affiliates may engage in close collaboration with any manufacturer of customer premises equipment or telecommunications equipment during the design and development of hardware, software, or combinations thereof related to such equipment.

"(g) ADDITIONAL RULES AUTHORIZED.—The Commission may prescribe such additional rules and regulations as the Commission determines necessary to carry out the provisions of this section.

"(h) ADMINISTRATION AND ENFORCEMENT AUTHORITY.—(1) For the purposes of administering and enforcing the provisions of this section and the regulations prescribed thereunder, the Commission shall have the same authority, power, and functions with respect to any Bell Telephone Company as the Commission has in administering and enforcing the provisions of this title with respect to any common carrier subject to this Act.

"(2) Any regulated local telephone exchange carrier injured by an act or omission of a Bell Telephone Company or its manufacturing affiliate which violates the requirements of paragraph (8) or (9) of subsection (c), or the Commission's regulations implementing such paragraphs, may initiate an action in a district court of the United States to recover the full amount of damages sustained in consequence of any such violation and obtain such orders from the court as are necessary to terminate existing violations and to prevent future violations; or such regulated local telephone exchange carrier may seek relief from the Commission pursuant to sections 206 through 209.

"(i) EFFECTIVE DATE; RULEMAKING SCHEDULE.—The authority of the Commission to prescribe regulations to carry out this section is effective on the date of enactment of this section. The Commission shall prescribe such regulations within 180 days after such date of enactment, and the authority to engage in the manufacturing authorized in subsection (a) shall not take effect until regulations prescribed by the Commission under subsections (c), (d), and (e) are in effect.

"(j) EXISTING MANUFACTURING AUTHORITY.—Nothing in this section shall prohibit any Bell Telephone Company from engaging, directly or through any affiliate, in any manufacturing activity in which any Bell Telephone Company or affiliate was authorized to engage on the date of enactment of this section.

"(k) DEFINITIONS.—As used in this section:

"(1) The term 'affiliate' means any organization or entity that, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership with a Bell Telephone Company. The terms 'owns', 'owned', and 'ownership' mean an equity interest of more than 10 percent.

"(2) The term 'Bell Telephone Company' means those companies listed in appendix A of the Modification of Final Judgment, and includes any successor or assign of any such company, but does not include any affiliate of any such company.

"(3) The term 'customer premises equipment' means equipment employed on the premises of a person (other than a carrier) to originate, route, or terminate telecommunications.

"(4) The term 'manufacturing' has the same meaning as such term has in the Modification of Final Judgment as interpreted in *United States v. Western Electric Civil Action No. 82-0192* (United States District Court, District of Columbia) (filed December 3, 1987).

"(5) The term 'manufacturing affiliate' means an affiliate of a Bell Telephone Company established in accordance with subsection (b) of this section.

"(6) The term 'Modification of Final Judgment' means the decree entered August 24, 1982, in *United States v. Western Electric Civil Action No. 82-0192* (United States District Court, District of Columbia).

"(7) The term 'telecommunications' means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received, by means of an electromagnetic transmission medium, including all instrumentalities, facilities, apparatus, and services (including the collection, storage, forwarding, switching, and delivery of such information) essential to such transmission.

"(8) The term 'telecommunications equipment' means equipment, other than customer premises equipment, used by a carrier to provide telecommunications services.

"(9) The term 'telecommunications service' means the offering for hire of telecommunications facilities, or of telecommunications by means of such facilities."

SEC. 4. EFFECTIVE DATE.

(a) IN GENERAL.—Section 227 of the Communications Act of 1934 (as added by this Act) shall be effective 30 days after the Federal Communications Commission prescribes final regulations pursuant to such section.

(b) RULEMAKING AUTHORITY EFFECTIVE ON ENACTMENT.—Notwithstanding subsection (a) of this section, the authority of the Federal Communications Commission to prescribe regulations pursuant to such section 227 is effective upon enactment of this Act.

JOSEPH M. PIZZA CIVIC ASSOCIATION HONORS ANGELO IUDICI

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. ROE. Mr. Speaker, it is with the greatest pride that I rise today to pay special tribute to a distinguished member of his community and an active citizen in my Eighth Congressional District of New Jersey. Mr. Angelo Iudici will be honored on November 3, 1991, by the Joseph M. Pizza Civic Association at their first annual dinner-dance. This gala event will be held at La Neve's Restaurant in Haledon, NJ.

The Joseph Pizza Civic Association was initiated by Mr. Pizza, who is president of the group, to recognize charitable causes and support their efforts through donations and other good works. The association is dedicated to improving the community and making a better life for the people of Paterson, NJ, and the surrounding area. It is currently chaired by Ms. Connie Fimognari and Mr. J. Michael Bello.

This year the association will honor Mr. Angelo Iudici for his outstanding contributions and leadership for the greater Paterson area. A resident of New Jersey since 1971, Mr. Iudici was born in Gela, Italy, where he received all of his education prior to his move to America.

After an extensive mason apprenticeship in Italy, Mr. Iudici felt that continued expansion of his trade talents and business could only be fully realized in the United States. The decision to come to America in 1971 gave him the confidence to launch a highly successful construction company, which is today based in his hometown of Elmwood Park. Angelo Iudici & Son Construction Co. has participated in the building and rehabilitation of many key

projects throughout our area: The Mill-Little Falls, NJ; Lookout Ashley Arms-Hackensack, NJ; Park Ridge Estates-Cedar Grove, NJ; Mini Storage Facilities-Bayshore & Pelham Manor, NY.

In addition to the construction company, Angelo and his wife, Giovanna, are the proud owners of Angelo's Italian Restaurant in Paterson, a highly successful culinary establishment in northern New Jersey.

Even as Mr. Iudici's entrepreneurial endeavors expanded in America, he made the time to actively participate in his community and lend his efforts to improving the lives of those around him. To all people, strangers, and friends, Mr. Iudici is a warm, friendly individual who carries out many missions as a "Good Samaritan". His hands are never too busy to reach out to help those in need, the distressed or less fortunate.

Mr. Iudici's extensive involvement in community activities include: The Paterson Chamber of Commerce; Peoples Park Association; 21st Avenue Businessmen's Association; Due Mondì Italian/American Association of Lindhurst, NJ, for which he is the vice president; and the Joseph M. Pizza Civic Association.

Mr. Speaker, I welcome this opportunity to share in the pride that must be felt by Mr. Iudici's friends and family, his beautiful wife, the former Giovanna Fasolo, whom he married in 1963, and their five children, Joseph, Frank, Biagio, Lori, and Fina.

Mr. Speaker, this country was built on the desires and hard work of immigrants such as Mr. Iudici. He is truly an example to all citizens of this Nation of what public involvement and concern for your fellow man are all about. I am sure that you and all my colleagues here in the House of Representatives join me in saluting Mr. Angelo Iudici.

A TRIBUTE TO PRINCESS YING SITA—BURMESE FREEDOM FIGHTER

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. LANTOS. Mr. Speaker, when the Nobel Peace Prize was awarded to Aung San Suu Kyi, the leader of the democratic opposition to Burma's ruthless military dictatorship, the deplorable state of affairs in Burma was again forced into the light of international scrutiny.

As we focus on the plight of the Burmese people, we can take heart in the fact that the forces of repression in that nation are being countered by forces for democracy and human rights. Many Burmese patriots who loathe the status quo of the dictatorial Government in Burma are working with all their might to bring about lasting democratic reforms. Mr. Speaker, I would like to pay tribute to one such person today.

Princess Ying Sita, an unwavering advocate for democracy in Burma, has dedicated herself to bringing freedom and human rights to Burma. As cochairman of the congressional human rights caucus, I place great value on her efforts to end the tragedy of repression in Burma.

Princess Ying Sita knows firsthand the tragedy taking place in her homeland. Her father, Prince Shwe Thaike, hereditary ruler of an ancient principality in the Shan State and first President of the independent, democratic Federal Union of Burma, was arrested when the democratic Government of Burma was overthrown in 1962; 8 months later, he died a political prisoner. Princess Ying Sita and her mother, Princess Hearn Hkam, fled to Thailand to escape persecution 1 year later.

In 1967, Princess Ying Sita came to the United States on a journalism scholarship. She currently works as a journalist in New York. A woman of incredible energy and dedication, she also serves as executive director of the all-volunteer, not-for-profit Burma American Fund. In that capacity, Princess Ying Sita raises relief and development funds for displaced Burmese students along the Burma-Thailand border region.

Mr. Speaker, the scope of the turmoil in Burma is known throughout the world due in large part to the tireless work of Princess Ying Sita. In fact, she was one of the first to bring the plight of Burma to the attention of the congressional human rights caucus. Because of the untiring and resolute efforts of people like Princess Ying Sita, the cause of freedom for Burma is alive and well. I ask that my colleagues today join me in paying tribute to her and to all of those who stand against the despots of Burma.

A TRIBUTE TO ELMA BAUGHMAN

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention a very special lady, Elma Baughman of Chino, CA who has devoted many, many years to public service and helping others. Elma will be appropriately honored for her commitment and dedication at a retirement banquet in her honor on November 10.

School nurse Elma Baughman is one of Chino High School's longtime and most respected employees, having devoted 30 years of her life to the school district. Over the years, she has been largely credited with making Chino's nursing program one of the most progressive in the State of California.

In her 30 years, she served 15 years as district head nurse and also initiated Neighborhood House, a program which feeds and clothes people in need. Elma has also been an active supporter and participant and supporter in Associated Chino Teachers [ACT], and was also the first woman to be elected to the Chino City Council.

Mr. Speaker, Elma Baughman is an extraordinary lady who has committed her life to giving. Her concern and support for Chino's students and staff will be missed by all of those who know her and love her dearly. I ask that you join me and our colleagues in paying tribute to this wonderful lady who is most worthy of recognition by the House today.

A SALUTE TO MALCOLM BROWN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. STOKES. Mr. Speaker, I rise today to honor Malcolm Brown, an artist who teaches at Shaker Heights High School in my home district. Mr. Brown's first solo exhibition in nearly 2 years recently opened at the art gallery bearing his name in Shaker Heights. His work is a combination of Caribbean scenes in watercolors and abstracts in acrylics and oil pastels. His works are described in a recent article in the Cleveland Plain Dealer as "radiant," "direct," and as having "grace" and "energy." The students of Shaker Heights are fortunate to study under his gifted and creative style, and the community is fortunate to be able to share in his rare artistic treasures.

I present the article, by critic Steven Litt, to my colleagues.

THE ATTRACTIVE OPPOSITES—MALCOLM BROWN MIXES MORE THAN OIL, WATER

(By Steven Litt)

Realism and abstraction are thought to be antithetical, but they blend with ease in the art of Malcolm Brown. In a new show of 17 works at the Shaker Heights gallery named for the artist. Brown mixes watercolors of Caribbean scenes with abstractions in acrylic and oil pastel.

The exhibition is the first one-person show in two years for the artist, a member of the American Watercolor Society and a longtime art teacher at Shaker Heights High School.

Brown's skill in watercolor is clear. His works in the medium are limpid, direct and, for the most part, unfussy.

In a portrait of a young woman, entitled "Mocha Magic," the artist established a living, breathing likeness with rapid, unhesitating strokes of paint. The painting is a radiant example of watercolor at its best.

Some of the watercolors are overworks, and some of them are embellished needlessly with pastel accents. But most of them sing.

Brown's abstractions have the same lyricism as the watercolors, although they look quite different at first. The paintings are filled with rounded shapes connected by networks of line that resemble vines growing across a flagstone patio.

In the abstractions, the artist's palette is dominated by cool aquas and flaming pinks and oranges. The colors are attractive, although they get tiresome over the long haul. The show would have been stronger if Brown had expanded his color range.

However, in Brown's best abstractions the colors work well. And, as in the watercolors, the abstractions show that the artist has a lively sense of touch. Paintings such as "Ancestral Spirits" and "Caribbean Fantasy" are choreographed with grace and energy. Brown is a dancer with a brush.

"Malcolm Brown: New Work" is on view at Malcolm Brown Gallery, 20100 Chagrin Blvd., Shaker Heights, through Oct. 31.

AL AND ROSE POSTAL CELEBRATE THEIR 60TH WEDDING ANNIVERSARY

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. LEHMAN of Florida. Mr. Speaker, my two dear friends, Al and Rose Postal, celebrated their 60th wedding anniversary on October 18, 1991. On occasion of this joyous event, I would like to offer them my heartfelt congratulations.

In today's society, marriages of this duration are a rarity. Their 60th anniversary celebration attests to the fact that Al and Rose are a truly remarkable couple. Not only have they beaten the odds, but they've set a new standard.

Al and Rose Postal epitomize the marriage ideal in a world where divorce rates are skyrocketing and people are torn apart every day. Their relationship is inspirational.

After 60 years together, Al and Rose are still the exception to the rule.

TRIBUTE TO THE MILITARY MAIL CALL!

HON. JIM BACCHUS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. BACCHUS. Mr. Speaker, it is with great pleasure that I rise today to honor the Military Mail Call!, which has served as a national clearinghouse for morale-boosting mail to our service men and women around the world.

Military Mail Call! was founded to correspond with our troops in Vietnam. In 1972, this support system was expanded worldwide.

Military Mail Call! has now grown so much that bundles of mail have been sent for the past 2 years to more than 1,000 units and locations all across the United States and in every corner of the globe. Recently the positive influence of Military Mail Call! was felt by our forces in the Persian Gulf when they received thousands of cards and letters.

Military Mail Call! is especially in need of support as we approach another holiday season. I hope we can do better than ever this year.

I am especially proud that the Florida headquarters for Military Mail Call! is in the town of Christmas in my district. I would also like to recognize several groups in my district that have contributed to this worthwhile cause. The Apollo Elementary School sixth graders in Titusville and the Disabled American Veterans Auxiliary 109 in Titusville are top participants in this program and deserve to be applauded for their actions.

I believe that grassroots support is critical to the success of any cause or organization. Military Mail Call! has spurred many concerned Americans to a vital service without cost to the taxpayers and without the influence of big money or big names. This is grassroots citizenship at its best.

EXTENSIONS OF REMARKS

TRIBUTE TO THE HOUSING AUTHORITY OF SOUTH BEND ON THE OCCASION OF THEIR 50TH ANNIVERSARY

HON. TIMOTHY J. ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. ROEMER. Mr. Speaker, I rise today to recognize the 50th anniversary of the housing authority of the city of South Bend, an organization which has dedicated five decades to the betterment of the community.

The housing authority was established on March 5, 1941, by the authority of the United States Housing Act of 1937, to develop affordable public housing for low-income individuals and their families. For 50 years the housing authority has performed a valuable public service and has fought discrimination in the development of public housing. With determination and persistence, this organization has been able to help many Hoosiers realize the American dream.

The housing authority was originally established as a nonprofit, municipal corporation which would confront the problem of unaffordable, unsanitary, and unsafe dwellings in South Bend. Through the selfless efforts of its members and leadership, the housing authority has made noticeable advances in the quality of living for low-income families and has become a model for other such programs to follow:

I would like to note just a few of the accomplishments of the housing authority:

A tutoring program, conceived in 1971 and coordinated with both the University of Notre Dame and St. Mary's College, provides individual attention to children with their homework and encourages increased parental involvement in their children's education.

A Girl Scout drop-in center was established in 1988 to help children participate in the Girl Scouts of America Program.

The Community Oriented Police Enforcement Program—also known as the COPE Program—was created in 1990 and is funded by the Drug Elimination Grant. This program aids the development of preventive patrol tactics and promotes positive, police-citizen interaction. Through this program, responsibility for community safety has become a joint effort among family and friends, the public and public servants.

Today, there are 931 completed housing units and complexes which stand as a testament to the efforts and achievements of the housing authority in the city of South Bend. The people whose lives have been touched by these accomplishments now display a renewed livelihood and sense of community. Clearly, the housing authority has made South Bend a better place to live and each day is helping more Hoosiers fulfill their American Dream.

IN HONOR OF SANTA MONICA HIGH SCHOOL'S CENTENNIAL

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. LEVINE of California. Mr. Speaker, I rise today to recognize the century long standard of excellent education provided by Santa Monica High School. I wish to extend my heartiest congratulations to its principal, Bernard Samuels, and the community of students, parents, teachers, school employees, and alumni who have worked throughout the years to make Santa Monica High School the success it is today.

The Santa Monica School District was organized by the State of California in 1875, and in March 1876, the first 52 students enrolled in the first district school. Santa Monica High School was formed in 1891 under California's Union High School Law of 1891, and the first graduating class of 1894 had only five students. Since that first graduating class, Santa Monica High School has graduated over 25,000 students.

Santa Monica High School's exemplary curricular and extracurricular programs have brought the school national and international renown. Recently honored by the State Department of Education as a California Distinguished School, Santa Monica High consistently produces National Merit Scholars. Its students repeatedly score significantly above State and national norms in the Scholastic Aptitude Test, advanced placement tests, and Golden State exams. The school has received international recognition for its exceptional music program, which has allowed the school to represent the United States in international competitions in Europe. Santa Monica High School's champion athletic teams and remarkably gifted drama department are valued and respected institutions of the community.

Santa Monica High School has by no means rested on its laurels. The school has maintained its status as an innovator in implementing new programs to meet the changing needs of its students. These include a Graduate Assistance Program, a School Age Parent and Infant Development Program, and an Advancement Via Individual Determination Program. It is clear that Santa Monica High School has excelled in all areas necessary to broaden the experiences of its students.

It is a pleasure to bring Santa Monica High School's outstanding achievements to the attention of my colleagues in the House of Representatives, and I ask that they join me in congratulating this exemplary high school on 100 years' worth of a job well done.

A TRIBUTE TO JEREMIAH J. O'KEEFE, SR.

HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. ESPY. Mr. Speaker, I rise to give tribute to Mr. Jerry O'Keefe, a native Mississippian

who continuously gives unselfishly to his community. Most appropriately, Mr. O'Keefe will be recognized on November 14, 1991, by the Kiwanis Club of Biloxi.

In tours of duty as a fighter pilot in the U.S. Marine Corps, mayor of the city of Biloxi, Mississippi State representative and brilliant entrepreneur, Mr. O'Keefe has portrayed the quintessential public servant. He has taken to heart the scripture passage—"Inasmuch as ye have done it unto one of the least of my brethren, ye have done it unto me."

While serving in the U.S. Marine Corps during World War II, Mr. O'Keefe, recognized as the youngest flying ace, courageously shot down six Japanese aircraft during his first day in combat. He was honored with the Navy Cross, the Distinguished Flying Cross, and several other medals.

On returning home from the war, Mr. O'Keefe attended Loyola University in New Orleans, LA, where he graduated cum laude in 1948. After graduation, he returned to the Mississippi Gulf Coast where he has used his talents to serve his community and build a family business which includes Gulf National Life Insurance Co., Gulf National Investment Co., Bradford-O'Keefe Funeral Homes, Inc., and Gulf Holdings, Inc.

During his 8 years as mayor of Biloxi after first being elected in 1973, Mr. O'Keefe championed the causes of the underprivileged and the elderly. One of his priorities was expanding services to senior citizens. He also concentrated on historic preservation, downtown development and creating a regional airport.

Mr. O'Keefe, who was born July 12, 1923, has been the recipient of numerous awards: Outstanding Young Man and Outstanding Citizen of Biloxi; Outstanding Freshman Legislator—while serving in the Mississippi House of Representatives from 1960 to 1964; the American Heritage Freedom Award for his contributions to the welfare, progress and prestige of black Americans in particular, as well as all underprivileged Americans; the National Council of Senior Citizens' Citizen of the Year Award; the Salvation Army's highest honor—the "Others Award;" honorary chairman of the Mississippi Mental Health Association; and the Silver Beaver Honor from the Pine Burr Council 304 for the Boy Scouts of America.

Mr. O'Keefe is in the truest sense a community activist and a community advocate. He has rallied in support of several community projects, spearheading a compendium of fundraising drives. These fundraising projects have included work with two school building programs and construction of the Salvation Army Building in Biloxi and the Walter Anderson Museum in Ocean Springs. Other organizations he has been active in include the United Way, the Biloxi Chamber of Commerce, and the Greater Biloxi Economic Development Foundation, Inc.

Mr. Speaker, I have known Mr. O'Keefe for several years. He is an altruistic man of great ideas and enthusiasm. He has put these attributes to work to benefit his community, church and family. His partner in service is his wife Annette Rose Saxon O'Keefe. They are blessed with the lucky number of 13 children.

TRIBUTE TO RICHARD J. VILLANI

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. RITTER. Mr. Speaker, I rise today to pay tribute to Richard J. Villani, my constituent and friend, upon his retirement as Bethlehem's postmaster. He is being honored by his family, his employees, his peers, and friends on November 1, 1991, in Bethlehem, PA.

Richard is one of six children born to Antonio and Anna Falco Villani in the city of Bethlehem, on January 25, 1936. To his family, he is husband, father, grandfather, advisor and friend—even poet. To the community he is known as a leader, and a friend to the young and old alike.

Richard Villani has always supported community functions with his time, effort, and leadership. He has promoted athletics and youth activities throughout the area and is known for his untiring dedication to his civic responsibilities.

In 1983, he agreed to fill an unexpired term on the board of directors of the Bethlehem Public Library and was subsequently reappointed to two more terms. In addition, he worked as a volunteer for library fundraising activities such as the Musikfest book sale. From 1980 through 1985, he served on the board of directors of the Bethlehem YMCA. He was chairman of the membership committee and, in 1986, he served on the sustaining membership campaign and then as co-chairman of the special gifts division of the debt campaign.

Richie, as he is known to family and friends, has served as both vice president and president of the Bethlehem Rotary. Through his outstanding direction, a 3-year program culminated in the purchase of a \$40,000 ambulance presented to the city of Bethlehem. He also headed up the Vocational Program whereby he had approximately 50 professionals and businessmen visit local high schools to share their expertise and experience with students so that they could gain a greater insight into their career choices for the future. In recognition for his generous contributions to the community and Rotarian Club, he was awarded the Rotary's Paul Harris Fellowship.

For 7 years, Richie was the committee chairman of the Combined Federal Campaign. Through his leadership and dedication, the total dollars contributed from the Federal agencies to various national and local charities, rose from \$18,686.68 in 1982 to over \$120,000 in 1989.

Since first becoming postmaster of Bethlehem in 1974, Richie turned the Bethlehem Post Office into an organization that prizes itself in leading the way. It was selected as the primary office for the Employee Involvement Program in their Management Sectional Center [MSC]. He served as a member of the MSC's Safety Committee. His support for Equal Opportunity Employment is reflected in the high percentage of minorities employed by the Bethlehem office. He also strongly supported the Upward Mobility Program whereby many Bethlehem employees were promoted.

Under his direction, the mailbox was built which is a replica of a collection box. It was primarily built to commemorate the opening of a full philatelic window at the Bethlehem Post Office. The mailbox is now used at numerous events as a temporary station with a special philatelic cancellation to commemorate that event. This is done yearly for events such as Bethlehem Christmas City Fair and Musikfest and has been used as safety fairs in Harrisburg, Lancaster, Cherry Hill, and Stroudsburg. This year it was used at Bethlehem's 250th anniversary opening day ceremonies. The mailbox has become a symbol of postal goodwill wherever it is seen.

Richard's total commitment to community affairs, along with both civic and business leaders have made him an unparalleled asset to the postal service and to its living up to commitment to give the best service possible. Through his leadership, Bethlehem is now a full service post office, geared to the needs of the business community while still maintaining excellent service to the residential customer. Needs for specific postal services are analyzed on an individual basis and Bethlehem was the first post office in the MSC to extend their business hours to meet the changing needs of the community.

Richard promoted employee morale through social and sports programs involving both current and retired employees. Service and satisfaction was impressed upon each employee and the importance of the employees' public image was stressed. Richie felt that the employees themselves constituted the post office.

Richard has been the kind of leader whom we now look for to take American business and government into the quality revolution.

I have known Richie for many years; I have been a recipient of excellent service, a witness to his professional and personal impact on the community, and have valued his advice and friendship. For this, I thank him.

Mr. Speaker, please join me in applauding Richard J. Villani for his many contributions not only to the Postal Service, but to the people of the Lehigh Valley. Through hard work and dedication to the community, he has earned respect as a senior statesman in our community. Richard J. Villani has touched the lives of many. His employees will miss him; the community will treasure his many contributions.

TRIBUTE TO STEPHEN LIEBERMAN AND ANTONIO FRANZESE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 28, 1991

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to Mr. Stephen Lieberman and Mr. Antonio Franzese, two young men who came to the defense of Alfred Jermaine Ewell who was being beaten in an apparent racially motivated attack 4 months ago.

The 17-year-old Ewell suffered severe head injuries went into a coma in critical condition when he was beaten with baseball bats in Atlantic Beach after a graduation party. The white youths had apparently been upset that

Ewell, who is an African-American, had been talking to a white female student.

Alfred Ewell, however, was lucky to have been aided by two young men who were on the boardwalk, 19-year-old Stephen Lieberman and 18-year-old Tony Franzese, who also were at the party, and who came to Ewell's aid. The blow that Ewell suffered was so great that he instantly went down. If it had not been for these two immensely brave young men, he might have been killed. Stephen and Tony also were beaten while trying to halt the attack. The attackers eventually tried to escape and were chased by these two bruised young heroes. The criminals were apprehended by the police who were called to the scene of the crime by a friend of these brave samaritans.

There were many more people on the boardwalk who regrettably did not come to Ewell's rescue. Stephen and Tony put their own lives at risk to aid that of another. Only exceptional individuals would do what they did. Their courage and their selflessness helped Ewell to have a second chance at a very promising future.

The action of Stephen Lieberman and Tony Franzese epitomizes the intolerance of racial bias. These young men and the residents of Atlantic Beach and the surrounding community have rallied to support and comfort the victim. It is highly commendable that they have not defended the attackers, as has happened elsewhere.

It is comforting to know that there are still people and communities that value tolerance and integration and will do their utmost to preserve such harmony. Stephen and Tony almost sacrificed their own lives to save that of another.

Heinous occurrences of violence and racial hatred such as the attack on Alfred Ewell are unsettling, but it is comforting to know that there are still those who exemplify the qualities of citizenry that are vital to a democratic society. I ask my colleagues to join me in expressing the gratitude and appreciation of the American people to Mr. Stephen Lieberman and Mr. Tony Franzese.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, October 29, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

OCTOBER 30

9:00 a.m.
 Labor and Human Resources
 Business meeting, to mark up S. 1150, to authorize funds for programs of the Higher Education Act, S. 1848, School Dropout Technical Correction, S. 1256, Welfare Dependency Measurement and Assessment Act, S. 1577, Alzheimer's Disease Research, Training and Education Amendments, S.J. Res. 133, in recognition of the 20th Anniversary of the National Cancer Act of 1971 and the over seven million survivors of cancer alive today because of cancer research, and to consider a proposed committee resolution expressing the sense of the Committee on Labor and Human Resources concerning membership in clubs that engage in discrimination.
 SD-430

Small Business
 To hold hearings on the impact of the economic recovery on small business.
 SR-428A

9:30 a.m.
 Commerce, Science, and Transportation
 To hold hearings on the nominations of Victor Gold, of Virginia, and Leslee B. Alexander, of Tennessee, each to be a Member of the Board of Directors of the Corporation of Public Broadcasting.
 SR-253

Energy and Natural Resources
 Business meeting, to consider pending calendar business.
 SD-366

Governmental Affairs
 To hold hearings on the nominations of Francis S.M. Hodsoll, of Virginia, to be Deputy Director for Management, Office of Management and Budget, and Edward Joseph Mazur, of Virginia, to be Controller, Office of Federal Financial Management.
 SD-342

Joint Economic
 Education and Health Subcommittee
 To resume hearings on proposals to reform the American health care system.
 2359 Rayburn Building

10:00 a.m.
 Agriculture, Nutrition, and Forestry
 To hold hearings on agricultural and food assistance for the Soviet Union.
 SR-332

Environment and Public Works
 To hold hearings on the nominations of E. Gail de Planque, of New Jersey, to be a Member of the Nuclear Regulatory Commission, and Herbert Holmes Tate, of New Jersey, to be an Assistant Administrator of the Environmental Protection Agency for Enforcement and Compliance Monitoring.
 SD-406

Foreign Relations
 East Asian and Pacific Affairs Subcommittee
 To hold hearings to examine U.S. security policy in East Asia.
 SD-419

10:30 a.m.
 Joint Economic
 Economic Goals and Intergovernmental Policy Subcommittee
 To hold joint hearings with the House Foreign Affairs Committee's Subcommittee on Europe and the Middle East to examine how Soviet economic reform will affect the U.S. and world economies.
 2172 Rayburn Building

2:00 p.m.
 Foreign Relations
 European Affairs Subcommittee
 To resume hearings on consolidating free-market democracy in the former Soviet Union.
 SD-419

3:30 p.m.
 Foreign Relations
 To hold a closed briefing on the Administration's plan for military assistance to Jordan.
 S-116, Capitol

OCTOBER 31

9:00 a.m.
 Joint Economic
 To hold joint hearings with the Senate Committee on Labor and Human Resources' Subcommittee on Education, Arts, and Humanities to examine the use of educational technology in the classroom, focusing on the role of the Federal Government.
 SD-430

10:00 a.m.
 Judiciary
 Business meeting, to consider pending calendar business.
 SD-226

2:30 p.m.
 Foreign Relations
 East Asian and Pacific Affairs Subcommittee
 To continue hearings to examine U.S. security policy in east Asia.
 SD-419

NOVEMBER 1

9:30 a.m.
 Joint Economic
 To hold hearings to examine the employment-unemployment situation for October.
 SD-628

NOVEMBER 5

10:00 a.m.
 Commerce, Science, and Transportation
 To hold oversight hearings on the Office of Barter and Countertrade, Department of Commerce.
 SR-253

NOVEMBER 7

9:30 a.m.
 Energy and Natural Resources
 Public Lands, National Parks and Forests Subcommittee
 To hold hearings on S.461, designating segments of the Lamprey River in New Hampshire for potential addition to the National Wild and Scenic Rivers System, S.606, designating segments of the Allegheny River in Pennsylvania as a component of the National Wild and Scenic Rivers System, S.1230 and H.R.990, to authorize additional funds for land acquisition at Monocacy National Battlefield, Maryland, S.1552, designating the White Clay Creek in Delaware and Pennsylvania for poten-

tial addition to the National Wild and Scenic Rivers System, S.1660, to authorize funds for implementation of the development plan for a segment of Pennsylvania Avenue in the District of Columbia, and S.1772 and H.R.2370, to alter the boundaries of the Stones River National Battlefield, Tennessee.

SD-366

10:00 a.m.

Commerce, Science, and Transportation Foreign Commerce and Tourism Subcommittee To hold hearings to examine U.S. trade with eastern Europe and the Soviet Union.

SR-253

NOVEMBER 12

10:00 a.m.

Commerce, Science, and Transportation To hold hearings to examine competitiveness in the U.S. computer software industry.

SR-253

Select on Indian Affairs

To hold oversight hearings on Federal court review of tribal court rulings in actions arising under the Indian Civil Rights Act.

SR-485

NOVEMBER 14

9:30 a.m.

Governmental Affairs Oversight of Government Management Subcommittee

To hold hearings on how the Federal Government can improve its message to the public on child health and nutrition.

SD-342

NOVEMBER 15

9:30 a.m.

Select on Indian Affairs

To hold hearings on S. 1607, to provide for the settlement of the water rights claims of the Northern Cheyenne Tribe.

SR-485

NOVEMBER 19

10:00 a.m.

Commerce, Science, and Transportation To hold oversight hearings on title 5 of Public Law 100-418, authorizing the President to conduct a study on the effect of foreign mergers, acquisitions, and takeovers on U.S. national security.

SR-253

POSTPONEMENTS

NOVEMBER 6

10:00 a.m.

Select on Indian Affairs

To hold hearings on S. 538, to restore Federal recognition of, and assistance to, the Miami Nation of Indiana.

SR-485