

HOUSE OF REPRESENTATIVES—Tuesday, July 20, 1993

The House met at 12 noon.

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

Teach us, O God, to live our lives with the leading of Your spirit, to speak the truth and tell our message with honesty and sincerity. As our backgrounds vary, so we acknowledge our separate experience and we admit that we see the events of life in differing ways. Yet make us mindful, O gracious God, of all that we have together and of the common heritage that we hold high. Respectful of each other, may we use the gifts You have given to be custodians of Your many graces and always respond to Your gifts with prayer, praise, and thanksgiving. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from Oregon [Ms. FURSE] please come forward and lead the House in the Pledge of Allegiance.

Ms. FURSE 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.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. David Zaroff, one of his secretaries.

REPORT ON RESOLUTION REQUESTING THE PRESIDENT TO FURNISH CERTAIN DOCUMENTS CONCERNING THE RESPONSE OF THE FEDERAL BUREAU OF INVESTIGATION TO ALLEGATIONS OF CRIMINAL CONDUCT IN THE WHITE HOUSE TRAVEL OFFICE

Mr. BROOKS, from the Committee on the Judiciary, submitted a privileged report (Rept. No. 103-183) on the resolution (H. Res. 198) requesting the President to furnish to the House of Representatives certain documents con-

cerning the response of the Federal Bureau of Investigation to allegations of criminal conduct in the White House travel office, which was referred to the House Calendar and ordered to be printed.

PERSONAL EXPLANATION

Mrs. ROUKEMA. Mr. Speaker, due to a prior official commitment on Thursday, July 15, 1993, I was unable to be present for the vote on rollcall No. 339.

Mr. Speaker, had I been present, I would have voted "no."

PRESIDENT CLINTON'S BUDGET

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

Mr. DERRICK. Mr. Speaker, when the Congress approves President Clinton's budget, it will be the largest deficit reduction in history.

By cutting more than 200 programs and by requiring the wealthy to pay their fair share, the President's budget will eradicate nearly \$500 billion from the deficit over the next 5 years.

Since the House and the other body have approved the plan, interest rates have propelled mortgage rates to a 20-year low. And the economy is on track.

But deficit reduction is more than a goal in itself.

The objective of deficit reduction is job creation. The passage of the President's plan ensures that the U.S. economy will expand by creating 8 million jobs over the next 4 years.

The President's plan will provide tax incentives and substantial benefits to the economy's fastest growing sector, the small business community.

Owners of small businesses will receive a special capital gains tax cut for reinvesting into their businesses. Again—the purpose of this provision is to create new jobs.

The President's plan has \$100 billion more in deficit reduction than any other budget plan offered this year. The Republican plans granted the wealthy yet another free ride paid for by senior citizens and by the middle class.

Mr. Speaker, the future is now. I urge all my colleagues to join the coalition to end gridlock and to support the President's budget.

A KNOCKOUT PUNCH FOR SMALL BUSINESSES

(Mr. CRAPO asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. CRAPO. Mr. Speaker, President Clinton, and those who support tax and spend in Congress are about to deliver a knockout blow to small businesses in this country.

The tax bill we are facing will be devastating to the small business sector of the economy which provides 77 percent of the new jobs nationwide.

We do not know yet what type of new taxes are going to be levied when the conference committee meets. We could get the recordbreaking tax increases promoted by the House. Or we could get the recordbreaking tax increases favored by the Senate. We do know one thing for sure: There will be plenty of new taxes. And those taxes will devastate small businesses across this Nation.

Mr. Speaker, when you raise taxes, you kill jobs. When you raise taxes, prices rise, demand drops, and small businesses collapse.

Let us learn from the past. More taxes result in more spending. As we have heard before, the taxes in this package are real; the cuts are not. Let us cut spending first.

SUPPORT THE NATIONAL SERVICE TRUST ACT

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

Ms. FURSE. Mr. Speaker, I rise today in support of H.R. 2010, the National Service Trust Act. The National Service Trust Act gives talented and committed Americans a variety of opportunities to serve their country. Just as people honorably serve their country by participating in the Armed Forces under this act Americans can provide service in education, health care, with children and the elderly. There are challenges facing every level of our society which demand the hands and hearts of dedicated citizens. The National Service Trust Act honors those who work with the elderly and disabled Americans. It bestows distinction upon those who assist our beleaguered inner cities, whether as gang counselors or police officers. It says that serving our children serves the future of America. And for all those who participate, the benefit is something which can never be taken away from them—jobs skills or postsecondary education.

The strength of our Nation depends not only on how well we maintain our

□ 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.

national defense, but on how we as citizens treat our fellow citizens who are in the most need of our time and talents. I applaud President Clinton for this initiative, and I applaud the hard work of the committee and its efforts to improve the legislation. The National Service Trust Act recognizes the value of using our collective talents to help solve our collective problems, and I urge its passage in the House today without weakening amendments.

DON'T ASK, DON'T TELL

(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, many experts see the President's new policy on homosexuals in the military as "don't ask, don't tell."

That phrase could serve as a summary for the entire Clinton administration.

How will the administration's taxes impact small business? The Democrats would prefer to answer that question: "Don't Ask."

How will the new energy tax expected from the conference affect inflation? Again, don't ask.

What new tax has the President floated today? Don't ask.

What will the President's defense cuts do to our military preparedness? Don't ask.

Did you really vote for Bill Clinton for President? Please, don't tell.

□ 1210

NAFTA JOBS

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

Ms. KAPTUR. Mr. Speaker, today I would like to show my colleagues a map that graphically shows the history of what has happened to America's high-paying manufacturing jobs. On this map, 125 stars mark the top 125 cities across our country where hard-working Americans have had their jobs taken away and replaced by exploited Mexican workers earning one-tenth as much. Every star marks hundreds of U.S. families that have faced the tragedy of a breadwinner out of work, family life disrupted, families uprooted, and all the social and other problems that ensue in such calamities.

Every star on this map represents an American tragedy, personal tragedies of unemployment, of poverty, and above all, a national tragedy of trade policies that have drained our jobs south to Mexico, wounded our economy, and exploited both our United States workers, as well as Mexico's workers.

In the weeks to come, I will address this Chamber about specific examples

from this map. As we prepare to vote on the proposed trade agreement with Mexico and Canada, let us fully understand who is paying and who will pay the price of misguided United States trade policies.

CONFERENCEGATE

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

Mr. EVERETT. Mr. Speaker, everyone in Washington loves a good scandal.

We have Travelgate. A modern Rasputin—a Hollywood producer of all things—demands that the White House travel office be reorganized.

We have Post Office Gate. A couple of Members of Congress are implicated in a post office scandal.

We have Sessionsgate. The FBI director is sacked by the President for various reasons.

And later this month, we will have Conferencegate. The Democrats pull off the biggest heist in history, taking billions of dollars from small business owners and middle-class taxpayers in the budget reconciliation conference.

Of all the scandals, the worst is Conferencegate, also known as Taxgate.

I urge my colleagues to reconsider this break-in to the wallets of the middle class, before the administration opens the floodgates of taxes and drowns our small business sector.

STAMPS FOR CASH

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

Mr. TRAFICANT. Mr. Speaker, from food stamps to Elvis, and now stamps for cash.

The creative financing genius of Washington, DC, Mr. Speaker, is unbelievable, which forces me to ask, why raise taxes, Mr. Speaker?

If Congress can turn the House post office into a money machine, why cannot Congress balance the budget?

That, Mr. Speaker, is a most legitimate question. Think about it.

I think the post office has come a long way from the days of the Pony Express. There is an express all right, but it is a money machine account now.

SOAK THE RICH

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

Mr. BOEHNER. Mr. Speaker, in 1990, Congress, and a Republican President, narrowly passed a budget reconciliation bill that raised taxes on the rich

to reduce the deficit. Since 1990, however, there has been a \$6.5 billion decrease in tax payments for those Americans earning over \$200,000 a year.

So here sits Congress today, under a Democrat President, facing another budget reconciliation bill, and proposing to do exactly what was done in 1990, raise taxes on the rich to reduce the deficit. However, President Clinton's plan goes beyond what was done in 1990 because his definition of rich is an individual who makes \$30,000 a year, not \$200,000 a year.

Mr. Speaker, have you ever heard the quote "those who do not learn from history are doomed to repeat it?" It very appropriately applies to Congress today. It is time to listen to what the people of America are saying, "Don't raise taxes—it doesn't work. More taxes equals more spending, which equals bigger Government." The message is loud and clear—cut spending first and shrink the size of this Federal Government.

THE GOP, AKA GRIDLOCK OVER PROGRESS

(Mrs. COLLINS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, in the past few days, the weather has finally broken and brought much needed relief from the oppressive heat to our Nation's Capital. Well, in the next few weeks, if the GOP, aka the guardians of the past and guardians of the privileged do not stand in our way, President Clinton will break the oppressive deficit and lopsided tax system to bring much needed relief to the middle class, the poor, the unemployed, and everyone else who is trying to get a fair chance to earn a decent living in this country.

The choice could not be any more clear. We can allow our Federal deficit to continue to explode by playing smoke and mirror budget tricks or we can take firm, bold steps toward the largest real deficit reduction in history. We can allow the wealthy to continue to chalk up millions through overgenerous tax breaks or we can have them pay their fair share. We can watch as working families struggle to stay out of poverty or we can provide them with an earned income tax credit.

Mr. Speaker, most of my constituents and I know where we stand. We support the President's bold plan for the future instead of the GOP's preference for GOP, aka gridlock over progress. Should not everyone?

GUARDIANS OF THE PAST?

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

Mr. BURTON of Indiana. Mr. Speaker, guardians of the past? Wait a minute. Let me get this straight. Guardians of the past, do you guys remember anything from the past?

In 1990, you rammed through this place the largest tax increase in U.S. history and you said you were really going to soak the rich.

Well, the gentleman from Ohio [Mr. BOEHNER] was just here a few minutes ago and pointed out that the tax increases that you levied on the rich reduced the tax revenues by \$8 billion. Why is that?

Well, when you take money out of people's pockets, that is money they cannot spend, money with which they cannot buy products, so you start laying people off. When you lay people off, you add to unemployment. When you add to unemployment, you put this country into a recession, and everybody suffers.

That is the thing that you folks do not remember. Here you are again coming back with the largest tax increase in history and you say that the Republicans do not have an alternative. We had two or three alternatives that would balance the budget without any tax increases and not put this economy into a tailspin.

So what are you going to do? You are going to do the same old things you have done in the past, tax, tax, tax; spend, spend, spend, and try to elect, elect, elect; but the problem is the American people are wise to you and they are wise to President Clinton. They do not want more taxes. They want to cut Government spending first and get this massive Government under control.

DEMOCRATIC NATIONAL COMMITTEE DECIDES TO ATTACK ITS OWN

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

Mr. ABERCROMBIE. Mr. Speaker, over the weekend I am sorry to say that the Democratic National Committee has decided to attack its own.

We have what is called a message team that has been put together that is attacking working people in this country. The Democratic National Committee has failed to understand what its mission is. It actually has an ad on the air which says that special interests are now plotting how to wreck President Clinton's economic plan and block change.

Let us take a look at who these special interests are. The special interests are a waitress with three children and a cross-country truckdriver.

The special interests being attacked by the Democratic National Committee include all of us, including Members of the other body, who support

keeping the business meals and entertainment deduction as a stimulus to business.

The bottom line here, Mr. Speaker, is jobs. The bottom line is not jobs for the Democratic National Committee that is holding a fundraiser with the very special interests that it says it is attacking next Monday in Chicago.

I call on the Democratic National Committee and the Republican National Committee if they are against special interests to send back every single cent of money that they have collected from these special interests.

I only have 1 minute today, Mr. Speaker, but I will be back tomorrow and every day thereafter denouncing the special interests of all committees, Democrat or Republican, that are taking advantage of working people.

ANOTHER DAY, ANOTHER TAX

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

Ms. PRYCE of Ohio. Mr. Speaker, if it is Tuesday and it is Bill Clinton in the White House, there must be a new tax in store.

Another day, another tax.

And, surprise, it is a gas tax. We should not be surprised that the White House is so geared up for a gas tax. After all, Bill Clinton campaigned against a gas tax. Is that not the pattern? This is what Bill Clinton said in his campaign. "I oppose federal excise tax increases. Instead of a back-breaking federal gas tax, we should try conservation." In February of last year, Bill Clinton said to South Dakota farmers: "It is frustrating to me to be told that the only morally appropriate way to wean America off cheap foreign oil * * * is a nickel a gallon gasoline tax on the middle class and the family farm."

That's right, Americans. It is another day, another tax, and another promise broken by Bill Clinton. When will this White House get it, that Americans do not want more taxes? They want Washington to cut spending first.

□ 1220

H.R. 2010, THE NATIONAL SERVICE TRUST ACT

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

Mrs. CLAYTON. Mr. Speaker, I rise today in steadfast support of the National Service Trust Act of which I am a proud cosponsor. It gives me great pleasure to know that our President and Members of the House recognize the importance of community service and the need to provide our young people with educational opportunities.

I am most pleased that the Education and Labor Committee has added language to the bill expressly stating that a community service program that is designed to address the needs of rural communities is eligible for national service program assistance. Our rural communities face many hardships—poverty, inadequate health care, inequitable education systems, and a lack of job training programs. The unemployment rates in many rural areas are climbing and there is not much relief in sight.

The National Service Trust Act will allow youth in rural communities to work in national service programs to help their communities while at the same time expanding their educational opportunities.

I commend the President for his leadership on the National Service Trust Act. This legislation will benefit communities all across America, rural and urban, as it brings citizens together to work for the common good.

MORE THAN A QUORUM

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

Mr. GOSS. Mr. Speaker, the distinguished chairman of the Ways and Means Committee did not mince words to the media when he described his preferred role for Republicans in this House. He reportedly said we are here to "make a quorum." He apparently expects 176 Members of this House to sit quietly by, allow our heads to be counted, and keep our mouths shut about the damage the majority is seeking to inflict on the American economy. I believe the chairman is going to be disappointed. The minority represents tens of millions of Americans—most of whom strongly oppose all three of the Democrats' tax-and-spend plans. We will not sit quietly by and watch the Democrats tax and spend this country further down the deficit drain. Americans did not send us to provide a convenient head count—they sent us to fight for what is right. Count on it.

MISSION CREEP IN SOMALIA

(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, for several weeks I have been concerned about the mission which our United States soldiers have in Somalia. What began as a very laudable exercise in humanitarian relief, protecting the delivery of food supplies, has become, more recently, a military adventure in which we are using U.S. firepower to, in the words of some, establish U.N. credibility in Africa, in effect to create a nation.

National building: from humanitarian roles to nation building. In the meantime, Mr. Speaker, U.S. people are at risk. Somalians, innocent citizens, are being killed. Pakistani peacekeepers are being killed.

Mr. Speaker, I am not an expert in military affairs nor in African affairs, but I do think that, as was said in this morning's paper by the columnist Jim Hoagland, that there has been what is called mission creep. We have crept beyond the original mission of humanitarian relief. I think that our mission in Somalia should be very seriously reconsidered.

MYTH OF THE NEW CONGRESS

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

Mr. SAM JOHNSON of Texas. Mr. Speaker, in January a new Congress promised a change from tax and spend and business as usual. It is time for a 6-month gut check.

This new Congress was going to slash spending and balance the budget, but to date the Congress has already voted to increase spending at least \$14 billion over last year. This new Congress was going to spur growth in the economy. But so far the only thing growing is the size of our bureaucracy and the national debt.

America, it is time to hold our representatives personally responsible for their actions. If Members vote to increase spending we need to let them know how we feel about their broken promises.

As Edmund Burke said, "The only thing necessary for the triumph of evil is that good men do nothing." I urge all America to act today to make their Representatives cut spending first.

PRESIDENT CLINTON'S DEFICIT REDUCTION PLAN MISCONSTRUED BY THE GOP

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

Mrs. SCHROEDER. Mr. Speaker, I do not believe this Member has ever been in the well defending the Wall Street Journal, but today I stand here and say, "Kudos, kudos, kudos," because they finally got it right, and I hope every American reads page A-12.

Why do I want them reading that? Well, because, as the gentlewoman from Illinois said earlier on, the guardians of privilege, the GOP, in this article it points out how the GOP are the guardians of privilege and that they have totally misconstrued President Clinton's deficit reduction plan by misleading the public and misleading small businesses.

Now it is rare that the Wall Street Journal takes on the GOP, but this one

really lays it down. Obviously they do not tell so many of these people that their taxes really are not going to be increased because then the people would not do what they wanted them to do.

What does President Clinton's bill really do? It increases the taxes of the privileged, not the small businessman, and not many of the taxpayers that have been appearing at these different press conferences complaining.

Please read this. Please get it right. Let us have a little truth in this debate.

THE REPUBLICAN PARTY IS NOT THE PARTY OF THE RICH

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

Mr. BAKER of California. Mr. Speaker, I say to my colleagues, "What you just heard, Members of the House of Representatives and people at home, is more of the baloney that we have been getting these last 6 months, that the Republican Party is the party of the rich, we're going to protect the rich. But then we learn in the tax plan that soaking the rich means we're going to tax Social Security benefits. If you make over \$25,000 a year, that's the rich."

Which administration has more millionaires in it? The Reagan administration? The Bush administration? Or the Clinton administration?

Answer: C, the Clinton administration has more millionaires in its Cabinet than any Republican.

Mr. Speaker, why do we get fed this constant barrage of baloney that says the Republican Party is the party of the rich when they are going to raise taxes and the Democrats are going to eliminate jobs and cause a further recession?

I think it is time for truth in Government, that we stop belittling each other and get back to the facts. Do we want to tax and spend or cut spending first?

HELP FOR MIDWESTERN AMERICA

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

Mrs. MEEK. Mr. Speaker, I have been saddened to watch on television the destruction of thousands of homes and farms by the floods on the upper Mississippi. Eleven months ago my friends and neighbors in south Dade County, FL, suffered similar devastation.

Eleven months ago America showed it was a generous and caring nation for the victims of Hurricane Andrew. We can do no less for the victims of the July floods. We will not know the real cost of recovery until the waters recede and better estimates can be made.

I must compliment the President for his immediate effort to mobilize the Government while the waters were still rising. Secretary Espy has been untiring in his efforts. Vice President GORE and many others have sought out officials asking what they could do to help. They have not hidden in hotel rooms waiting to be asked, as happened less than a year ago.

The proposed supplemental appropriation bill which the committee marked up this morning is only the first installment, I am certain. I suspect that it will be necessary to rebuild many miles of highway and rebuild many bridges. Until the waters recede and the engineers can evaluate the damage, we will not have a reasonable idea of the cost, but I think it will be significant.

The magnitude of the destruction may have human impacts several months from now. In south Florida these human impacts did not become apparent for about 3 months. At that point despair became an enemy, and it has been necessary to increase mental health services. I hope this will not be the case in the flooded areas, but funds need to be ready to assist if this does happen.

Eleven months ago the people of Des Moines sent water and other assistance to assist the victims of Hurricane Andrew. Last week, the South Florida Jaycees sent a truckload of bottled water and other assistance to our neighbors in Des Moines. Areas still recovering from the Hurricane immediately responded to our friends' tragedy.

I am ready to vote for whatever funds are needed to help our American friends in the upper Mississippi watershed. If it adds to the deficit, then so be it. This is an emergency. Peoples lives are being destroyed. Only a person without a drop of the milk of human kindness in their soul would question such action.

There must be no doubt that this Congress will help the residents of the upper Mississippi rebuild their lives. I am ready to do my part.

□ 1230

REVERSING THE POLICIES OF THE EIGHTIES

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

Mr. SMITH of Texas. Mr. Speaker, the administration is trying to get America to swallow the bitter pill of the largest tax increase in history. To sweeten the swallow, the White House has decided to add some sugar: billions of dollars of new spending.

This sweet and sour strategy is a remedy for the new malady Mr. Clinton thinks he has discovered. The President says America is sick and he knows

what ails it: the 1980's. You remember the 1980's, when all America's economic groups did better? Well, the President wants to reverse that, and he has just the tax and spend potions to do it.

To most people, everyone getting rich isn't a problem—it's a goal. But this administration thinks it is a problem when folks find they can get ahead—not just get by—without the Government signing a check.

As usual, the President has misdiagnosed again. America doesn't need the bitter pill of more taxes and it does not need the sugar of more spending. What it needs is a second opinion, but all it is getting from administration doctors are grounds for a major malpractice suit.

URGING A BAN ON BGH TO CURB UNWANTED MILK SURPLUSES

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

Mr. SANDERS. Mr. Speaker, I speak today in defense of the family farm and point out that if our family farmers continue to go under, agricultural production in this country is going to rest in the hands of a few giant agribusiness corporations, and that will be a disaster for this Nation.

Specifically, I urge the House of Representatives to support the Senate in an effort to bring to the reconciliation bill a 1-year ban on bovine growth hormone use, BGH as it is called, which was recently developed by the Monsanto Chemical Co. In Europe today BGH is now banned. It is banned in New Zealand, and it is banned in Australia. It will expand milk production at precisely the time we do not need to expand milk production, because that is only going to drive our dairy farmers off the land.

Mr. Speaker, I urge the Members of the House to support the "Dear Colleague" by the gentleman from Wisconsin [Mr. OBEY] and myself which urges the agricultural conferees here in the House to support the Senate. Let us ban BGH to protect our consumers and protect our farmers.

FINDINGS OF THE COMMISSION ON AIRLINE COMPETITIVENESS

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

Mr. BLUTE. Mr. Speaker, earlier this year, the Congress established a Commission to study and report on the economic state of our Nation's airline industry and make recommendations for a revitalization of the industry. The Commission was comprised of nominees made by the President and the leadership of the Congress, and was charged with finding ways to improve

the competitiveness and stability of America's airline industry.

This national panel, created and appointed by the Congress and the President, had but 90 days to evaluate the state of this ailing industry and offer its recommendations.

Well, the results are in. And according to the experts, the best way to fix the sorry state of our airlines is to get Government off of their backs and out of their pockets. Mr. Speaker, I could not agree more.

What has always seemed self-evident to most Americans has now been confirmed by our National Airline Commission—that less regulation and less taxation is the only way toward prosperity. But just as this is true for the airline industry, so too it applies to manufacturing and every other industry.

My message to my colleagues, especially those who will be serving as conferees on the budget in the coming days and weeks, is this: Heed the good advice we have been given by our very own Competitiveness Board. Stop thinking that people and businesses can be taxed into a state of financial well-being. Get Government off of their backs and let all of America's industries soar into the 21st century along with our airlines.

RESPONSE TO FLOODS HIGHLIGHTED BY VALOR OF PEOPLE OF THE MIDWEST

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

Mr. DURBIN. Mr. Speaker, I am going to suppress the urge to engage in this political debate about taxes and spending for a moment and ask the indulgence of the House and all those listening to bear with me. My congressional district has about 75 miles of the Mississippi River, and we all, of course, have seen the brunt of the flood on television.

At the outset let me commend the Clinton administration—President Clinton, Vice President GORE, and the entire Cabinet—for working overtime to let the people across the Midwest know that they understand the depth of the problem and they are going to do everything in their power to help the families and the people who have been displaced by this terrible flood. I think that is something that most Democrats and Republicans would agree is good for this country.

Let me also say on a personal note that I am a son of the Midwest. I was born there, and I am proud of that fact. I have never been prouder since I have seen what has happened along the banks of the Illinois River and the Mississippi River in my district during this flood.

We have not only attracted Red Cross volunteers from across the Nation and

Salvation Army workers who are feeding hungry people, but there has also been an amazing demonstration of support from people in my State and region. Scores of church groups are coming out to sandbag the levees. National guard units are working night and day. The young and old are volunteering to help in hundreds of different ways. This outpouring of support makes me proud of the Midwest. We do not have mountains, we do not have oceans, but in the Midwest we surely have good neighbors and a lot of people who are working overtime to help those in need.

FLOOD RELIEF SPENDING SHOULD TAKE PRECEDENCE OVER OTHER EXPENDITURES

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

Mr. COLLINS of Georgia. Mr. Speaker, the relentless waters of the Mississippi River have washed away the dreams of many Americans. The Federal Government has a responsibility to help those Americans rebuild their lives. But never before has there been a better time or opportunity for Congress to truly prioritize spending.

At a time of tight budgets, spending Federal dollars to help those flood victims is more important than spending some 900-plus million dollars on direct aid to Russia or spending \$1.9 on a space station or \$300 million on additional health care benefits to illegal aliens and spending millions of taxpayer dollars on the National Endowment for the Arts.

This week Congress will be considering a \$2.48 billion flood emergency supplemental appropriations bill.

Mr. Speaker, I call on the President and the leadership of Congress to offset this new spending. Let us work together to cut spending dollar for dollar for the cost of this national emergency. We should stop the flood of deficit spending and be responsible and help those Americans rebuild their lives.

NEW JERSEY CONSTITUENTS AWAIT NEW EFFORTS FOR JOB CREATION

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

Mr. MENENDEZ. Mr. Speaker, I have a message for the budget conferees. It comes from the 10.1 percent of eligible workers in my district who are unemployed. That is thousands of people who are still waiting for the change they voted for and who are still optimistic that we can deliver the one thing they need more than anything else—jobs.

Mr. Speaker, I know we can do it, and that is why I want our conferees to know that these people and millions

more across the country are waiting and watching. They are waiting and watching to make sure, to demand, that we deliver, that we deliver incentives to invest in small business, that we deliver empowerment zones, and that we deliver jobs.

We know that small businesses provide the bulk of this country's jobs. Let us preserve incentives for investment in small businesses. Let us pass them. We know the benefits of empowerment zones. Let us preserve that proposal, too, and let us pass it.

Mr. Speaker, regardless of what we may hear on the other side, deficit reduction is also job creation. Eight million new jobs would be created by the deficit reduction plan the President has put forth over the next 4 years. Each of us has thousands of people at home waiting and watching as well. This is the time to stand up and deliver on their behalf.

REMOTE SENSING AMENDMENT

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

Mr. SMITH of Michigan. Mr. Speaker, I rise today to discuss a bill I have just introduced, H.R. 2634. The legislation directs NASA and the Department of Agriculture to work together with private industry to make better use of remote sensing data for American agriculture.

Remote sensing satellites, by photographic and radar imagery of the Earth from space, can provide important information to American agriculture. With this information, we have the potential to, first, anticipate potential food, feed, and fiber shortages and gluts; predict impending famines and forest infestations in time to mitigate or prevent them; provide information on the condition of crops and cropland; assist farmers in the proper application of pesticides, nutrients, water, and other inputs to maximize crop yield; help farmers decide what kinds of crops to plant, based on predicted acres and yield in other countries and southern climates; and improve the administration of agricultural policy savings.

Today, Mr. Speaker, the United States has two remote sensing satellites flying under the Lampsat Program. The data produced by these satellites and other remote sensing might greatly improve the operation of farms and the administration of farm programs. But we are not using this technology as well as we might.

The legislation I offer also directs NASA and the Department of Agriculture to work together, and with the private sector, to find ways to improve the use of remote-sensing technology in American agriculture. Those agencies are then directed to report their findings back to Congress.

I am delighted by the broad bipartisan support I have seen in this body to improve American remote-sensing technology. I thank the chairman of the Science, Space, and Technology Committee for his support and cosponsorship of this bill.

This bill, Mr. Speaker, without additional cost, helps bring American agriculture into the 21st century. We lead the world in space technology; let us take advantage of that know-how. I invite cosponsors, and ask the House to pass this legislation.

PUBLIC MAY BE MISLED ON SMALL BUSINESS EFFECTS OF CLINTON TAX PROPOSAL

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

Mr. FAZIO. Mr. Speaker, the leading business journal in America had a headline today, "Foes of Clinton Tax Boost Proposals Mislead Public and Firms on Small Business Aspects."

Yes, that is true. The Republican Party and the front group for them, Citizens for a Sound Economy, have been doing just that. Let me read from the article in the Wall Street Journal:

Only about 4 percent of those taxpayers, small businesses, who report some business income on their tax returns, and that includes partners in law firms and investment bankers, as well as owners of small manufacturing concerns, make sufficient money to be hit by the higher tax rates.

Yet, Mr. Speaker, the opponents of the President's deficit reduction plan would have us believe this would drive up the tax rates on every small businessperson in America.

□ 1240

It is more of the same old protect the rich, but it is now done under the guise of protecting the engine of growth in our society, the small businessman, the entrepreneur who is creating jobs.

It will not work. Republicans are desperate to impose more gridlock and to bring down this deficit reduction plan. But, I repeat, it will not work.

TAKE BIG SPENDERS TO THE WOODSHED

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

Mr. COBLE. Mr. Speaker, according to columnist Jack Anderson, the Federal Reserve spent more than \$2 million in moving expenses for 17 officials over the last 3 years.

Closer to home, across the river at Fort Myer, a group of self-appointed decorators, apparently oblivious to the significance of reducing Federal spending, spared no cost in sprucing up the visitors' quarters, including \$352 brass

bathroom faucets, \$93 soap dishes, for a total cost of \$900,000, without the knowledge of the Congress.

These high rolling big shots should at least be escorted to the woodshed and administered a thorough thrashing to assure no repetition. Does the Congress respond in any way to such reckless, imprudent spending? No wonder that taxpayers beyond the Beltway have little respect for anyone connected with the spending of their tax dollars.

NATIONAL AND COMMUNITY SERVICE ACT

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

Mr. CLYBURN. Mr. Speaker, last week I had an opportunity to see leadership being developed and in action.

I visited City Year in Columbia, SC, a summer pilot which I believe should become permanent and year round.

I watched Marie Louise Ramsdale, T.J. Jordan, Carla Derrick, Eric Williams, Nia Henderson, John Pressley, Carrollee Hevener, Kisha Morant, Garrick Haltiwanger, Cheryl Dessausure, Andre Berry, and Heather Endrenyi work with the neighborhood children who attend St. Anna's Park Day Camp.

What I observed that day was a group of young people, when given the opportunity, going the extra mile; extending a hand to get the job done; and taking pride in their work, themselves, and each other.

Mr. Speaker, America was built on the prospect of opportunity. The National Service Trust Act, which we will be debating later today encourages service by young people through programs like City Year, Columbia. City Year, Columbia means an opportunity to serve and develop leadership.

I encourage my colleagues to vote for opportunity and community service. Vote for the National Service Trust Act.

ANOTHER BROKEN PROMISE BY THE WHITE HOUSE

(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. Mr. Speaker, here we go again. President Bill Clinton's White House has done it again. Having campaigned on one side of an issue, his administration is doing the opposite. The issue is the gasoline tax.

In February 1992, Candidate Bill Clinton spoke out against what he called "a nickel-a-gallon gasoline tax on the middle class and the family farm." He even indicated opposition to a gasoline tax in his campaign book called "Putting People First."

That is what Bill Clinton said. But what is Bill Clinton doing? His Budget Director this weekend said that the Clinton administration is, you guessed it, looking more at a gas tax, the same gas tax he railed against when he wanted the votes of the primary voters in South Dakota. He campaigned against the gas tax, and today Bill Clinton's White House is for a gas tax.

Another flip-flop, another broken promise. The American people deserve better.

BAN ON MILITARY SERVICE BY LESBIANS AND GAY MEN

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

Mr. NADLER. Mr. Speaker, the President's announcement yesterday concerning the ban on military service by lesbians and gay men was a grave disappointment for all of us who believed that we would finally deliver a proper military funeral to this policy of official discrimination.

The new "Don't ask, don't tell, don't get caught" policy represents a reaffirmation of the policy of official bigotry by the United States, with changes only in the methods by which that bigotry will be enforced. And we know the President knows better.

While many Americans may believe that lesbians and gay men are so threatening that they should be subjected to official discrimination, the President has made it clear that he does understand the senseless and fundamentally un-American nature of the military ban, which deprives our Nation of the services of many talented individuals and serves as a calculated affront to millions of Americans, in and out of the military.

I think of those whose lives will be affected by the maintenance of the ban. Joe Zuniga, the sixth U.S. Army Soldier of the Year, Tracy Thorne, Keith Meinhold, Margarethe Cammemeyer, and the list goes on and on.

I look forward to the day when our country's leaders act on the conviction that human rights are indivisible; when all Americans, regardless of race, creed, color, sex, sexual orientation, or other characteristics irrelevant to their professional performance, are allowed to serve their country without shame or fear of retribution.

UNITED STATES TROOPS IN MACEDONIA

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

Mr. RAMSTAD. Mr. Speaker, 300 United States ground troops are being used as symbolic pawns in the quagmire in the former Yugoslavia.

The commitment by the administration of these United States troops to Macedonia is the first step down a slippery slope for the United States: As the Minneapolis Star Tribune recently point out, the Macedonian question has been the cause of every great European war for the last 50 years.

Last weekend, the Macedonia Defense Minister said that if war erupted, Macedonia would appeal for 5,000 to 10,000 more American troops.

Mr. Speaker, the lessons of Vietnam should be clear. Our commitment of ground troops in Macedonia clearly threatens to escalate our military involvement in the Balkans—and our presence will not solve the intractable Macedonian puzzle but will only expand the fighting there.

I have introduced a resolution expressing the disapproval of Congress of the U.S. troop deployment and its lack of a clearly defined mission.

I urge Members to cosponsor my resolution and let President Clinton know that American troops must not be used as symbolic sitting ducks anywhere in the world.

RETAIN BAN ON GAYS IN THE MILITARY

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

Mr. BARTLETT of Maryland. Mr. Speaker, this week the country and the Congress will be focused on gays in the military. The administration seeks to lift or partially lift the ban.

Mr. President, you cannot do this by Executive order.

Mr. Secretary of Defense, you cannot do this by issuing a directive.

Let me read from section 1, article 8 of the Constitution: "The Congress shall have the power to make rules for the government and regulation of the land and naval forces."

If the lifting the ban on gays in the military is not making a rule for government and regulations of the military, then, pray tell, what would constitute such a rule?

Mr. President and Mr. Secretary of Defense, the Congress clearly has the responsibility here and it will exercise that responsibility by enacting into law a policy that will maintain essentially intact in policy banning gay in the military, which has served our great military so well for more than half a century.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair would remind Members that their remarks should be addressed to the Chair, and not to the President of the United States directly.

RESOLUTION TRUST CORPORATION

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

Mr. HUTCHINSON. Mr. Speaker, we will soon be voting billions more for the RTC.

The RTC's tactics remind me of the "Empire Strikes Back." Like the storm troopers in that movie, the RTC has too often ruined innocent lives and trampled upon individual rights. In addition billions have been spent on outside lawyers and steps need to be taken to reign in the growth of the RTC empire.

Constituents in my State have told the story that as RTC officials were setting up a command operation post, they were amazed to see one RTC regulator log on his computer with the rather unique computer code name—God. This is all too fitting given the frequent arrogance and abuse of individual rights that has come to characterize the RTC. Perhaps the code name should be changed to Darth Vader.

I urge my colleagues to vote against further funding for the RTC until these abuses are eliminated.

□ 1250

HALLELUJAH, MR. SPEAKER

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

Mr. ZELIFF. Hallelujah, Mr. Speaker, change is coming. Hallelujah, Mr. Speaker, gridlock is over.

The tax-and-spend Democrats have a new message and it goes like this: Hallelujah, change is coming. Hallelujah, gasoline taxes on middle-class Americans are going up.

Hallelujah, Social Security taxes on our middle-class senior citizens will rise from 50 to 85 percent.

Hallelujah, the business meals and entertainment tax is going way up.

Yes, gridlock is over, but Hallelujah, under the President's plan the budget deficit is going up.

No wonder that the Democrat Party wants its members to avoid specifics and smile, smile, smile.

Hallelujah, the tax and spenders control both Houses of Congress.

Hallelujah the tax and spenders control the White House. Gridlock is over and America's taxes are going up.

Yes, Mr. Speaker, the Democrats are smiling, but many of us know that the people of America won't be smiling when they start paying higher taxes to support more Government spending.

OPPOSITION TO RUSSIAN PARLIAMENT'S ANNEXATION OF UKRAINE SEVASTOPOL

(Mr. GILMAN asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, if we needed any reminder of the negative role that the Russian Parliament, as it is currently constituted has been playing in opposing reform in Russia and stability in Europe we got an appalling one earlier this month.

On July 9, the Russian Parliament, the Supreme Soviet, adopted a resolution declaring that the city of Sevastopol in the newly independent Ukraine is to be a part of the Russian Federation.

Mr. Speaker, any move by Russia to arbitrarily claim a portion of a neighboring country's territory is a clear violation of Russia's obligations, as a member of the United Nations, the Conference on Security and Cooperation in Europe, and other international organizations, to honor internationally recognized borders.

Mr. Speaker, we cannot criticize this action by the Russian Supreme Soviet strangely enough. It was encouraging to learn, that both Russian President Boris Yeltsin and our United States Ambassador to Ukraine, Roman Popadiuk, have already done that.

On July 10 the day after the Russian Parliament adopted the resolution on Sevastopol, President Yeltsin stated publicly that he was ashamed of the action it had taken. American Ambassador Popadiuk stated that the United States regards Sevastopol as "an integral part of Ukraine," reiterating that one of the basic principles of the Conference on Security and Cooperation in Europe is the inviolability of borders.

Mr. Speaker, let us commend President Yeltsin, not only for his quick response in this matter, but also for the recent meeting he held with Ukrainian President Leonid Kravchuk to seek agreement on some of the difficult issues outstanding between the two countries.

Mr. Speaker, I say to my Congress, at the same time let us call on the Russian Parliament to adopt a more constructive attitude and end its attempts to aggravate Russia's relations with its newly independent neighbors.

DRUG CONTROL POLICY

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

Mr. OXLEY. Mr. Speaker, the Clinton White House is again sending the message that it is not serious about drug control. The House-passed labor/HHS appropriations bill slashed \$231 million from drug treatment and education programs, and it turns out that these cuts were included at the suggestion of OMB officials. The very next day, at the swearing-in of drug czar Lee Brown, the President repeated his campaign promise to provide "more

and better education, more treatment, more rehabilitation." Lee Brown is quoted as saying that he was unaware of the cuts until he read about them in the newspaper the following morning. Talk about the left hand not knowing what the right is doing.

I have a lot of respect for Lee Brown, and I told him personally that I will do all I can to help him succeed—but look at the position he is in. His staff at the drug policy office is cut back to 25 people, the Justice Department is considering scaling back interdiction efforts, and OMB is gutting education and treatment, which were supposed to be the heart of Clinton's drug policy. What is more, the words "Drug Control" rarely, if ever, cross the President's lips.

As I said, I support Lee Brown, and I think he has the potential to be an excellent drug czar, but what he needs now is a lot more support from his own administration.

EFFECTS OF THE CLINTON TAX PLAN

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

Mr. WELDON. Mr. Speaker, I rise to continue my fourth in a series of examples of the real impact of the Clinton tax plan on real American people.

Mr. Speaker, the House of Representatives didn't just approve one tremendous tax hike when it passed the Clinton tax plan, it approved two.

Many of you may be unaware that the taxes we passed will be borne not just by families and businesses, but also by local governments all across America. That's right, local governments are not exempt from the energy taxes which passed the House. In fact, the Joint Committee on Taxation has estimated that 13 percent of all energy taxes will be paid by local governments.

I have here a letter from Thomas J. Bannar, township manager for Haverford Township in my congressional district. He states the problem very clearly: "Restrictions on raising revenues would mean fewer State and local dollars to provide programs and services that are desperately needed."

I say to my colleagues, this is just a backdoor way for Congress to force local governments to raise taxes to make up for this lost revenue. Bad enough that we passed the largest tax increase in history right here on the Federal level—but we are also going to force our local governments, who are trying too hard to meet the needs of our local communities, to raise their taxes as well. So we did not just vote for one tax increase, we voted for two.

New taxes from our State and local governments, new unfunded mandates for local governments, new overall burdens for the taxpayers at every level.

Some might think that Congress could only raise Federal taxes. Guess again.

TOWNSHIP OF HAVERFORD,
Havertown, PA, May 27, 1993.

Hon. W. CURTIS WELDON,
U.S. House of Representatives, Rayburn House
Office Building, Washington, DC.
Re Btu energy tax.

DEAR REPRESENTATIVE WELDON: State and local governments are not federal taxpayers and should not be subject to taxation under the proposed Btu Energy Tax. According to estimates by the Joint Committee on Taxation, payments made by state and local governments will account for 13% of the new federal revenues generated by this tax from 1994-1998. Historically, state and local governments have been exempted from such taxes, including federal gasoline and diesel fuel taxes.

State and local governments will have to bear significant new financing burdens if they are subject to the Btu tax. Restrictions on raising revenues at the state and local levels would mean fewer state and local dollars to provide the programs and services so desperately needed.

I ask you to support an exemption for state and local governments from the Btu Energy Tax. This new federally mandated cost on state and local governments should be rejected.

Very truly yours,

THOMAS J. BANNAR,
Township Manager/Secretary.

PRESIDENT'S POLICY DON'T ASK, DON'T TELL, DON'T MAKE SENSE

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

Mr. STEARNS. Mr. Speaker, yesterday, President Bill Clinton made his long-awaited announcement of his administration's new policy on homosexuals in the military.

I listened very closely to the President's statement and can only conclude that the new policy of the Federal Government toward homosexuals in the military is "Don't ask, don't tell, don't make sense." I do not believe that this policy satisfies anyone on any side of this issue.

Mr. Speaker, the President has taken a straightforward question and given us a hopelessly muddled answer. The critical issue is whether homosexuality is incompatible with military service. At the President's direction, Congress and the Joint Chiefs have reviewed this matter and reaffirmed the existing ban. That should be the end of the matter.

Mr. Speaker, the President is intent on promoting this new policy which changes little of substance, but undermines the firm legal foundation of the existing policy. His position is an open invitation to new legal challenges, and the American Civil Liberties Union has already announced its intention to file suit against it.

Mr. Speaker, President Clinton should scrap the don't ask, don't tell, don't make sense proposal and accept

the previous policy of the Armed Forces.

ECONOMISTS ANALYSIS

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

Mr. DREIER. Mr. Speaker, I would like to recommend that all of my colleagues take a look at yesterday's New York Times. There was a very interesting article in the business page.

What it was, it was a synopsis of analysis provided by a wide range of economists, a bipartisan group of economists consisting of some people who were very strongly supportive of President Clinton last fall.

Basically four resounding messages have come through from this survey taken among these economists.

First, as we look at this economic program for this year, they say there should be fewer tax increases, more real spending cuts, be very cautious, as we move ahead with health care reform, and proceed vigorously with implementation of a North American Free-Trade Agreement.

There are a wide range of quotes in this. I would like to just point to one from a man called Ed Yardeni, who is the chief economist at C.J. Lawrence. He was a very strong supporter of President Clinton's.

Of the economic plan he has said: "The best thing they can do for the economy is to figure out a politically acceptable way to walk away from the program."

It seems to me that as we look at these kinds of statements that have come forward in a bipartisan way, that proceeding with these four goals of fewer tax increases, more spending, bringing about a very careful look at health care, and proceeding with NAFTA is the way to go.

CFTA IS NO MODEL FOR NAFTA

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

Mrs. BENTLEY. Mr. Speaker, looking at the trade figures with Canada, I question whether or not the Canadian Free-Trade Agreement [CFTA] is a desirable model for NAFTA. The United States trade imbalance with Canada continues to grow from \$5.9 billion in 1991 to \$7.9 billion in 1992. Closer examination reveals that a large portion of the trade imbalance is in motor cars, auto parts, and accessories imported into the United States from Canada.

When the 1992 automotive products deficit of \$8 billion is translated into 20,000 jobs per each \$1 billion, we're talking about the loss of an additional 160,000 jobs. Will this mounting blow be

repeated under NAFTA which is supposed to be submitted to Congress by August 6.

Before we are steamrollered by lobbyists for NAFTA, Congress should fully examine the effects of the binational panels under the Canadian Free-Trade Agreement. Where does an American businessman challenge a ruling by an international panel when we know the doors are shut to the U.S. courts? The current live pig dispute with Canada is an example of no appeal except to GATT, which is always available because it is a separate treaty. We need to go back to the drawing board on NAFTA before it is too late—before we destroy the standard of living of the United States of America.

□ 1300

THE GUILTY PARTIES IN THE HOUSE POST OFFICE SCANDAL

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

Mr. WALKER. Mr. Speaker, last July, on July 23, to be exact, the House defeated a resolution or, in fact, tabled a resolution designed to try to get at the coverup of the House Post Office scandal. At that time I brought a resolution to the floor asking us to make public the committee transcripts of the proceedings of the task force that had been formed to look into this matter, including the depositions and statements of witnesses.

Today, upon the conviction of the former House Postmaster, we understand why that resolution was needed. All Members of the House have been put under suspicion at this point, since up to a dozen Members of Congress are believed to be involved in the trading of stamps for cash. Now we know why we needed to bring this information forward and go ahead.

I am disappointed to say 223 Democrats voted at that time not to allow the House to move forward and make public those records. I would hope that within the next few days we will move to aggressively address this issue again with a similar kind of resolution that will indeed deal with the House Post Office scandal, and that will also begin to deal with it in a sense of keeping innocent people out of the way in which we are dealing with it.

The problem is that we are all guilty until we figure out what the records show about who is really guilty.

UPDATED REPORT CONCERNING EMIGRATION LAWS AND POLICIES OF THE REPUBLIC OF BULGARIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 119)

The SPEAKER pro tempore (Mr. MONTGOMERY) laid before the House the

following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

On June 3, 1993, I determined and reported to the Congress that Bulgaria is in full compliance with emigration criteria of the Jackson-Vanik amendment to, and Section 409 of, the Trade Act of 1974. This determination allowed for the continuation of most favored nation (MFN) status for Bulgaria without the requirement of an annual waiver.

As required by law, I am submitting an updated formal Report to Congress concerning emigration laws and policies of the Republic of Bulgaria. You will find that the report indicates continued Bulgarian compliance with U.S. and international standards in the areas of emigration and human rights policy.

The Administration intends to propose legislation, which would let me terminate the application of Title IV of the Trade Act of 1974 to Bulgaria.

WILLIAM J. CLINTON.

THE WHITE HOUSE, July 20, 1993.

NOTICE OF CONTINUATION OF NATIONAL EMERGENCY WITH REGARD TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 120)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1993, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to U.S. interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I

have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Iraq.

WILLIAM J. CLINTON.

THE WHITE HOUSE, July 20, 1993.

REPORT OF THE COMMODITY CREDIT CORPORATION FOR FISCAL YEAR 1990—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress (15 U.S.C. 714k), I transmit herewith the report of the Commodity Credit Corporation for fiscal year 1991.

WILLIAM J. CLINTON.

THE WHITE HOUSE, July 20, 1993.

REPORT OF THE COMMODITY CREDIT CORPORATION FOR FISCAL YEAR 1991—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress (15 U.S.C. 714k), I transmit herewith the report of the Commodity Credit Corporation for fiscal year 1990.

WILLIAM J. CLINTON.

THE WHITE HOUSE, July 20, 1993.

GENERAL LEAVE

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2519.

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

There was no objection.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1994

Mr. SMITH of Iowa. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2519)

making appropriations for the Departments of Commerce, Justice, and State, the judiciary, and related agencies for the fiscal year ending September 30, 1994, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa.

The motion was agreed to.

□ 1305

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2519, with Mr. BROWN of California in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, July 1, 1993, the bill had been read through page 59, line 8.

Pending is the amendment offered by the gentleman from Colorado [Mr. HEFLEY].

The Chair recognizes the gentleman from Colorado [Mr. HEFLEY] for 5 minutes in support of his amendment.

Mr. HEFLEY. Mr. Chairman, as part of our continuing effort to cut Government waste, I am offering an amendment today to delete the funding for the Economic Development Administration. Just 3 weeks ago the gentleman from Minnesota [Mr. PENNY] made a point of order to strike \$223 million for new EDA grants and loans. In other words, 3 weeks ago we got rid of the program of EDA. It seems only natural and appropriate we now get rid of the staff of the EDA.

The amendment that I am proposing would complete the job by cutting the additional \$26 million in the bill for EDA's salaries and expenses. They have no program now. They do not need the salaries and expenses.

Mr. Chairman, during the campaign the President promised to increase investment through new public-private partnership. Good idea, in many cases, but I would caution the President to move carefully, because the EDA was such a public-private partnership. Its record is less than successful. Every group that has looked at this program, the inspector general, the Grace Commission, anybody that looks at Government waste, comes up with the EDA and tells us this is an absolutely awful program.

Over the past decade the EDA spent \$2 billion in unauthorized appropriations. The inspector general found the EDA invested \$27.5 million to create 86 jobs. That is \$320,000 per job.

Another IG investigation found \$82.5 million invested in 80 projects, almost half of which actually eliminated jobs. It has invested \$800,000 on a golf course that washed away, \$450,000 on a water tank that cannot be used, and \$670,000 on a marina that is too large for the town to maintain, and on it goes.

The EDA was created in 1965 to help economically distressed rural areas. Originally enacted, 12 percent of the country qualified for EDA assistance. Today EDA's mission has been expanded to 90 percent of the country. We all know 90 percent of this country is not economically distressed; at least, not yet.

How did the EDA lose its focus? Unlike the popular community development block grants, the EDA picks and chooses its own projects. This makes it highly susceptible to pressure from Capitol Hill. This makes it extremely valuable to Members of Congress. The result has been an administration with a 28-year history of bad projects and ineffective assistance.

It is not all Member-directed pork. Sometimes it is just bad management. Let me give the Members an example from my own district. Manitou Springs is a small resort community known for its natural sparkling waters. It is the home of the Manitou Springs Bottling Plant. In the early 1980's an investor bought the property with an EDA loan. Then he defaulted on the loan. In 1989, after dragging their feet over an ownership dispute, the EDA formally took possession of the property. Then nothing happened. The EDA did not market the property. No property managers or real estate professionals were hired. The sign outside the property did not say "for sale," it said "keep out."

The EDA did not maintain the property. At one time the city had provided the EDA with a list of code violations. In fact, the fire department would not use the bridge going to the property because they did not want to lose their truck. As a result, the EDA did not sell the property. For most of the decade, the bottling plant sat unused and deteriorating. While Manitou went through a deep recession, one of the best properties in town was tied up, vacant, deteriorating.

This is not just a Colorado phenomenon. At one point over 40 percent of the businesses receiving loans from the EDA were in default; 40 percent, almost half, in default.

□ 1310

This is an agency that is supposed to promote economic growth, not deflate it.

Let us protect jobs. Let us save communities. Let us save money for the Federal Government at a time of a money crunch and tight times. Let us eliminate the EDA.

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to the amendment.

At one time EDA had an appropriation of I believe \$750 million. It was reduced very substantially perhaps several years ago down to where the Agency is primarily involved in getting projects up to the point where they can be financed locally.

Many local governments, for example, cannot float bonds until they have

certain kinds of studies and certain kinds of other material on the record. I think EDA has done a good job of that. The ones available for public works grants projects have been greatly reduced.

The Agency also administers the repayment of loans that come back into the EDA. We would not have any money at all even to administer the collection and repayment of those loans were it not for the salaries and expenses account that the gentleman proposes to strike. I think even if we were to completely eliminate the EDA programs, we could not strike the money that they need to administer the collection and the repayment of these old loan accounts.

I am opposed to striking this funding.

Mr. ROGERS. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, I reluctantly oppose any amendment by my good friend, the gentleman from Colorado [Mr. HEFLEY]. He is a very close friend of mine, but I must oppose this amendment, because I think the gentleman is very much misguided on this point.

I represent one of those economically distressed areas of the country. I do not know what we would have done had it not been for the Economic Development Administration over the years. There just simply was no other place that a region like that can turn except to the Federal Government. The State of Kentucky, and I daresay most of the other States, do not have the kind of resources it takes to help a whole region lift itself up out of poverty and the lack of employment opportunities. The EDA has been the principal place, I daresay, for regions and communities to turn to for sewer projects, or water projects, or any number of other types of projects that would allow that community to lift itself up out of poverty, and I have seen it, time and time again, with hundreds of new jobs in our communities.

It is awfully easy if you represent an affluent area of the country, or a region of the country that does not need any external assistance, encouragement, or enticement to attract new industry, or to help an existing one expand, or to help a community that is otherwise helpless, with a sewer project or other enticements that produce jobs. But for many parts of this country, there is simply no other place to turn, Mr. Chairman, but to the EDA. I am sure that we can find here and there projects that were failures, projects that at first blush could be nipped. But there are dozens of good success stories for every single failure that one can point to. And I have to say that many of the projects that we are trying to help with EDA grants, are projects that cannot be financed in the private marketplace. You cannot get a

loan, or you cannot get a grant from a private source to do these types of projects, because many of them are risky.

So I say we should not destroy the possibilities and the hope that these EDA grants bring to poverty-stricken areas, or even areas that need economic development that could not be called poverty stricken, Mr. Chairman. So I hope that we can reject the amendment, even though my friend is a great Member of Congress. I have to oppose him on this one because I do think, on this particular amendment, he is very much misguided.

Mr. HEFLEY. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I am happy to yield to the gentleman from Colorado.

Mr. HEFLEY. Mr. Chairman, just one quick comment, and that is, I think it is just the other way around, maybe from the way the gentleman said it, in that I think you will find dozens of failures for every success. I am not saying that there are not successes—and there have been some successes with this. But I think if we look at the GAO report, the Grace Commission, any other study we want to look at that has studied this in an objective way, I think they will point out that there have been far more failures. And if we look over the years, for instance, at where the projects are, and it may just be an absolute coincidence that so many of them are in key Appropriations Committee Members' districts, and that a large number of them are in West Virginia. That may just be an accident, but I do not much think so.

Mr. ROGERS. Reclaiming my time, I cannot speak for all of the other Members on these projects, where they are, or what they have done, but I can tell Members a couple of mine in my own district. Our young people are moving away to other places seeking employment. There is no other choice for them. We educate them well, and then we ship off that tremendous talent to somewhere else that gains the benefits of it.

But we have seen, through EDA projects and grants, like in my home county of Wayne County, helping a company come in there called Avian Farms, providing 182 new jobs for people whose families now can live at home, rather than be shipped off to Ohio, Michigan, or perhaps Colorado or somewhere else. We have seen dozens of those projects.

So I hope we will not cut off this opportunity and this hope in a program that helps our people.

Mr. SMITH of Iowa. Mr. Chairman, I wonder if we can get agreement on a time limit on this amendment. Is 20 minutes enough, or do we need 30?

Mr. HEFLEY. Mr. Chairman, I think 20 minutes would be fine.

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent that the debate

on this amendment, and all amendments thereto, close in 20 minutes, with half of the time allocated to myself and half of the time to the gentleman from Colorado [Mr. HEFLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. APPELEGATE].

Mr. APPELEGATE. Mr. Chairman, I thank the gentleman for yielding the time.

Mr. Chairman, my friend from Colorado thinks the program is moving backward, this country is backward. But in fact, what I think this amendment reminds me of, is the guy who got up one morning, put his shoes on backward and walked forward into the past. I think what we are doing, in fact, is going to move backward.

EDA is a forward program to help people and communities. Yes, there is some pork. But we are going to find pork in just about everything we do. There is nothing perfect in life. God knows that I am not perfect, but my wife is not ready to divorce me yet, at least I hope she is not.

But to dismantle this program only denigrates Government's responsibility to help people and communities in an insurmountable time of need. This is American tax dollars going back to those who have paid the taxes 100 percent.

It is always amazing to me those Members who will cut programs that go back to help people, to reduce the debt, will then support programs that will send our jobs out of the country to other nations of the world by supporting NAFTA, and supporting liberal trade agreements with Communist China.

EDA has helped millions who have been hit by natural disasters, by economic disasters because of jobs that have gone out of the country. They have helped so many in so many different instances, and right now, with the defense base closures, EDA has helped in my area by saving a steel mill, and it has helped in my area by saving an aluminum company.

I can remember when the Reagan-Bush administration tried as hard as they could to dismantle this program, and they put in a guy who fell flat on his face and failed. Then he went on to manage Ross Perot's Presidential campaign. So you know what that says.

But the people support this, and they want their money to stay at home. Defeat this amendment. It is a misguided amendment. We should support a Government that is for, of, and by the people. Keep our money at home, help our local communities, help our local industries, and get back the jobs that are going overseas. Again I think that is the way we are going to be able to balance the budget.

□ 1320

Mr. HEFLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. CLINGER].

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

Mr. Chairman, while it is true that EDA has not been reauthorized since 1981, the fact is that sufficient support has resided in Congress to keep the program alive.

For fiscal year 1993, EDA received \$244 million in appropriations, plus \$27 million for salaries and expenses.

State-Justice-Commerce bill appropriates \$223 million for fiscal year 1994.

EDA is the Federal Government's principal agency to handle base closure-defense conversion programs. Members who have military facilities in their districts that are subject to downsizing or closure ought to be aware that EDA can play a very constructive role to assist local communities and local businesses. Don't forget there will be a second round of the Base Closure Commission in 1995.

DOD has transferred \$130 million to EDA for base closure-defense conversion programs. Money to be used for planning and project grants to minimize disruptions in affected communities.

EDA is also relied upon to provide assistance to areas devastated by natural disasters. Most recently, EDA provided \$75 million in disaster relief assistance for Florida, Hurricane Andrew; Hawaii, Hurricane Inikea; Guam; and Kansas.

Critics of EDA are quick to point out projects funded by EDA that sprang from admittedly make-work jobs initiatives funded by Congress in the late 1970's and early 1980's. EDA projects today are funded on a cost-shared basis, the amount of cost-sharing is related to the degree of distress suffered by the local community. Projects are supported by local governments; EDA is no longer in the business of fully funding make-work projects.

Mr. Chairman, I urge the defeat of the Hefley amendment.

Mr. HEFLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. RAMSTAD].

Mr. RAMSTAD. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in strong support of the Hefley amendment to kill the pork-riddled Economic Development Administration.

I strongly applaud my colleague from Minnesota [Mr. PENNY] for his point of order which struck over \$200 million from the EDA.

But now we have to finish the job.

President Clinton, in his State of the Union Address, challenged us to come forward with specific spending cuts to reduce the deficit.

Here's one that should be on every Member's list.

The EDA is a program that simply will not die. Even though there has been a strong effort for 12 years to cut this wasteful program, Congress has continued to fund the EDA with unauthorized appropriations.

Today is our chance to finally terminate it once and for all.

This program embodies the law of bureaucratic behavior. It started with a noble intent—to provide assistance to economically distressed rural areas.

Then its programs were expanded dramatically—even though it had not demonstrated proficiency in its existing programs—to include development in 90 percent of the country. Clearly, 90 percent of the country is not impoverished, yet the EDA's turf continues to expand.

Mr. Chairman, we all believe in economic development.

But to continue draining funds from the jobs-creating private sector by running massive budget deficits hurts the economy and ultimately costs jobs.

Here's our chance to eliminate a very specific program, one that has long since outlived its usefulness and is only a drain on our economy.

Please join Citizens Against Government Waste and other taxpayers' groups in supporting the Hefley amendment and say "no" to the pork-barrel, deficit spending of the Economic Development Administration.

Mr. SMITH of Iowa. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. BARLOW].

Mr. BARLOW. Mr. Chairman, I rise in strong support of EDA, and the area development districts.

Mr. Chairman, I rise in strong opposition to the Hefley amendment to obliterate funding for the Economic Development Administration and the area development [AD] districts. In western and south-central Kentucky, the area development districts do an absolutely outstanding job of reaching into every county to help lift people up, to care for those in need, and to create infrastructure for jobs. The area development districts help small towns with water and sewer needs; they help fire and rescue organizations keep abreast of community needs; they help senior citizens with programs to serve their health and well being; they assist communities in developing industrial sites and businesses needing people with upgraded skills. These are just a few of the areas in which the AD districts work every day in my First Congressional District, and I strongly oppose this minority party attempt to set back the standard of living of the families of west and south-central Kentucky and to dash future hope for economic and community betterment.

Mr. SMITH of Iowa. Mr. Chairman, I yield 2½ minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Colorado.

Mr. Chairman, I do not understand the logic of those who wish to abolish the Economic Development Administration. The EDA has a historic role in the pursuit of economic development and job creation in this country. Despite numerous attempts to undermine

the program during the 1980's, the EDA has survived. It has survived because it works. It works for small businesses, entrepreneurs and local governments trying to foster real economic growth.

The EDA is a cost-effective means to spur the economy—local economies in particular.

The EDA is a small program. Yet, most of us in Congress understand its importance to be much greater than mere dollars. EDA programs often leverage additional economic development, in both the public and private sectors, in regions where the programs operate.

However, as we move into the 21st century, and as this country begins to deal with the structural changes of our economy, the EDA's purpose has broadened.

In California, a State which has an unemployment rate hovering at 10 percent despite a national economic recovery, the EDA has become the focal point—the organizer, if you will—of the Federal Government's efforts to turn the California economy around. President Clinton has begun an ambitious program of economic conversion. This program is essential in California, where a disproportionate portion of the military downsizing has occurred.

This program is bureaucratically complex with funding sources in the Department of Defense, Labor, HUD, as well as Commerce. Representatives of the EDA have visited California several times this year and are developing a program to simplify and quicken the administration's efforts in defense conversion.

In other areas dealing with economic development as well, EDA has taken a coordinator's role.

It is foolish to think about the relatively small savings that can be derived in the short run by eliminating the EDA. In the long run, the negative economic impact in community after community would vastly outweigh the small budget savings.

In conclusion, Mr. Chairman, I urge my colleagues to oppose this attempt to delete \$26 million in salaries and expenses from the Economic Development Administration. To me, this action would define the saying "Penny wise and pound foolish." Vote "no" on the amendment offered by the gentleman from Colorado.

Mr. HEFLEY. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York [Ms. MOLINARI].

Ms. MOLINARI. Mr. Chairman, I thank the gentleman for the time, and I rise in opposition to the amendment.

Mr. Chairman, I am not one of the Members that you might expect to be here today defending the Economic Development Administration. I represent residents of Staten Island and Brooklyn, NY, hardly a rural area that the EDA caters to. My district is not part of an economic development district and since its

creation, the EDA has done little work, if any, in my district.

Yet, today I am here to oppose the gentleman's amendment because the communities I represent and hundreds like them across the country now need the help of the EDA more than ever. When the Base Realignment and Closure Commission finished its work last month, communities from Charleston to Alameda started the road to economic conversion. The one agency that can truly help these communities is the EDA.

Mr. Chairman, the EDA is at the forefront of helping communities adjust to the economic dislocations caused by defense cutbacks and the base closure process. The EDA has wide-ranging authority under title IX to provide comprehensive assistance to affected communities. Under grants already awarded, the EDA has funded proposals to: Establish loan funds to help small businesses reduce defense dependency, invest in physical infrastructure to enhance economic development opportunities, develop business incubator and training programs, and establish community strategy to deal with the cutbacks.

In fact, a recent report done by the Department of Defense suggested that EDA was the best qualified Government agency to oversee the planning and implementation of conversion efforts.

In my district, the closing of Naval Station New York will mean the loss of 3,225 jobs. We will need help creating new jobs for these displaced workers and replacing their income in the community. We will need the help of the EDA.

On behalf of the hundreds of communities that will be affected by this most recent round of base closings and future rounds, I ask my colleagues to vote against the amendment.

Mr. HEFLEY. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Chairman, the age-old dilemma has descended upon us; we know some of the good program intents of the EDA. Many of us have helped make them work back in our districts. But now comes the time, the other side of the dilemma, when the budget deficit is rearing its head to bite us all and to hurt our economy in the long run and to hurt our society as well while doing its worst on the economic situation in our country.

Which shall we do? We must in the final judgment come down on the side of reducing the budget deficit. Since the House has already spoken on the subject, I reluctantly, although I can speak eloquently about some of the work of the EDA in the past, I must come down on the side of fiscal sanity and vote consistently with the House to make sure no extra dollars are spent for these programs.

Mr. SMITH of Iowa. Mr. Chairman, I yield such time as he may consume to the gentleman from South Carolina [Mr. CLYBURN].

Mr. CLYBURN. Mr. Chairman, I thank the gentleman for yielding, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the Hefley amendment which will have the effect

of closing down the Economic Development Agency.

The Economic Development Agency will channel a substantial amount of money into areas affected by base closings and will assist communities facing the economic dislocation as a result of these closings. In my congressional district, as a result of the closure of the Charleston Naval Base and Shipyard and other naval facilities, we will lose over 29,000 military and civilian jobs. We are facing the harsh reality of reshaping an economy long molded by the military presence there.

I do not think it wise or prudent at this time to shut down an agency which will play a major role in defense conversion.

We need the title IX "Special Economic Development and Adjustment Assistance," administered by the EDA, and I would urge my colleagues to join with me in opposing the Hefley amendment.

Mr. SMITH of Iowa. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. BARCIA].

Mr. BARCIA of Michigan. I thank the gentleman for yielding time to me.

Mr. Chairman, in this time of economic difficulty, how can we come to the floor to discuss yet another way to eliminate investment? The Economic Development Administration provides investment capital for community development and economic diversification, strategic planning and technical grants, and infrastructure projects, all with a tremendous record of success; in short helping the needy communities of this Nation to help themselves.

If we are to confront the economic distress being faced by too many American citizens, we must act in a timely fashion. The EDA is a perfect mechanism with which to do this. It offers its programs to urban and rural communities alike, in all regions of the country. We cannot continue to ignore such communities.

Let me illustrate EDA's potential with just one example from my district. Many communities are facing tremendous hardship due to the pending closure of a military base in their area. The Air Force has predicted that last month's closure of Wurtsmith Air Force Base will result in a loss of 50 percent of the population of Oscoda, MI. The Air Force economic analysis estimates an unemployment rate of approximately 27 percent after the closure of Wurtsmith. Now 27 percent unemployment may be acceptable to some Members of this body, but it is not to me.

The Michigan Department of Social Services has predicted that by 1995, one-third of all households in Iosco County will be receiving social program assistance due to this loss of jobs. In the case of Iosco County, a grant to improve water delivery to the area will generate jobs by attracting eight companies which have committed to the abandoned base if the infrastructure can support them.

The people of Iosco County cannot pay for such improvements themselves.

They have come together in a regional effort, donating their time and energy to plan the base reuse project and recruit companies. But without help from EDA, they are lost.

Mr. Chairman, as a freshman Member of this body, I share the commitment of some of our colleagues to cut unnecessary spending. But there are those among us who promote a cutting frenzy for political gain, with no thought to the effect of their actions. We must have a responsible, and I emphasize here a responsible, budget policy.

All of us learn as children the old adage "pennywise and pound foolish." What we have here is an opportunity not to act this adage out. The return on such investments is immeasurable, not just in tax revenue and lower social program payments, but in pride, self-esteem and self-sufficiency.

In the case of the EDA, either we choose to help our people to help themselves—to rebuild their communities and restore their children's future—or we will be forced to support them in their poverty through unemployment insurance and welfare, perhaps for generations.

I choose to afford dignity to economically struggling communities through agencies like EDA. Our colleagues must decide for themselves, Mr. Chairman, which they believe is the better alternative.

□ 1330

Mr. HEFLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I rise in opposition to the pending amendment, which would have the effect of killing the Economic Development Administration.

Now, more than ever, we need the EDA, the one government agency whose resources are committed to what all of us should acknowledge is a matter of the highest priority—revitalizing our economy. How quickly we forget. Just last fall the phrase "it's the economy, stupid" was on all of our minds. And rightly so, for millions of Americans were unemployed not by choice, but by circumstance. Then—and now—there was and is a pressing need to get our economy moving in the right direction. Then—and now—it requires more than good will and best intentions.

The EDA gets a bum rap and I have to admit that most of it comes from well-intentioned if not well-informed Republicans.

For the past dozen years there has been a conscious effort by two administrations to eliminate all funding for EDA. The professionals in that agency, who day in and day out labor hard to make it work, have been handicapped in their efforts because of no support at the top. Despite that lack of support, EDA has managed, with a very limited budget, to finance worthy projects, projects that preserve existing jobs and promote new jobs, all over the country including in the district I represent.

This isn't just my pet theory, it is a fact. I serve now and have for a number of years on

the Economic Development Subcommittee and have heard testimony from literally hundreds of expert witnesses about the good works of the EDA.

Has everything been perfect? By no means. There is always room for improvement in every agency and every phase of Government activity.

This amendment goes about our work in the wrong way. Rather than seek to improve that portion of the agency's work and approach which might need improving, it seeks to destroy everything. Talk about throwing the baby out with the bathwater. At a time when vast areas of the Nation are hurting because of natural disasters and at a time when vast areas of the Nation are facing economic hardship because of significant cuts in defense and the military installations which support our national security, we should be focusing our efforts on how to strengthen and make more productive an agency whose mission all Americans applaud. Let's give EDA something it has not had in more than a decade, strong support and adequate resources and we will all be the better for it.

Mr. SMITH of Iowa. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. OBERSTAR].

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

Mr. Chairman, for several years I served as chairman of the Subcommittee on Economic Development and chaired the Investigations and Oversight Subcommittee that looked into—not just looked into, but rigorously investigated the way in which the EDA conducted its programs.

This is just one of several volumes of hearings we conducted in depth on the good things that the EDA accomplished in some of the problems that the program had that the Congress created by grandfathering in counties. The Congress so loved the EDA that it did not ever want to let go; Members did not ever want to let go of its eligible counties.

We devised a totally new program, indeed with the support and insight of the gentleman from Kentucky [Mr. ROGERS] who was so helpful on this and on the ARC, and with the former ranking member of the Committee on Public Works and Transportation, the gentleman from Arkansas, Mr. Hammer-schmidt, and my colleague, the gentleman from Pennsylvania [Mr. CLINGER].

We reshaped and rewrote this program, and three times it passed the House by votes of four to one, but it would never get through the Senate because the White House was always able to get a Senator to block the legislation from moving ahead.

We will deal with it this year. We will have a bill out that will mirror the legislation of the past, that will correct the problems in law, although the gentleman from Iowa in his appropriations legislation has done a great deal of reining in and limiting the way in

which the EDA operates. I will not go into the details of how that program functions.

I just want to comment, though, and I am sorry the gentleman has left the floor, my dear friend and colleague, the gentleman from Minnesota, who said of the EDA that it is a wasteful program.

It is easy to say when you represent an area like the silk stocking district around Minneapolis-St. Paul, where the per capita income per individual is about twice that of a household in my congressional district and that which the gentleman from Kentucky represents, where the EDA investments in infrastructure, in industrial parks, new businesses, created jobs, permanent jobs that are returning every year to the national economy \$6 billion in taxes to Federal and State governments, three times what the Federal Government has invested in the EDA.

Mr. Chairman, this is a sound and solid investment in jobs for the future of America. Defeat the amendment.

Mr. HEFLEY. Mr. Chairman, let me just close, if I might, with a few comments.

One of the speakers on the other side said that they do not understand the reasoning why we would want to cut the EDA. If you had listened to what I said at the outset, when you go down through it, it is not that the EDA or most of the other programs that we have talked about in here so much this year is an entirely evil program. It is just that it is a program that is unnecessary and that has a great deal of evil in it over the years.

Is it not interesting that the only study done of the EDA that anyone can find that says, yes, it is a pretty good thing, it needs to be revised, but it is a pretty good thing, is a study done by Congress. Congress does not want to give this up. This is a wonderful source of "take home the bacon" for the folks back home.

Let me just end by saying this. I gave the example of EDA jobs created. Now, in many of the programs they do not create jobs. They lose jobs, but in jobs they have created, it costs about \$320,000 per job to create, \$320,000 as opposed to if those jobs had been created in the private sector, if you took the money that is going to the EDA and you left it in the private sector and you let the private sector create the jobs, it averages about a \$35,000 to \$40,000 investment to create a job. That is not good fiscal sense.

Mr. Chairman, let us kill this thing once and for all.

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

Mr. SMITH of Iowa. Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Chairman, I rise in strong opposition to the amendment to strike funding for the Economic Development Administration

[EDA] contained in H.R. 2520, the Interior and related agencies appropriations bill.

Since 1982, the last time the EDA was authorized, the House and Senate budget and Appropriations Committees have seen fit to keep EDA functioning by funding it in the absence of an authorization.

This body voted for those bills to continue EDA—for the past 12 years.

Since 1982, the House of Representatives has passed reauthorizing legislation for the EDA.

For 12 years—Members of this body have voted to reauthorize EDA.

With so much support over 12 years to continue the vital work of the EDA—why are we here today trying to delete funds for those public works—developmental opportunity—job-creating programs?

This Government has failed to invest in its infrastructure here at home for 12 years—while spending more than \$300 billion a year on defense buildups. That is why we are here today, trying in this modest way, to continue funding the EDA.

In case you have not heard, we are downsizing the military. We are closing military bases. The cold war is over.

We are trying to plan for and to pay for defense conversion.

Our President has chosen EDA as one of the means for use in moving defense conversion programs forward.

Let us help him.

What good are EDA programs; let me just cite a few in my district:

Just recently the Greenbrier Public Service District No. 1 was awarded an EDA grant of \$686,000 to extend a public sewer to two vital businesses that, without this investment, would have moved their businesses out of our State. A significant number of jobs would have been lost had this occurred, and West Virginia cannot afford to lose jobs.

This past May, the Cowan Public Service District in Webster County was awarded an \$890,000 EDA grant to make improvements to their public sewer system. Again, these improvements mean hope for an economically depressed county—making the area attractive to new business and creating jobs in the process.

I urge my colleagues to oppose this amendment. EDA funds help in West Virginia, but they help in other States as well. Let me just cite a few EDA successes elsewhere in the country:

In the past year in Philadelphia, EDA funds were used to rehab an older building, and then to create a revolving loan fund, which generated thousands of new jobs through business expansion;

In Chicago, EDA funds improved an obsolete infrastructure in Crawford Industrial District allowing them to retain 85 industrial firms, generate \$40 million in new investments, and to retain 3,780 jobs.

In North Carolina, EDA funds were used last year to build a water system and industrial access roads creating 3,300 jobs—a new job for every \$500 invested.

So you see, EDA funds are not just vital to West Virginia, but to the entire Nation, and these are just a very few examples of what EDA grants can do, if we leave them in this bill.

We are no longer under the Reagan administration who tried to repeal EDA for 8 long years.

We are no longer under the Bush administration, who tried to repeal EDA for 4 short years.

This is the Clinton administration, and he wants and needs to help displaced military personnel by using EDA as one of the Federal entities necessary to bring about defense conversion efforts.

EDA helps expand business and create jobs. We must create jobs for the hundreds of thousands of displaced military and civilian technicians who will be out of work as a result of base closings.

We need to expand business and create jobs for all other unemployed Americans who have been out of the job loop for too long.

Fund the Economic Development Administration now.

Defeat this amendment.

Mr. SMITH of Iowa. Mr. Chairman, I yield the balance of my time to the gentleman from West Virginia [Mr. MOLLOHAN].

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

Mr. Chairman, I rise in strong opposition to the Hefley amendment, which by deleting funds for the salaries and expenses would seal the fate of the EDA. I can assure you that I will fight throughout the remainder of this process to ensure that EDA funding is maintained.

How can we even consider abolishing the EDA, which serves as the central agency for technical and financial assistance to economically distressed areas. There is no other Federal agency with the flexibility to address the range of immediate to long-term economic problems, and the EDA does not promote top-down solutions. Rather it supports a grassroots network to focus on locally developed strategies and solutions. EDA offers comprehensive services—from planning grants and research activities, to technical assistance support, to public works project funding, to sudden and severe economic dislocation assistance. The EDA is in fact a one-stop shop for economic assistance.

I find it incredible that today, in this time of systemic economic transition for our Nation, we are debating an amendment to gut the funds for a program that offers successful solutions.

West Virginia felt the effects of economic dislocation over a decade ago. And the EDA has been a critical resource in our fight to turn the economy around. For example, in Barbour County, the EDA helped renovate a building that was headed for demolition. Today, 60 people are employed in that building—that is 60 jobs in an area where 60 jobs makes a difference. In Ohio County, the EDA helped create the Wheeling Oglebay Park Artisan Center where today 83 people sell West Virginia-produced glass. These exam-

ples only scratch the surface of the invaluable assistance that EDA has provided to my State.

To those of my colleagues familiar with EDA's work, I need only remind you of its importance. And to those of you unfamiliar with EDA, I would offer that as our economy continues to transition—and dislocation continues to be the unfortunate side effect—you, too, will depend on the Economic Development Administration.

Help your communities help themselves by continuing our commitment to EDA oppose the Hefley amendment.

Mr. MINETA. Mr. Chairman, I rise in opposition to the amendment that would delete funds for salaries and expenses of the Economic Development Administration.

The Economic Development Administration is recognized by many economic development practitioners, by State and local leaders and by many others at the grassroots, as having the most effective Federal program for economic development—a program that gets funds to the communities that need them.

Critics like to point out that 80 or 90 percent of the Nation's population live in areas eligible for the agency's assistance. However, they ignore the fact that EDA generally targets program funds to areas of high economic distress based on criteria such as excessively high unemployment rates and per capita income below the national average or that are experiencing long-term or sudden and severe job loss.

In the area of defense adjustment, EDA has for years played a key role in providing special economic development and adjustment assistance. Agency programs have helped many communities facing military base closures or major defense industry cutbacks plan strategies. In addition, these programs support major infrastructure investments for reusing bases and making the transition to a civilian-based economy. In recent years, \$130 million in defense appropriations has been transferred to EDA for this activity. Secretary of Commerce Ronald Brown has stated that EDA is to be on the leading edge of further conversion activity.

EDA provides essential tools to urban and rural areas to help them make better use of their resources. Diversify their economic base and attract businesses that can retain and create long-term jobs and broaden an area's tax base.

The assistance provided helps to cure some of the economic ills and imbalances that exist among our States, communities, and regions. It bolsters the capacity of local areas, and the Nation as a whole, to meet the challenges of competition in global markets.

EDA's public works grants have been crucial for rehabilitating, repairing or constructing infrastructure that is the foundation for economic development and essential for the growth of industry and commerce.

Its planning grants have enabled distressed communities evaluate their economic potential and conceive strategies for long-term solutions. The research and technical assistance have resulted in many creative initiatives at the local and regional levels.

Mr. Chairman, for close to 28 years, the Economic Development Administration has of-

fered vital resources to support and encourage local efforts to enhance economic growth.

Testimony of witnesses has consistently revealed that many of the benefits realized would not have otherwise been possible were it not for the programs of the Economic Development Administration.

Mr. Chairman, this is not the time to eliminate one of the best Federal programs available to help deal with the substantial economic problems facing our Nation.

I urge my colleagues to vote against the amendment to strike funds for the Economic Development Administration.

Mr. HAMBURG. Mr. Chairman, I rise in strong opposition to the Hefley amendment, which will strike funding for salaries and expenses at the Economic Development Administration.

The EDA is particularly important today as we struggle to adjust to profound changes in two major sectors of our economy: Our rural, resource-based economy, and our military economy. As such, EDA is particularly important to my largely rural district, where unemployment is currently as high as 14.5 percent.

Rather than talking about abstractions like agencies and dollar amounts, I want to focus for a moment on communities and people—the focus of the Economic Development Administration.

Point Arena is a town of roughly 400 people on the northern coast of California in my district. It is a community which depends on fishing and tourism and symbolizes the pioneer spirit in America. I would like to read from a letter sent to me earlier this year by Bill Pettigrew, harbor master of Point Arena. He wrote:

In January of 1983, an "El Nino"-generated storm sent waves into Arena Cove of such height that the pier at Arena Cove was totally destroyed. The result was the loss of a vibrant Salmon fishing port that had received up to 100,000 pounds of product a day. Stores in town failed and were boarded up. The timber industry was starting to downsize at the same time and Point Arena became a severely depressed economic area.

The City of Point Arena joined forces with five different federal and state agencies in 1985 to rebuild the pier. With a two and a half million dollar investment, the pier re-opened in April 1987. The Economic Development Administration (EDA) was the single largest grantor with a commitment of \$875,000.

Following the "Grand Opening" in 1987, the once seasonal port has operated 'year-round,' creating many new jobs both in the Cove proper and downtown. Support facilities, stores, restaurants and private development have flourished. The fiscal year 1989-1990 saw Arena Cove become the nation's second largest port for receiving sea urchins with a total poundage exceeding 8.2 million pounds across the dock, 98% of this a United States export commodity going to Japan.

Mr. Pettigrew recently confided to me that, Without the EDA, Point Arena would not exist today. We could never have coordinated the various agencies or achieved the level of funding necessary without the EDA's assistance. They are professionals and good public servants.

EDA is not a pork-barrel agency doling out moneys to congressional districts. The regional economic development representative of the EDA helped Point Arena navigate the murky

waters of conflicting bureaucracies. They ensure that planning grants, technical assistance, and economic adjustment programs, delivered maximum benefits to the community.

The example I cited from my district represents the everyday efforts of the EDA. It was nothing out of the ordinary.

EDA is also playing an increasingly vital role in defense conversion. The probable imminent closure of Mare Island Naval Shipyard has made me keenly aware of the desperate need of affected communities for the promise represented by the EDA. Now, before base closure, EDA planning grants can help the small cities of Fairfield, Napa, and Vacaville, plan for the conversion necessary to keep shipyard employees working in new jobs as the area's economy changes.

The end of the cold war demands fundamental conversion of our defense-based economy. EDA has 30 years of experience in helping communities transform their distressed economies. We cannot afford to give up such critical expertise at this juncture.

I urge my colleagues to defeat the Hefley amendment. It is shortsighted and fails to recognize the importance of this agency.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. HEFLEY].

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

RECORDED VOTE

Mr. HEFLEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 122, noes 300, not voting 17, as follows:

[Roll No. 340]
AYES—122

Allard	Gingrich	Miller (FL)
Archer	Goodlatte	Moorhead
Arney	Goss	Myers
Bachus (AL)	Grams	Myers
Baker (CA)	Greenwood	Nussle
Balleger	Gunderson	Orton
Barrett (NE)	Hall (TX)	Oxley
Bartlett	Hancock	Paxon
Barton	Hansen	Penny
Bateman	Hastert	Petri
Bereuter	Hefley	Porter
Bilirakis	Hobson	Portman
Billey	Hoke	Pryce (OH)
Boehner	Huffington	Regulad
Bonilla	Hunter	Roberts
Bunning	Hyde	Rohrabacher
Burton	Inhofe	Roukema
Callahan	Istook	Royce
Calvert	Johnson (CT)	Santorum
Castle	Johnson, Sam	Schaefer
Coble	Kasich	Sensenbrenner
Collins (GA)	Kim	Skeen
Combest	King	Slattery
Cox	Klug	Smith (MI)
Crane	Knollenberg	Smith (OR)
Crapo	Kolbe	Smith (TX)
Cunningham	Kyl	Solomon
DeLay	Lazio	Stenholm
Dickey	Leach	Stump
Doolittle	Levy	Talent
Dreier	Lewis (FL)	Taylor (MS)
Duncan	Linder	Taylor (NC)
Dunn	Livingston	Thomas (WY)
Everett	Manzullo	Vucanovich
Ewing	McCandless	Walker
Fawell	McCollum	Weldon
Fields (TX)	McHugh	Young (AK)
Fowler	McInnis	Young (FL)
Galleghy	McKeon	Zeliff
Gekas	McMillan	Zimmer
Gillmor	Meyers	

NOES—300

Abercrombie	Geren	Murphy
Ackerman	Gibbons	Murtha
Andrews (ME)	Gilchrest	Nadler
Andrews (NJ)	Gilman	Natcher
Andrews (TX)	Glickman	Neal (MA)
Applegate	Gonzalez	Neal (NC)
Bacchus (FL)	Goodling	Norton (DC)
Baessler	Gordon	Oberstar
Barca	Grandy	Obey
Barcia	Green	Olver
Barlow	Gutierrez	Ortiz
Barrett (WI)	Hall (OH)	Owens
Becerra	Hamilton	Pallone
Bellenson	Harman	Parker
Bentley	Hastings	Pastor
Berman	Hayes	Payne (NJ)
Bilbray	Hefner	Payne (VA)
Bishop	Heger	Pelosi
Blackwell	Hilliard	Peterson (FL)
Blute	Hoagland	Peterson (MN)
Boehert	Hochbrueckner	Pickett
Bonior	Hoekstra	Pickle
Borski	Holden	Pombo
Boucher	Houghton	Pomeroy
Brewster	Hoyer	Poshard
Brooks	Hughes	Price (NC)
Browder	Hutchinson	Quillen
Brown (CA)	Hutto	Quinn
Brown (FL)	Inglis	Rahall
Brown (OH)	Insee	Rangel
Bryant	Jacobs	Ravenel
Buyer	Jefferson	Reed
Byrne	Johnson (GA)	Reynolds
Camp	Johnson (SD)	Richardson
Canady	Johnson, E.B.	Ridge
Cantwell	Johnson	Roemer
Cardin	Kanjorski	Rogers
Carr	Kaptur	Romero-Barcelo
Chapman	Kennedy	(PR)
Clay	Kennelly	Ros-Lehtinen
Clayton	Kildee	Rose
Clement	Kingston	Roth
Clinger	Klecicka	Rowland
Clyburn	Klein	Roybal-Allard
Coleman	Klink	Rush
Collins (IL)	Kopetski	Sabo
Collins (MI)	Kreidler	Sanders
Condit	LaFalce	Sangmeister
Cooper	Lambert	Sarpallus
Coppersmith	Lancaster	Sawyer
Costello	Lantos	Saxton
Coyne	LaRocco	Schenk
Cramer	Laughlin	Schiff
Danner	Lehman	Schroeder
Darden	Levin	Schumer
de la Garza	Lewis (CA)	Scott
de Lugo (VI)	Lewis (GA)	Serrano
Deal	Lightfoot	Sharp
DeFazio	Lipinski	Shaw
DeLauro	Lloyd	Shays
Dellums	Long	Shepherd
Derrick	Lowe	Shuster
Deutsch	Machtley	Sisisky
Diaz-Balart	Maloney	Skaggs
Dicks	Mantone	Skelton
Dingell	Margolies-	Slaughter
Dixon	Mezvinisky	Smith (IA)
Dooley	Markey	Smith (NJ)
Durbin	Martinez	Snowe
Edwards (CA)	Matsui	Spence
Edwards (TX)	Mazzoli	Spratt
Emerson	McCloskey	Stark
Engel	McCrery	Stearns
English (AZ)	McCurdy	Stokes
English (OK)	McDade	Strickland
Eshoo	McDermott	Studds
Evans	McHale	Stupak
Farr	McKinney	Sundquist
Fazio	McNulty	Swett
Fields (LA)	Meehan	Swift
Flner	Meek	Synar
Fingerhut	Menendez	Tanner
Fish	Mfume	Tauzin
Flake	Mica	Tejeda
Foglietta	Michel	Thomas (CA)
Ford (MI)	Miller (CA)	Thompson
Ford (TN)	Mineta	Thornton
Frank (MA)	Minge	Thurman
Franks (CT)	Mink	Torkildsen
Franks (NJ)	Molinari	Torres
Furse	Mollohan	Torricelli
Gallo	Montgomery	Towns
Gejdenson	Moran	Trafficant
Gephardt	Morella	Unsoeld

Upton	Waters	Wise
Velazquez	Watt	Wolf
Vento	Waxman	Woolsey
Visclosky	Wheat	Wyden
Volkmer	Whitten	Wynn
Walsh	Williams	Yates
Washington	Wilson	

NOT VOTING—17

Baker (LA)	Frost	Moakley
Bevill	Hamburg	Packard
Conyers	Henry	Rostenkowski
Dornan	Hinchee	Tucker
Faleomavaega (AS)	Horn	Underwood (GU)
	Mann	Valentine

□ 1357

The Clerk announced the following pair:

On this vote:

Mr. Dornan for, with Mr. Tucker against.

Ms. MARGOLIES-MEZVINSKY and Messrs. INGLIS of South Carolina, DEUTSCH, and RAVENEL changed their vote from "aye" to "no."

Messrs. HALL of Texas, MCCOLLUM, and MCHUGH changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. HORN. Mr. Chairman, I was unavoidably detained and missed the last vote on the Hefley amendment. I would like to note that if I were present, I would have voted against it.

AMENDMENT OFFERED BY MR. OBERSTAR

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

The Clerk read as follows:

Amendment offered by Mr. OBERSTAR: Page 59, after line 8, insert the following:

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the United States Travel and Tourism Administration, \$22,000,000.

The CHAIRMAN. The gentleman from Minnesota [Mr. OBERSTAR] is recognized for 5 minutes in support of his amendment.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I wonder if we could get some agreement on time for this amendment.

Mr. OBERSTAR. Mr. Chairman, I would say that no more than 20 minutes would be sufficient.

Mr. SMITH of Iowa. Twenty minutes, ten minutes on each side?

Mr. OBERSTAR. Yes. We probably will not use all that time.

Mr. ROGERS. Mr. Chairman, if the gentleman will yield, I would hope that there could be some time allotted to this side of the aisle on the question as we talk about limiting time. Would the gentleman be amenable to allocating a third of the time, whatever time is agreed to, to this side of the aisle?

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent that the time

on this amendment be limited to 30 minutes, 10 minutes to the gentleman from Kentucky [Mr. ROGERS], 10 minutes to myself, and 10 minutes to the gentleman from Minnesota [Mr. OBERSTAR].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The time will be limited to 30 minutes on this amendment and all amendments thereto, the time to be divided, 10 minutes apiece, among the chairman of the subcommittee, the ranking minority member, and the gentleman from Minnesota [Mr. OBERSTAR].

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

□ 1400

Mr. OBERSTAR. Mr. Chairman, I yield myself 2½ minutes.

Mr. Chairman, this amendment restores to the Travel and Tourism Administration funding that was eliminated in the markup of the bill Not because the chairman is not in accord with the views, with the issues, the U.S. Travel and Tourism Administration, but because there was so much pressure under the limited allocation his subcommittee had and the subcommittee was under extreme pressure to find reductions in all of its programs.

But since the bill has been on the floor, there have been a number of reductions in the overall programs under the jurisdiction of the subcommittee, and there is certainly room to restore the funding level for the U.S. Travel and Tourism Administration. This amendment will restore the funding to \$500,000 below the authorized amount, \$22 million. The authorization is at \$22.5 million.

The travel program, tourism, is such an important generator of business for America and income to this country. Last year we had 44-plus million visitors to the United States from other countries. They spent well over \$50 billion in the United States. That generated a balance of payments surplus of \$16.5 billion in our favor. We did not have to send anybody overseas. We did not have to package anything except to market the idea among people of other countries to come visit America. They came, and we benefited by a \$16.5 billion trade surplus.

Mr. Chairman, there are not very many sectors where we have that kind of balance of payments benefit. Usually we are in deficit. It certainly makes good sense to make this modest investment in encouraging people of other countries to come to the United States and spend their currency, their dollars, whatever their currency happens to be in our dollar terms, in this country.

Mr. Chairman, we ought to preserve the U.S. Travel and Tourism Adminis-

tration's ability to market America overseas, to attract people to this country. Tourism is clean, it is efficient, and it employs people to the tune of \$90 billion in national payroll in this country. It virtually affects every community, small or large. It is a vital sector of our national economy. Tourism overall is a \$320 billion sector of our national GDP. Most countries spend tenfold more than we do on tourism promotion. This is a modest investment in the future of American growth.

Mr. SMITH of Iowa. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I would suggest to my very good friend from Minnesota [Mr. OBERSTAR] and to my colleagues and friends that will speak on behalf of this amendment that their allegiance to the tourism industry is misguided in this particular amendment, and remind them of the context of this bill.

Mr. Chairman, do you know in this bill we are cutting back on Drug Enforcement Administration agents? We are cutting back on FBI agents. Virtually every important priority that is included in this bill is being cut back. And what are we trying to do? Add money to the Travel and Tourism Administration.

Mr. Chairman, this is a subsidy to the major airlines and hotel chains. There is no evidence that this kind of federal expenditure is going to generate any more tourists. The thing that generates tourists from foreign countries into this country is the exchange rate between the U.S. dollar and foreign currencies and the promotions that are put on by the major airlines and by the hotel chains.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. MORAN. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, if the gentleman's argument is right, then why does the Province of Ontario spend \$36 million a year every year to attract Americans into Ontario? If you stop advertising, they stop coming. It is a sector that yields the revenue needed to generate the support for the other programs the gentleman is advocating.

Mr. MORAN. Mr. Chairman, reclaiming my time, I would not suggest to the gentleman reasons why Ontario does whatever it does. The Canadian Government I do not think is necessarily a standard setter for frugality in many ways. But why people visit Ontario I suspect is because of the natural resources that are in the Province of Ontario, rather than any particular promotional program they might have.

Mr. Chairman, we are talking about a very, very strict budget that has been applied to every program within this appropriations bill. Here we are subsidi-

dizing industries that clearly do not need it and cannot compete with the kinds of priorities that are included in the rest of this bill.

Mr. Chairman, I represent an area that benefits a great deal from tourism. But I also know that it is not going to benefit from tourism unless they have the hotels and motels, the restaurants, all the kinds of infrastructure, if you will, that accommodate new tourists.

What we are doing with this new program, because of the authorization that requires it to go into this cooperative marketing program, is we are trying to attract people to areas that do not have the hotels, that do not have the tourist accommodations to maximize the opportunity that tourism in those areas might provide. That is one of the reasons why we did not want to put so much money into this program so fast.

Mr. Chairman, to suggest that \$22 million in travel and tourism to subsidize the large airlines and the hotel chains is more important than spending that \$22 million on Border Patrol officers, on FBI agents, or on drug enforcement agents, seems to me is misplaced priorities.

Mr. Chairman, I do not want to argue with the judgment of my good friend, the gentleman from Minnesota [Mr. OBERSTAR], and I respect it a good deal. But within the context of this bill, if the gentleman would look at the rest of this bill, I think he would recognize that the subcommittee's priorities are in order and that we cannot afford this additional amount of money to go into USTTA.

Mr. ROGERS. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, let me say at the outset that I support the work of the USTTA. I support the U.S. Travel Tourist Administration. But let me explain why this amendment should not pass today.

As the gentleman from Virginia [Mr. MORAN] has said, our subcommittee only has 96 percent of the current services to spread for next year's spending amongst all the agencies that we have to deal with, including USTTA.

What we did was basically go to all agencies and say, "We are going to give you 95 percent of what you got last year for next year." We treated USTTA just like most all of the others. Only two or three agencies, as I recollect, got more than 95 percent.

□ 1410

So we gave 95 percent of their current services to USTTA, because the work they do is good for all of the States of the Union, not just two or three; all of them.

The Committee on Energy and Commerce, the authorizing committee, comes along and says, Mr. Chairman, "Appropriators, you cannot appropriate any money for the USTTA at all

unless you include this new program that we want called the Cooperative Tourism Marketing Program, which will help two or three States on the Canadian border."

They said, "You can't appropriate, Congress, you can't appropriate any money at all for the whole United States' effort to promote tourism unless you say we can spend this money for our two or three States."

We said, no. We are going to give USTTA the same amount of money we are giving the other people in the Government, 95 percent of current services, just like everybody else. We do not have the money for a new program. It is just not there.

We are having to say no, no, no, no all across-the-board. USTTA is no different.

This amendment should add back to the bill, Mr. Chairman, after it was stricken on a point of order a couple of weeks ago. Now they come back and say, "We not only want 95 percent of the current services for next year. We want 41 percent more than 1993.

We put in the bill originally, \$17,120,000. That was stricken. Now they come back and want \$22 million, Mr. Chairman, for a new program.

How many new programs is this Congress going to be able to afford this year on any kind of initiative, especially a program that benefits just three or four States of the Union.

Mr. Chairman, I oppose this amendment. I urge all Members to vote against it.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. DINGELL], chairman of the Committee on Energy and Commerce.

Mr. DINGELL. Mr. Chairman, the fact that the Committee on Appropriations has sought to legislate here in violation of House rules tends to show the unwisdom of that practice on the part of that great committee. They say this is a new program. It is not a new program. It is 25 years old.

The hard fact is that what the Committee on Energy and Commerce and the House of Representatives did last year was to say to it that 25 percent of the money was going to go to the States for purposes of funding tourism promotions by the States and through the States. That is why.

What the issue here is, is the Committee on Appropriations going to change the program on which the Congress voted overwhelmingly to change an unworkable program into one which now works?

The Committee on Appropriations intends and tries here to continue the old unworkable ways where we have a bunch of bureaucrats sitting around in offices around the world doing nothing. What we need to do is, if we are going to have tourism in this country, is to have an aggressive program of promot-

ing and bringing forward tourists to come to the United States.

What my good friend from Iowa would do is to legislate. What we are seeking to do is simply have the law as it now is applied, without changes by our dear friends on the Committee on Appropriations.

The hard fact is, there are no fiscal issues raised by the amendment. It is well within the authorization level. It is also within the budget allocation levels.

It is supported by the agency itself, by OMB and by Members on both sides of the aisle.

I have here a letter signed by Leon Panetta which says,

The administration supports the provision enacted in the Tourism Policy and Export Promotion Act of 1992 requiring that no less than 25 percent of funds appropriated to USTTA be allocated to Cooperative Tourism Marketing Program grants and believes the Oberstar amendment is necessary to carry out that provision. Accordingly, the administration has no objection to the Oberstar amendment.

I urge my colleagues to reject this attempt by the Committee on Appropriations to legislate and get on with the program which was overwhelmingly supported by the House and by the Senate.

Mr. ROGERS. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I have listened to the debate on this particular amendment. I must say, I am persuaded by the proponents of the amendment.

I listened very carefully to the author of the amendment, our friend from Minnesota, and I agree that this is a wise investment.

When we read the amendment and we see what it does, we see that it is really going to provide jobs in the area of tourism.

Now, tourism is the second largest job producer in just about every State in the Union. What this bill will do will be to match funds with State and local tourism agencies.

I have looked at what goes on in this area, and I find that foreign visitors last year spent \$16 billion in this country, \$16 billion. So we really have a trade surplus in this area.

Why is that? Because if we have tourists coming here and buying something, it is like shipping it overseas. That is why we have this huge surplus.

Every single State is going to benefit economically by this amendment. America is a big country, and people overseas want to come and visit America. But they do not know much about various sectors of America, because they are always zeroed in on two or three areas.

What this bill is going to do, it is going to explain what America is like, all of America, not just one or two or three areas.

We had 44 million visitors here in America last year from overseas, spending some \$71 billion. And some \$16 billion, as I mentioned before, more in this country than we spent overseas. That is why we have a \$16 billion surplus in this area.

This money will go to create jobs in a sector where jobs really are needed, the service sector.

As far as who is going to benefit, we know no States will benefit more than the State of Iowa and Kentucky. I mean, people are going to be reading about Kentucky.

People overseas want to know about the Kentucky Derby and what goes in Kentucky. People overseas want to know what goes on in rural America. That is where Iowa is at the head of the list. Look what is going on along the Mississippi now.

I think we want foreign visitors to come to that area. This is precisely what this amendment is going to do.

It is hard to persuade me to vote on some of these amendments, but this particular amendment is really a good investment. This is a jobs amendment. That is why I think this is a good amendment and one that I hope that the Congress and the Members here will give real consideration to and vote for.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from Nevada [Mr. BILBRAY].

Mr. BILBRAY. Mr. Chairman, as chairman of the Subcommittee on Procurement, Taxation and Tourism of the Committee on Small Business, we had a hearing yesterday in Alexandria, LA. Let me tell the gentleman from Alexandria, VA, that that little town has hotels and has tourist accommodations, but they need help in rural America.

I come from a large urban center in Las Vegas, NV. We get our message out very loud and clear. But little rural America needs help. They need people to help them to promote their message in their areas.

The program that has been expounded by the chairman of the Committee on Energy and Commerce is very, very important, because it gives help from USTTA, funds to match their funds to promote rural America.

When a foreign tourist comes to this country, he spends 6 times what an American tourist does in going to those communities. It is not rechanneling American dollars. It is rechanneling money from Europe into our economy. We have a great balance of surplus on tourism.

We have got to promote that. I am standing, telling the Members now, if we spend \$3 million more we will bring in tens of millions of dollars to our economy from this tourism being spent here.

I will tell the Members, people out there are asking for help from rural

America. They want this program. They need this program. They need the Members' help. Believe me, this Congress should not be penny-wise and pound-foolish, because let me tell the Members, we need this program. I commend the gentleman from Minnesota [Mr. OBERSTAR] for proposing it. We need it for USTTA, we need it for rural America, we need it for America as a whole to create jobs and get this country moving again.

Mr. ROGERS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, as I have said before, this is new money. We gave USTTA 95 percent of current services in our bill. Then it was stricken on a point of order. Now they come back wanting \$22 million, which is a 41 percent increase over what we gave them. We simply do not have the money.

Bear this in mind, if we vote for this amendment we are giving money to the Tourist and Travel Administration that we are taking away from the FBI, the DEA, modernization of the Weather Service, that we could not afford; the Immigration and Naturalization Service, and the Border Patrol and the protection of our borders. That is where the money is coming from, if the Members approve this increase, this new money for a new program for the U.S. Travel and Tourist Administration. Bear in mind, the money has to come from someplace in the bill. It is coming from the places where it should not come, and that is the law enforcement agencies of our country.

Mr. Chairman, I urge Members to vote "no" on this amendment. I have no further requests for time, and I yield back the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I would ask how much time remains.

The CHAIRMAN. The gentleman has 3½ minutes remaining.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Chairman, let us bring a sense of reality back here. We are not going to have just a cutback in some of these other agencies. We are having cutbacks all over in education and health care. If we want to attack those issues, let us attack those issues. However, if we want to generate the taxes that help us pay for all of these in the first place, whether it is FBI agents, drug agents, or travel agents, then we have to have the jobs generated to generate the taxes that give us the revenue to enable us to do this.

One of the whole ideas of job stimulation has been to make an investment. If we cannot do that with Federal dollars, what are we here for? The State of Hawaii alone spends more than \$22 million on its travel and promotion program, in addition to everything that we do with hotels and with airlines and with other travel agencies and instrumentalities, we spend more, alone.

What we are asking for from the entire country is a mere \$22 million to invest in all the rest. Hawaii is not hurting in that respect in terms of promotion. Las Vegas is not hurting in respect of promotion. On the contrary, we stand here telling the Members, the gentleman from Nevada [Mr. BILBRAY] and the gentleman from Hawaii, saying, "We know how to promote tourism. That promotes jobs, that promotes tax revenues." What we want to do is help share this with the rest of the Nation, so all of the other States, rural and urban areas alike, benefit from it.

We want to go to the context of this in terms of promotion because that is what is going to help generate it in every State, in all the 50 States, every-one benefits. Tourism is the No. 1 industry in 13 States. It is one, two, or three in 37 States out of the 50 States in America.

I urge all of us to pass favorably on this amendment so all Americans can benefit. This is an investment in America. Vote "aye."

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

Mr. Chairman, we have no further speakers, but before yielding back our time, I just want to clarify an inadvertent mistaken impression that may have been created. This program is indeed authorized. The Office of Management and Budget indicates clearly, as the gentleman from Michigan [Mr. DINGELL] said, that the administration believes the Oberstar amendment is necessary to carry out the Cooperative Tourism Marketing Program, and has no objection to the amendment.

That is rare, to get that kind of support from the Office of Management and Budget, and it indicates this program is important. I think the President clearly understands the significance of tourism. He supported tourism as the Governor of Arkansas, and he supports it very strongly as President of the United States.

The evidence is replete that until we had a really aggressive USTTA program, we did not break the sound barrier on balance of payments. We have done so, and the Cooperative Marketing Program will carry us further. Every other country in the world markets its values abroad. This is not like "Field of Dreams," "Build it and they will come." We have built America. We have to tell people about America and what they need to see here, so we can generate that positive balance of payments, \$16-plus million last year.

Vote for this amendment. Vote to sustain America's momentum in travel and tourism.

The CHAIRMAN. The gentleman from Iowa [Mr. SMITH] has 6 minutes remaining.

Mr. SMITH of Iowa. Mr. Chairman, I yield myself the remainder of my time.

The gentleman from Hawaii [Mr. ABERCROMBIE] has made the argument better than I could. Hawaii alone spends \$22 million or more per year on tourism. Yet, the Energy and Commerce Committee, when they reauthorized this program last year, added \$5 million for competitive grants to the States. Why do we need \$5 million for 50 States if one State spends more than \$22 million? That shows how insignificant this whole program is.

Some years ago the Secretary of Commerce was a fellow by the name of C.R. Smith who had been President of American Airlines. We asked him at the time he left office, we said to him, "What do you want to tell us about the Travel Service?" He said, "I will tell you this," and we were spending only a few million at that time, he said, "either spend \$100 million or stop the program. You are not doing any good with a trivial amount of a few million." That was more than 15 years ago. Now we are talking about \$17 million or \$15 million or \$22 million for the USTTA.

This committee visited Denmark a few years ago. They had a great travel promotion program over there, they said. We found out what happened. Almost all of the airline tickets to the United States had been sold in a 30-day period when the hotels and airlines had a special.

What we have here is this. Last year when the Energy and Commerce Committee authorized this program again, a new provision was added. Instead of just being a legislative provision, they in affect included an appropriation in their authorizing bill. They said, "You have to spend 25 percent of this money for this new program." This had the effect of appropriating on a legislative bill, 25 percent of the money.

To get the 25 percent, what do we have to do? We increase the amount of money they got from \$15.6 million last year up to \$22 million, to pay for this new program, so more Governors can get on nationwide TV through their favorite advertising agency, advertising themselves, and the mountains in the background, or whatever it may be. This is a new program that they have added to this agency. They in effect appropriated the money right up front in the authorizing legislation to take care of it.

The gentleman's amendment would provide a 41 percent increase over last year's level. We do not have any 41 percent increase in this bill for other programs. It does not come out of thin air. We have to get the money someplace. Where do we get the money? Here are some of the things Members wrote to us that they wanted, that were not in the budget. We tried to squeeze a little here and there and put these funds in. Here are some of these programs:

The non-point pollution program, we had a whole raft of letters on that; Aquaculture;

Marine sanctuaries. Do the Members want to take some more money out of marine sanctuaries? We will have to take it out of somewhere if we add 41 percent for this agency.

Fisheries research? I will tell the Members, there are five salmon commissions. I did not know before I came to Congress that there was more than one kind of salmon. There are several kinds of salmon.

We have salmon commissions and other kinds of commissions. Everybody wants some of this money.

Zebra mussels? We do not have enough money in here for zebra mussel research, I will say that up front, even though we increased the amount of money requested by the administration. Zebra mussels are a serious problem.

Do we want to take the money out of the Sea Grant Program? The Sea Grant Program is a great favorite among many Members. We have a list this long of Members and States wanting a Sea Grant Program increase.

□ 1430

We could take these funds out of the Sea Grant Program if you want to. This funding does not come out of thin air.

So what we have here is a 41-percent increase being requested for one program that is dubious as to whether it works or not. But even if it does, we would not want a 41-percent increase in this program.

I say vote "no" on the Oberstar amendment.

Mr. CLEMENT. Mr. Chairman, I rise in strong support of the amendment offered by my distinguished colleague, Mr. OBERSTAR, to fund the U.S. Travel and Tourism Administration at \$22 million next year. I also comment Mr. ROTH for his commitment to this issue.

Visitors love the United States and they show it by coming in ever greater numbers. Moreover Mr. Chairman, visitors show it in the dollars they spend, the sales tax they pay, and the jobs their visits provide.

Tourism is an important industry in this country. Last year it brought in \$16 billion more in revenue to the United States than U.S. citizens spend abroad. In 1990, 1.3 billion tourists spend \$295 billion in cities and towns across this country.

The Federal agency primarily responsible for assisting the American tourism industry is the Travel and Tourism Administration. This agency works with the Secretary of Commerce in formulating policies to assist the tourism industry in this country be the winner it is today.

And more importantly, that success translates into 6 million American jobs which are directly tied to the tourism industry.

Some might say that this \$22 million is wasteful spending. On the contrary, we cannot afford not to spend this money. Tourism has a substantial, measurable, and sustainable impact on our economy. If this amendment does not pass, we will be pulling the rug from under the feet of an industry that depends greatly on the resources and assistance provided by the Travel and Tourism Administration.

Mr. Chairman, I urge my colleagues to support the amendment.

Mr. SMITH of Iowa. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. OBERSTAR].

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

RECORDED VOTE

Mr. OBERSTAR. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered. The vote was taken by electronic device, and there were—ayes 158, noes 263, not voting 18, as follows:

[Roll No. 341]

AYES—158

- | | | |
|--------------|---------------|----------------|
| Abercrombie | Gekas | Payne (VA) |
| Ackerman | Gilman | Pelosi |
| Applegate | Green | Peterson (MN) |
| Bacchus (FL) | Hall (OH) | Rahall |
| Baker (LA) | Hall (TX) | Rangel |
| Barcia | Hastings | Ravenel |
| Bateman | Hayes | Reynolds |
| Becerra | Hilliard | Richardson |
| Bilbray | Hochbrueckner | Romero-Barcelo |
| Bishop | Houghton | (PR) |
| Blackwell | Jefferson | Roth |
| Blute | Johnson (SD) | Roybal-Allard |
| Boehlert | Johnson, E.B. | Rush |
| Borski | Johnston | Sabo |
| Boucher | Kennedy | Sanders |
| Brewster | Kildee | Sangmeister |
| Browder | Klink | Sawyer |
| Brown (OH) | Kopetski | Schenk |
| Bryant | Kreidler | Schumer |
| Clement | LaFalce | Scott |
| Clinger | Lambert | Serrano |
| Clyburn | Lancaster | Shepherd |
| Collins (IL) | LaRocco | Shuster |
| Collins (MI) | Lehman | Skelton |
| Cooper | Lewis (CA) | Slaughter |
| Coppersmith | Lewis (GA) | Snowe |
| Costello | Lipinski | Spence |
| Coyne | Livingston | Spratt |
| Cramer | Lloyd | Stearns |
| Danner | Maloney | Strickland |
| de la Garza | Manton | Studds |
| Deal | Margolies- | Stupak |
| Dellums | Mezvinsky | Sweet |
| Deutsch | Markey | Swift |
| Dingell | Martinez | Synar |
| Dixon | McCloskey | Thomas (WY) |
| Edwards (TX) | McCollum | Thompson |
| Engel | McCrery | Torkildsen |
| English (OK) | McKinney | Torres |
| Eshoo | McNulty | Towns |
| Evans | Meehan | Trafficant |
| Faleomavaega | Meek | Upton |
| (AS) | Meyers | Velazquez |
| Farr | Mineta | Vento |
| Fields (LA) | Mink | Vucanovich |
| Filner | Moorhead | Washington |
| Fingerhut | Murphy | Waters |
| Flake | Nadler | Wheat |
| Foglietta | Neal (MA) | Williams |
| Ford (MI) | Norton (DC) | Wise |
| Ford (TN) | Oberstar | Woolsey |
| Frank (MA) | Olver | Wynn |
| Furse | Owens | Zeliff |
| Gejdenson | Pallone | |

NOES—263

- | | | |
|--------------|--------------|------------|
| Allard | Barrett (WI) | Brown (CA) |
| Andrews (ME) | Bartlett | Bunning |
| Andrews (NJ) | Barton | Burton |
| Andrews (TX) | Bellenson | Buyer |
| Archer | Bentley | Byrne |
| Armey | Bereuter | Callahan |
| Bachus (AL) | Berman | Calvert |
| Baessler | Bevill | Camp |
| Baker (CA) | Billirakis | Canady |
| Ballenger | Billey | Cantwell |
| Barca | Boehner | Cardin |
| Barlow | Bonilla | Carr |
| Barrett (NE) | Brooks | Castle |

- | | | |
|--------------|---------------|---------------|
| Chapman | Hyde | Pickle |
| Clay | Inglis | Pombo |
| Clayton | Inhofe | Pomeroy |
| Coble | Insee | Porter |
| Coleman | Istook | Portman |
| Collins (GA) | Jacobs | Poshard |
| Combest | Johnson (CT) | Price (NC) |
| Condit | Johnson (GA) | Pryce (OH) |
| Cox | Johnson, Sam | Quillen |
| Crane | Kanjorski | Quinn |
| Crapo | Kaptur | Ramstad |
| Cunningham | Kasich | Reed |
| Darden | Kennelly | Regula |
| DeFazio | Kim | Ridge |
| DeLauro | King | Roberts |
| DeLay | Kingston | Roemer |
| Derrick | Kleczka | Rogers |
| Diaz-Balart | Klein | Rohrabacher |
| Dickey | Klug | Ros-Lehtinen |
| Dicks | Knollenberg | Rose |
| Dooley | Kolbe | Rostenkowski |
| Doolittle | Kyl | Roukema |
| Dreier | Lantos | Rowland |
| Duncan | Laughlin | Royce |
| Dunn | Lazio | Santorum |
| Durbin | Leach | Sarpalius |
| Emerson | Levin | Saxton |
| English (AZ) | Levy | Schaefer |
| Everett | Lewis (FL) | Schiff |
| Ewing | Lightfoot | Schroeder |
| Fawell | Linder | Sensenbrenner |
| Fazio | Long | Sharp |
| Fields (TX) | Lowey | Shaw |
| Fish | Machtley | Shays |
| Fowler | Manzullo | Sisisky |
| Franks (CT) | Matsui | Skaggs |
| Franks (NJ) | Mazzoli | Skeen |
| Galleghy | McCandless | Slattery |
| Gallo | McCurdy | Smith (IA) |
| Gephardt | McDade | Smith (MI) |
| Geren | McDermott | Smith (NJ) |
| Gibbons | McHale | Smith (OR) |
| Gilchrest | McHugh | Smith (TX) |
| Gillmor | McInnis | Solomon |
| Gingrich | McKeon | Stark |
| Glickman | McMillan | Stenholm |
| Gonzalez | Menendez | Stokes |
| Goodlatte | Mfume | Stump |
| Goodling | Mica | Sundquist |
| Gordon | Michel | Talent |
| Goss | Miller (CA) | Tanner |
| Grams | Miller (FL) | Taylor (MS) |
| Grandy | Minge | Taylor (NC) |
| Greenwood | Molinaro | Tejeda |
| Gunderson | Mollohan | Thomas (CA) |
| Hamilton | Montgomery | Thornton |
| Hancock | Moran | Thurman |
| Hansen | Morella | Torricelli |
| Harman | Murtha | Unsoeld |
| Hastert | Myers | Valentine |
| Hefley | Natcher | Visclosky |
| Hefner | Neal (NC) | Volkmeyer |
| Herger | Nussle | Walker |
| Hoagland | Obey | Walsh |
| Hobson | Ortiz | Watt |
| Hoekstra | Orton | Waxman |
| Hoke | Oxley | Weldon |
| Holden | Parker | Whitten |
| Horn | Pastor | Wilson |
| Hoyer | Paxon | Wolf |
| Huffington | Payne (NJ) | Wyden |
| Hughes | Penny | Young (AK) |
| Hunter | Peterson (FL) | Young (FL) |
| Hutchinson | Petri | Zimmer |
| Hutto | Pickett | |

NOT VOTING—18

- | | | |
|--------------|-----------|----------------|
| Bonior | Frost | Moakley |
| Brown (FL) | Gutierrez | Packard |
| Conyers | Hamburg | Tauzin |
| de Lugo (VI) | Henry | Tucker |
| Dornan | Hinchey | Underwood (GU) |
| Edwards (CA) | Mann | Yates |

□ 1450

Messrs. ORTIZ, CLAY, LEVY, and ROWLAND changed their vote from "aye" to "no."

Messrs. STEARNS, BARCIA of Michigan, and TORKILDSEN changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

TITLE V—DEPARTMENT OF STATE AND RELATED AGENCIES

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS
DIPLOMATIC AND CONSULAR PROGRAMS

For necessary expenses of the Department of State and the Foreign Service, including expenses authorized by the State Department Basic Authorities Act of 1956, as amended; representation to certain international organizations in which the United States participates pursuant to treaties, ratified pursuant to the advice and consent of the Senate, or specific Acts of Congress; acquisition by exchange or purchase of passenger motor vehicles as authorized by 31 U.S.C. 1343, 40 U.S.C. 481(c) and 22 U.S.C. 2674; \$1,612,206,000, and in addition not to exceed \$665,000 in registration fees collected pursuant to section 38 of the Arms Export Control Act, as amended, may be used in accordance with section 45 of the State Department Basic Authorities Act of 1956, 22 U.S.C. 2717, and in addition not to exceed \$1,185,000 shall be derived from fees from other executive agencies for lease or use of facilities located at the International Center in accordance with section 4 of the International Center Act (Public Law 90-553, as amended by section 120 of Public Law 101-246), and in addition not to exceed \$15,000 shall be derived from reimbursements, surcharges, and fees for use of Blair House facilities in accordance with section 46 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2718(a)).

AMENDMENT OFFERED BY MR. ENGLISH OF OKLAHOMA

Mr. ENGLISH of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGLISH of Oklahoma: Page 59, line 23, strike "\$1,612,206,000" and insert "\$1,512,206,000".

Mr. ENGLISH of Oklahoma. Mr. Chairman, in a hearing held by the Government Operations Subcommittee on Legislation and National Security on Tuesday it was revealed by the General Accounting Office and the State Department's inspector general that the State Department was losing hundreds of millions of dollars due to inadequate and sloppy financial and management systems, as well as the lack of administrative controls in its overseas operations.

The GAO has been reporting on these same management problems at the State Department for over 30 years. For these past 30 years the State Department has continually said they would get this situation under control. However, the Government Operations Committee, year in and year out, finds itself in the position of looking into continuing waste, fraud, and abuse in this area.

Mr. Chairman, the Congress is often accused of micromanaging the affairs of various agencies. I, for one, do not condone this practice except when serious circumstances dictate. This is certainly one such circumstance.

Now, Mr. Chairman, I would like to give you examples of a few of the problems we have run into.

As I mentioned, the General Accounting Office has been reporting on the State Department and the same mismanagement problems for over 30 years.

We recently sent out a management questionnaire to 104 embassies and received an 80-percent return. Now, these questionnaires, as well as other investigations carried out by the inspector general, showed that 80 percent of the embassies surveyed showed staffing gaps that impacted on the daily operations and budgeting, contracting, procurement, and other such items.

We also found in the area of training that 53 percent of the information systems security officers have not received the formal training in managing an automated, unclassified information security system.

In addition, in the financial management area we found that one-third of the responding embassies reported dissatisfaction with the ability of financial management systems to provide timely information necessary for making operational and management decisions.

In fact, State first reported that its financial systems had a material weakness under the Financial Integrity Act process. They said corrective action may come—may come, Mr. Chairman—in 1999, 16 years after this problem was first reported.

Mr. Chairman, in the procurement and contracting area, 39 percent of the embassies responding to the GAO survey reported that they did not have the competition advocacy program, 30 percent did not have State's worldwide procurement database installed and in operation, and 39 percent had not developed an acquisition plan for the fiscal year 1992.

In the real-property management area, an estimated worth of overseas real estate and construction is somewhere in the neighborhood of between \$8 billion and \$10 billion. Of that property, 30 percent of the embassies acknowledged that they have not conducted the recommended annual condition surveys of all Government-owned and long-term-leased facilities. Ten percent indicated that they did not have a preventive maintenance program.

Most of the 80 embassies answering the survey said that they had not prepared an annual inspection summary report, which is a recommended tool for developing long-range maintenance objectives and budget requirements.

In the housing area, Mr. Chairman, 88 percent of the embassies responding to the surveys reported that some housing units at their embassies exceeded—exceeded, Mr. Chairman—State's 1991 residential housing space standards. Sixty-one percent reported that 10 or

more of the units exceeded the standard. Sixty-two percent estimated it would take 2 years or more to be in full compliance with the 1991 housing space standards.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. ENGLISH] has expired.

(By unanimous consent, Mr. ENGLISH of Oklahoma was allowed to proceed for 2 additional minutes.)

Mr. ENGLISH of Oklahoma. Mr. Chairman, as far as personal property is concerned, 19 percent of the embassies responding to the survey reported that the personal property shortages had exceeded 1 percent or more of the total value of the inventory in fiscal years 1991 and 1992 or both.

In the fiscal year 1992 the value of the inventory shortages at 10 responding embassies totaled \$425,000 and 14 percent of the respondent embassies reported that their embassy did not use the automated property system developed by State in the 1980's to improve the internal controls for all nonexpendable property.

□ 1500

Mr. Chairman, these kinds of items raise some very serious questions about the willingness of the State Department to deal with what as I mentioned is the loss of hundreds of millions of dollars each year.

With regard to that situation of missing property, we also even have items such as office furniture, office equipment, computers, typewriters, and even lawn furniture, Mr. Chairman, was simply found to be missing with no accounting. No one knows where it went. It simply was not at the particular embassy anymore.

In one egregious case, the Office of Inspector General reported the unauthorized construction of two buildings at the Embassy in the Philippines to house squash and racquetball courts. These courts were built without the approval of funding by the Department, and, in fact, the employees responsible for this theft, that is what this is, Mr. Chairman, out-and-out theft, if you will, Mr. Chairman, they were given a simple slap on the wrist, 7 days without pay.

Mr. Chairman, these individuals should be in jail. Obviously, no one is going to take these matters seriously if there is no intention to prosecute this kind of fraud.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

(By unanimous consent, Mr. ENGLISH of Oklahoma was allowed to proceed for 1 additional minute.)

Mr. ENGLISH of Oklahoma. Mr. Chairman, I feel that the only way the State Department, and let me say possibly other Departments, will get the message that this type of practice is simply unacceptable is to cut their

funding, and that is exactly what I intended to do today.

In the last few days, both in the Government Operations Committee and in conversations I had with State Department officials, I was personally assured that the individuals in the State Department, including the Secretary, would sit down with officials from the General Accounting Office, the Inspector General's Office, the committee staff, and myself, in order to finely hone a program where this sort of waste will be stopped.

Let me also say, Mr. Chairman, I think without question it must be stopped.

In light of the fact that we have new officials in the State Department and with their willingness, strongly expressed willingness to cooperate, I am willing to withdraw this amendment; however, Mr. Chairman, let me stress that if the corrections to these practices are not made in the coming months, I believe the only way in which these programs can be dealt with is to return here to the floor of the House of Representatives and either instructing in funding legislation how this money will be spent to deal with these problems in a micromanagement way, if you will, or to simply cut the appropriation bills altogether.

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to the amendment.

First, I want to commend the gentleman from Oklahoma. I was on the Government Operations Committee for 4 years. It does some wonderful work. It is set up for the very purpose of oversight in depth that other committees do not have an opportunity to get into. The gentleman has done a good job on this matter, and I want him to continue to do that good work.

We have 270 embassies and consulates around the world. Our subcommittee, to the extent we have time, tries to see some of these embassies and consulates, and every time we have done that, we have found someplace where money could be saved, quite often in the millions of dollars. Our subcommittee can only get to a few of those each year. Maybe if we make three trips every two years, we might see 15 or 20 embassies and consulates. So we welcome the help of the gentleman's committee.

I want to commend the gentleman for what he has done in looking into this.

Mr. ENGLISH of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Oklahoma.

Mr. ENGLISH of Oklahoma. Mr. Chairman, I think the subcommittee chairman makes a good point.

The real issue that we have get down to and what we have to persuade the State Department to carry out is putting in place the kinds of management systems, making sure that the appara-

tus is there, that the people have the training, that they understand and recognize that this is in fact a very important item.

During these time, and I know the gentleman has done extremely well in bringing to the floor an appropriations bill that is trimmed down, in fact reduced, cut, and that the dollars that are available are becoming more and more scarce each and every year, and that is going to be the case on into the future.

We simply cannot tolerate at any time the waste of taxpayers' dollars, but especially during these extremely difficult times we have to make certain that every dollar that we can possibly save is saved and that we simply cannot tolerate mismanagement.

I am hopeful that we will convince the State Department to prosecute vigorously through the Justice Department any cases and instances of out and out fraud, such as using taxpayer dollars in an unauthorized fashion to build a squash or racketball court. That simply is not acceptable.

Mr. SMITH of Iowa. Mr. Chairman, I do not want to leave the impression that past Secretaries of State have not tried to do something about these problems. Each one who came in during the last few years really tried to do something, but the State Department is a worldwide operation. As much as the Secretaries have tried, and they have made some improvements, there are still a lot of improvements to be made.

I am thankful the gentleman will withdraw his amendment, because it is not that the Department needs less money. They need to spend the money more wisely.

So Mr. Chairman, I compliment the gentleman for his work, and I would appreciate it if he would withdraw the amendment.

Mr. BERMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to commend the gentleman from Oklahoma. He, the inspector general and the GAO, have pointed out a very serious management and control problem in the State Department.

As I understand the situation, the gentleman from Iowa, the chairman of the Appropriations Subcommittee made reference to it, we are hearing from the State Department that they think, that they accept and acknowledge the existence of this problem. They think they are starting to make improvements.

As I understand it, the Assistant Secretary of State for the administration testified in front of the Subcommittee on Government Operations, on which the gentleman serves, and made very clear his intent to get to the bottom of this, to try to clean this problem up.

All I wish to indicate from the point of view of the authorizing subcommittee in this area, that we intend to look

very closely into what is happening and to pay more attention than we have up to this time to this whole question of property management of our overseas posts, and I thank the gentleman for his initiative.

Mr. ENGLISH of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. BERMAN. I am happy to yield to the gentleman from Oklahoma.

Mr. ENGLISH of Oklahoma. Mr. Chairman, I thank the gentleman for yielding to me, and I appreciate his comments and the work that he does in his committee.

Let me just say, Mr. Chairman, that this is a warning shot across the bow. If we are required to come back from the Government Operations Committee next year and we cannot report substantial progress being made, if we cannot report an agreement being made between the State Department, the inspector general, and the GAO, as well as the relevant committees here in Congress, then we will be pushing ahead with this amendment. We will either be voting for substantial cuts along the lines we are talking about, likely exceeding the \$100 million in the amendment I was offering, or we will be attempting to earmark specific dollars for specific systems to give us a full accounting and to deal with this problem.

I am hopeful that we can reach an agreement and an understanding. I am very hopeful, Mr. Chairman, that it will not be necessary to reach that degree of micromanagement, but I am prepared to do that next year.

With that, Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Oklahoma [Mr. ENGLISH] is withdrawn.

The Clerk will read.

The Clerk read as follows:

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of State and the Foreign Service, provided for by law, including expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and the State Department Basic Authorities Act of 1956, as amended, \$481,416,000.

BUYING POWER MAINTENANCE

To offset adverse fluctuations in foreign currency exchange rates and/or overseas wage and price changes, as authorized by section 24(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696 (b)), \$3,800,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1-11 as amended by Public Law 100-504), \$23,469,000.

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), \$4,780,000.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314) and 3 U.S.C. 208, \$10,551,000.

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292-300), and the Diplomatic Security Construction program as authorized by title IV of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4851), \$381,481,000, to remain available until expended as authorized by 22 U.S.C. 2696(c): *Provided*, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture and furnishings and generators for other departments and agencies.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service pursuant to the requirement of 31 U.S.C. 3526(e), \$7,805,000, to remain available until expended as authorized by 22 U.S.C. 2696(c): *Provided*, That not more than \$1,000,000 shall be available for representation expenses.

□ 1510

AMENDMENT OFFERED BY MR. ORTON

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

The Clerk read as follows:

Amendment offered by Mr. ORTON: Page 62, line 6, strike "\$7,805,000" and insert "\$2,700,000".

Mr. ORTON. Mr. Chairman, this amendment would reduce spending by \$5,105,000 in the emergency funds account. The purpose of the emergency funds account is to meet unforeseen emergency requirements in conducting our foreign operations. This includes emergency evacuations of American citizens in overseas areas due to political unrest or natural disaster. It also includes payments of rewards for information concerning international terrorism and narcotics terrorists' activities. It also includes investigations of passport and visa fraud.

But it also includes, Mr. Chairman, activities associated with visits by foreign dignitaries and representation activities. This is a fancy word for entertainment.

Mr. Chairman, I do not have objection to having contingency or emergency funds available for foreseeable types of needs that occur with frequency. For example, emergency evacuations are required with an increasing frequency, but with no great predictability as to cost. However, so-called emergency expenditures should be just that, not merely a backdoor approach

to increasing expenditures for representation allowances or entertainment. The use of these funds for representation allowances is especially disturbing.

Now the House bill language does include a limitation that no more than \$1 million shall be available for representation expenses. I do question whether any such funds should be used from emergency accounts.

The Senate has found in their Appropriations Committee report, and I quote, the department has used this account, which is paid for by the American taxpayers, to fund gifts and a standard of entertainment to which few Americans could ever aspire. For example, for the visit of one foreign leader, Mr. Chairman, the State Department hired exclusive caterers and accounted for the following expenditures:

Catering for State Department lunches: \$7,532; flags: \$5,733; flowers: \$2,140; calligraphy: \$896; limousine service: \$11,453; lodging: \$1,148; interpreter services: \$1,300; and White House State Department dinner: \$27,655.

Now, aside from the questionable use of emergency funds for entertainment, Mr. Chairman, I believe there is a question of whether or not the funds are actually needed. In researching this issue I noted that the State Department, in response to a question submitted in the appropriations hearing on page 248 of the House subcommittee hearings, which is where my colleagues can find this question, the State Department responded that they estimated there would be a \$4.8 million carryover at the start of fiscal year 1994, the period for which we are appropriating. Thus, when we add this carryover of \$4.8 million to the \$7½ million that we would be appropriating here, the amount of emergency funds would actually be \$12,605,000. Given that we have consistently, over the past several years, seen a carryover of these funds, I question whether this level of emergency contingency funding is not excessive. Therefore, Mr. Chairman, my amendment, even after cutting the \$5 million, would still leave an estimated balance in the emergencies account of \$7½ million.

Furthermore, if it should be necessary, or if necessary fundings should prove insufficient and it is necessary to find other funds, there are other sources available to tide us over in the next fiscal year, either through reprogramming the funds from salaries and expenses or from supplementary appropriations, both of which methodologies were used in the 1991 problem when we had to evacuate citizens from the Iraqi conflict in which \$1.6 million was reprogrammed from the salary and expense account and an additional \$9.3 million supplemental appropriation was approved.

Mr. Chairman, I would be willing to withdraw this amendment, and I under-

stand the gentleman from California [Mr. BERMAN] is going to speak to some of my concerns.

Mr. ROGERS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Utah [Mr. ORTON].

Mr. Chairman, I will not take the full 5 minutes. I will let others speak. But let me just say this.

This account has three pieces to it. One is for emergency evacuations for our Government employees and American citizens who are caught abroad in some disturbance: Civil unrest, a war, natural disaster, or whatever. The second purpose, of course, is for rewards for information to help fight international terrorism and narco terrorism. The third part, as the gentleman has mentioned, is for entertainment expenses at the White House and the State Department for the entertaining of foreign dignitaries. I ask my colleagues, when President Yeltsin comes, what are you going to do? Give him crackers and send him on back home? This is for the state dinners at the White House, the entertaining of foreign dignitaries and heads of state that come to our country.

Mr. Chairman, as the gentleman mentioned, that portion of the bill is limited to \$1 million. That is all. The gentleman's amendment would cut this whole account by over \$5 million, which means, if we cut out all of that million, we are cutting \$4 million out of these terribly important accounts of emergency evacuation of our people and rewards for fighting terrorism and narcotics.

So, Mr. Chairman, I cannot support the amendment offered by the gentleman from Utah [Mr. ORTON]. This money is too important and needs to stay in the bill, and I would hope the gentleman would, in due course of time, withdraw the amendment.

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Utah [Mr. ORTON].

Mr. Chairman, we already cut this account and it may appear there is still more money than is needed, but I tell the gentleman that this account will have to award \$4 million in the PanAm case. That was information they needed and it was a terribly important case. It involved a lot of deaths of American citizens. They do have the carryover the gentleman mentioned, but we cut the total amount in the bill.

The State Department is also expecting to have use of this account to evacuate a lot of American citizens out of Nigeria. They do not know when this may come up. It may come up when we are not in session.

This fund is needed. This is a fund that helps American citizens that happen to be caught in a bad situation in a foreign country, and I just think these are funds that the Department

needs. I have not seen the evidence that they have been wasting these funds. But anyway I think they need this amount of money. It is less money than they requested. So, I feel at this time the House should oppose this amendment.

Mr. ORTON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Utah.

Mr. ORTON. As I looked at this particular amendment and researched the issue, I noted that we are, in fact, carrying over each year a significant amount, banking this amount for contingencies. Back in 1991 they actually needed more than they had and came with a supplemental.

□ 1520

But in 1992 the amount appropriated was \$7 million. They only spent \$4.5 million. In 1993 the amount appropriated was \$8 million and they only spent \$4.5 million. Now we are appropriating \$7.5 million, and, with a \$4.5 million carryover, we have got actually \$12.5 million that would be available.

Mr. SMITH of Iowa. Mr. Chairman, reclaiming my time, we are taking into consideration that they had been expecting for 2 or 3 years to pay out a lot of money in the Pan Am 103 case. There is also another award for information about terrorist activities that the fund will have to pay. That is another \$1 million. So there is a need for this money that has carried over from prior years.

Mr. Chairman, in most accounts I would agree with the gentleman, that carryover money should be considered as a part of the current funds available for the current needs. But I think in this case we need some carryover funds.

They kind of anticipate more or less the amount they will need for the awards program. They cannot anticipate the amount they will need for evacuating Americans from Nigeria or some place like that. We might be out of session when they need the money.

So I would hope the gentleman from Utah [Mr. ORTON] might withdraw his amendment after pointing out the problems.

Mr. BERMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, yes, I understand what the gentleman from Utah [Mr. ORTON] is driving at with this amendment, but I want to put some of the issues involved in this amendment into a certain context.

The gentleman read about expenditures from this account for representational purposes, essentially inside the United States, entertainment of foreign dignitaries. Had the Congress, and the subcommittee which I chair, not declassified that information in the 1991 State Department authorization bill, the gentleman would not have

been able to bring that to the floor of Congress.

Moreover, we separated out the representational moneys from the emergency and reward moneys because we felt there were questionable activities and expenditures being made from that account, and we wanted, one, for it to be declassified, and, second, to be limited.

Moreover, the amount that has been authorized and appropriated for representational activities has been dramatically cut. And in this appropriations bill there is a flat cap on that portion of the emergency funds which can be spent on representational activities, which is considerably less than the level back in the beginning of the 1990's.

On the broader question, and both the gentleman from Iowa [Mr. SMITH] and the gentleman from Kentucky [Mr. ROGERS] have made reference to this issue, this account is a very important account. It provides the Secretary with his discretionary ability to deal with unforeseen crises, particularly those affecting the lives and safety of American citizens abroad, threatened by war, civil unrest, or natural disaster.

When the Persian Gulf crisis erupted, the Department totally depleted the account in evacuating U.S. employees from all agencies, citizens, and dependents, out of harm's way.

Through operations made possible through this account, we removed thousands of our compatriots from danger. This helped our Armed Forces to conduct Operation Desert Storm without special measures to protect the safety of American civilians.

The State Department had to be able to rely on this account for last minute charters of civilian aircraft. This costs money.

The Persian Gulf is not the beginning and end of the story. Since 1979 emergency evacuations have become a fact of life. Repeatedly in Iran, Afghanistan, Libya, Liberia, Somalia, evacuations have saved countless American lives. The end of the cold war has increased, not diminished, unrest around the world.

As recent events in Kuwait and Iraq demonstrate, the risks to our people overseas from terrorism are something we must continue to plan to counteract.

Now, we also deal with that portion of the account that pays for rewards for information to deter, counteract, and prosecute international terrorists and drug thugs. The awards program has been a success. I would hate to see the Department stop publicizing rewards for lack of funds.

The account also pays for confidential efforts to investigate U.S. visa and passport frauds by terrorists and refugee smugglers.

The gentleman makes an interesting point on the carryover money, and we

must acknowledge this carryover money is part of an effort to replenish this fund to deal with those contingencies which may be far more than anyone could now anticipate.

As I look at the spending history of this account, and moving aside the representational expenses which now have been capped and limited, the fact is that in fiscal year 1989, there was appropriated \$4.5 million with obligations of just less than \$100,000 left in that. In 1990, the year of Desert Storm, there was an appropriation of \$4.6 million, and \$7.4 million was spent. They actually reached into a deficit situation in that particular year.

By the time we passed our supplemental in fiscal year 1991, long after that money was spent, we appropriated \$15 million and included a reprogramming transfer. We only expended or obligated \$12,496,000.

Now we are carrying over approximately \$4.5 million and appropriating \$7 million more. Presumably we will have to see where we are at the end of fiscal year 1994. Next summer, as we get into the appropriations process, hopefully we will have built the fund up to the point where the State Department can feel free to respond quickly before Congress has a chance to pass a supplemental.

The gentleman makes one other point regarding programming of salaries and expenses. The fact is we have cut well over \$100 million in salaries and expenses and support staff for the State Department below fiscal year 1993's level.

In addition, when you take the peace-keeping drain and the humanitarian relief drain for what is going on in Bosnia and other countries, the ability to reprogram quickly substantial amounts of salary and expense money is getting more and more limited. I think this is a prudent level of appropriation for this year. I think we want to look at it again next summer.

The CHAIRMAN. The time of the gentleman from Utah [Mr. ORTON] has expired.

(By unanimous consent, Mr. ORTON was allowed to proceed for 1 additional minute.)

Mr. ORTON. Mr. Chairman, I thank the gentleman from California [Mr. BERMAN] and the chairman of the committee, the gentleman from Iowa [Mr. SMITH] for their explanation on these issues, as well as the other members of the committee. I would simply say that my concern was twofold: One, that expenditures not be appropriated out of the emergency account for non-emergency entertainment. I think that has been addressed by the committee with the \$1 million limitation. I am certainly willing to look at this again next year.

Mr. Chairman, I thank the chairman for his explanation of the additional needs with regard to the Pan Am

bombing that may be expended this year.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah [Mr. ORTON]?

There was no objection.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

REPATRIATION LOANS PROGRAM ACCOUNT

For the cost of direct loans, \$593,000, as authorized by 22 U.S.C. 2671: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. In addition, for administrative expenses necessary to carry out the direct loan program, \$183,000, which may be transferred to and merged with the Salaries and Expenses account under Administration of Foreign Affairs.

AMENDMENT OFFERED BY MR. ORTON

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

The Clerk read as follows:

Amendment offered by Mr. ORTON: Page 62, line 11, strike "\$593,000" and insert "\$186,000".

Page 62, line 14, strike the word "In" and all that follows through line 18.

Mr. ORTON. Mr. Chairman, this amendment would reduce spending by \$590,000. This reduces the subsidy cost of direct loans for the repatriation loan program by \$407,000 and reduces costs of \$183,000 and funding for administrative expenses necessary to carry out this repatriation loan program.

Very briefly explaining what this repatriation loan program is, when we have U.S. citizens traveling abroad, occasionally they find themselves in a foreign country. They have spent all of their money, and they have no way to get home. This particular program offers loans to those U.S. citizens for the cost of getting back home to the United States.

Now, on its face that certainly seems to be a very bona fide purpose for lending taxpayer money. When we look a little closer, in face we can see in instances where this is a valid expenditure or a valid loan.

□ 1530

For instance, individuals may have a health problem in a foreign country, and there may be costs of evacuating that individual by private ambulance or et cetera or bringing them back for treatment to save the life of that individual. Certainly, no one would suggest that we eliminate those types of loans. But we also find a number of U.S. tourists and students who, knowing that this money is available to borrow from the Federal Government to get back home, go overseas to Europe and decided to stay that extra week, spend all of their money. In fact, there have even been reports of tourists cashing in their return ticket and then spending that money in Europe, going to the embassy, saying, "I don't have any way to

get home," and having these loans made.

If the loans were paid back, I would not have a problem either. But we find that there is a historic 80 percent default rate on repayment on these loans. This program simply allows Americans to be irresponsible, to spend all their money and ask Uncle Sam to bring them home.

My amendment, in fact, does two things. One, cutting the loan subsidy, the \$400,000 reduction in the subsidy cost would allow the State Department to continue to finance the same amount of loans as proposed in the bill, if they got their repayment rate or their default rate down to 25 percent instead of 80 percent. So if they simply were able to collect from 75 percent of those loans rather than only 20 percent of the loans, they could still function with the programs at the same level.

I do not think a 25-percent default rate is unrealistic. I do not see justification for administrative expenses for this program, since, in fact, the program is not operated separately as a separate freestanding program.

All of the costs attributable to interviewing the people, as they come into the Embassy, and making the loan and so forth are paid for or are done simply by employees in the normal course of their business. There is not an additional need of administrative expenses for this program.

So my amendment would also cut the direct administrative expenses for the program. Mr. Chairman, I believe that is reasonable to ask the State Department to simply collect on the loans that are made. And if we can get the default rate down to only 25 percent default, we certainly can fund the same level of the program.

So I would urge my colleagues to support this amendment.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

First, let me explain why we have a separate item here for salaries and expenses to administer this program. It is because the Credit Reform Act requires that. They require setting forth separately the amount to administer these loan programs.

Twenty percent of these loan requests are denied. And as the gentleman said, sometimes American citizens are in a foreign country who should not be in the fix that they are in. But they are in those countries. They are United States citizens. It is a very difficult thing to decide what to do.

We cannot just leave them there. The public would not permit that. So what we have done is provide a program which will loan them money if they do not have it. If they don't pay back the loan, they will never get another passport.

I do not know what more we can do than that because if we did not loan

them the money, we would probably end up giving them a grant. And none of these funds would ever be paid back.

Whatever we are getting back under this loan program is more money than we would have repaid if we did not have the loan program.

Members demand that when their constituents are in a foreign country and find themselves without any funds to get back to the U.S., whether they lost their money or were robbed or whatever the situation may be, they be given some kind of emergency help to get them home. As a matter of fact, Members also demand that the State Department quit harassing their constituents to get these loans paid off.

So Members just would not permit the Department to stop this loan program. The State Department takes their passports. The Department does not give them another one until the loan is paid back.

It is one of those items we cannot win. If the Department does not give them a loan, then they will have to give them a grant. And if they give them a grant, nobody can complain about the default rate. If the Department gives these Americans a loan, then some of them will not pay them back.

I think this program is needed, and I do not see any alternative. So I am opposed to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. ORTON].

The amendment was agreed to.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, at the appropriate time that will come toward the end of the bill, before the motion to rise, I will seek to offer an amendment that would be similar to the amendment that I sought to offer on the previous appropriation bill. That is, to set aside 1 percent of the funding in this bill to be used for the flood disaster in the Midwest.

The amendment that I have would seek to have the Secretaries hold 1 percent of their money for payment of possible bills in 1994 for the flood disaster.

What is now apparent is that the \$2.5 billion to \$3 billion that we will be asked to provide in the emergency supplemental bill that will come to the floor within a couple of days will only be a down payment on the amount necessary to clean up after the floods in the Midwest. Both infrastructure needs as well as needs of individuals in that area of the country are going to exceed the \$2.5 to \$3 billion figure by many billions. No one is exactly certain what the figure is, but the administration and most other observers are now saying that additional needs are going to be there.

Those needs, given the fact that we are at the end of this fiscal year, will

fall in fiscal 1994, and so we already know that this Congress is going to have an obligation to help people in the Midwest with flood damage clean up in fiscal 1994.

The issue is whether or not we are going to add that additional money onto the deficit or whether or not we are going to begin to prepare now to pay for that expense that we know is coming.

In my view, we ought to begin to prepare now. If we would begin now to set aside 1 percent of the money in each appropriations bill for flood damage control, if we did this on all the appropriations bills, we could find \$5 billion, give or take a little bit, for flood damage control. That figure, in addition to the \$2.5 to \$3 billion that will be in the supplemental appropriation, comes somewhere close to the figure that observers are now saying would be necessary to deal with the flood disaster.

The reason for doing this is because it would then allow the agencies to begin to plan as well. Those agencies ought to know the percentage of their money that is going to come out to deal with flood damage, and they could begin to plan immediately for that kind of contingency.

If we refused to provide contingency monies, it seems to me that we are admitting from the outset that this is money that we want to spend of an emergency nature and we want to add it on to the deficit.

I agree that the money ought to be spent in an emergency way. The question is whether or not faced with the emergency, whether we ought to do the fiscally responsible thing. The fiscally responsible thing would be to set aside money in next year's budget now for expenses that we know we have to meet next year.

That is what my attempt will be. I will ask the membership to vote against the motion to rise, if that should precede my amendment. And if the motion to rise should fail, I would then offer an amendment designed to set aside 1 percent in this bill.

I want to assure the House that it is my intention to make that 1 percent also applicable to the other appropriation bills.

□ 1540

What my hope is, is if the House sends this kind of signal, we can go to the Senate and suggest that these moneys be added onto the Senate.

There is also entirely the possibility that we could end up with a continuing resolution at the end of this year. This kind of amendment would certainly be something that could be added to a continuing resolution, setting aside 1 percent of all the money in that resolution for flood damage relief. If we begin the process now, we will assure that we will have the ability to get that kind of action taken should we come to a con-

tinuing resolution. It gives us an opportunity to do the responsible thing.

I would urge the membership to vote against the motion to rise at the time that that comes, in order to be able to deal with the flood disaster in a fiscally responsible manner.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

PAYMENT TO THE AMERICAN INSTITUTE IN
TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8 (93 Stat. 14), \$15,165,000.

PAYMENT TO THE FOREIGN SERVICE
RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement Disability Fund, as authorized by law, \$125,084,000.

INTERNATIONAL ORGANIZATIONS AND
CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL
ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties ratified pursuant to the advice and consent of the Senate, conventions or specific Acts of Congress, \$888,599,000, of which not to exceed \$88,083,000 is available to pay arrearages, the payment of which should be directed toward special activities that are mutually agreed upon by the United States and the respective international organization: *Provided*, That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings.

POINT OF ORDER

Mr. LINDER. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. LINDER. Mr. Chairman, I make a point of order against the language appearing in the bill on page 63, lines 1 through 17. The paragraph provides appropriations for a program not authorized by law, and is in violation of House rule XXI, clause 2.

The CHAIRMAN. Does the gentleman from Iowa [Mr. SMITH] desire to be heard on the point of order?

Mr. SMITH of Iowa. Mr. Chairman, it is not authorized, so I have to concede the point of order.

The CHAIRMAN (Mr. BROWN of California). The point of order is conceded, and the Chair upholds the point of order.

Mr. ROGERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I shall not take the entire 5 minutes. However, it is appropriate, I think, at this point in the discussion to mention a couple of points, because we have just stricken the entire section dealing with international organization contributions; that is, the United Nations and the other international organizations. The peacekeeping operations of the U.N. are not included in this account.

Let me say this, the United States contribution to the United Nations' general fund is 25 percent of the entire budget of the United Nations. That figure, of course, is an historic figure that goes back to the formation of the Security Council, but is antiquated in that Japan is not a member, Germany is not a member of the Security Council, and the contribution level that the United States is supposed to make to the United Nations and does make, at 25 percent, one-fourth of the total, is not fair. It needs to be addressed. I know efforts have been made in that respect; without avail, however.

At one point in time a few years ago we withheld a portion of our annual contribution to the U.N. to force some reforms to take place, and thank goodness, over a span of time and thanks to our withholding of those funds, those reforms did take place.

Now there is another reform that is desperately needed. We have requested it. The United Nations so far has refused to go along with it. That is simply to account to us about where our monies are going and how they are being spent.

Our representatives there have asked the United Nations for the appointment of an Inspector General of the United Nations, to be able to go through the books and to assure us that our contributions are being fairly and adequately spent, and to report to the American people and to the other contributors to the United Nations around the world. There is nothing wrong with that. There is no way they can defend refusing, in my judgment, that modest request of the appointment of an inspector general. We are entitled to know where these moneys are going.

I will not talk today about some of the rumors and allegations of misspent moneys in the United Nations. That perhaps can take place another day. I hope it does, if there is no remedy forthcoming. However, the American people are entitled to know where this very large amount of money that they contribute to the United Nations is being spent and for what purpose.

I am told that the peacekeeping account, different from the general account of the United Nations, I am told that moneys float freely between the peacekeeping and general accounts; that when the general fund runs low, the peacekeeping account is drained some, and vice versa.

I would point out to the Chair that our peacekeeping assessment is more than 25 percent. It is more than the 30 percent that they have been assessing us. Now it is up to 31.4 percent. Who sets the figure? We certainly did not. The United Nations Security Council does. They say: "United States, we are going to send a peacekeeping force to this place or that place," we are in 14 of them now, "and by the way, here is

your bill, and your share is almost one-third." Mr. Chairman, I think that is terribly unfair.

I want to see us address in the United Nations some of these questions that the American people are entitled to have addressed. The peacekeeping account now is becoming a very large dollar figure. There are 14 of them going on now. I think there are another 12 or 13 requests for more peacekeeping missions that are in the works. Not only are we talking about dollars here. Of course, and more importantly, we are talking about the assignment of American military personnel, by a non-American entity.

I hope Congress and the administration addresses a very basic policy question that goes to the very roots of our existence as a country: How do we deal with these multiple requests by the United Nations for men and money for these peacekeeping operations around the world where we, the Congress, do not decide whether we assign American forces and money there. The War Power Act at best is understood, not to mention the Constitution and Congress' power to declare war.

Mr. Chairman, it needs to be addressed. For that purpose, I wanted to say these words before we go further.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. (By unanimous consent, Mr. Rogers was allowed to proceed for 1 additional minute.)

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I just want to say to the gentleman that our subcommittee is concerned, and I join him in being alarmed at the size of the peacekeeping bills. The Peacekeeping assessments are made pursuant to the UN Treaty so we are obligated to pay them. However, with the tight budget situation the bigger the peacekeeping bill, the less there is for salaries and expenses for the State Department's overseas operations. In too many cases, as our subcommittee has been pointing out for four or five years now, these peacekeeping operations are at best marginal. They are mostly an excuse to get rid of a problem in a certain area. That has been the history of most of the peacekeeping operations.

I think that the opposition now to continually placing large peacekeeping forces everywhere in the world, has become a chorus in the House now, instead of just a few Members talking about it. We have to pay considerable attention to this development because we cannot continue to pay bigger peacekeeping bills in the hundreds of millions of dollars when these funds come out of the salaries and expenses account of the State Department, and reduce programs that are very badly needed.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

CONTRIBUTIONS FOR INTERNATIONAL
PEACEKEEPING ACTIVITIES

For payments, not otherwise provided for, by the United States for expenses of the United Nations peacekeeping forces, as authorized by law, \$422,499,000, of which not to exceed \$20,892,000 is available to pay arrearages.

INTERNATIONAL CONFERENCES AND
CONTINGENCIES

For necessary expenses authorized by section 5 of the State Department Basic Authorities Act of 1956 in addition to funds otherwise available for these purposes, contributions for the United States of general expenses of international organizations and conferences and representation to such organizations and conferences as provided for by 22 U.S.C. 2556 and 2672, and personal services without regard to civil service and classification laws as authorized by 5 U.S.C. 5102, \$5,463,000, to remain available until expended as authorized by 22 U.S.C. 2696(c), of which not to exceed \$200,000 may be expended for representation as authorized by 22 U.S.C. 4085.

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER
COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the International Boundary and Water Commission, United States and Mexico, and to comply with laws applicable to the United States Section, including not to exceed \$6,000 for representation; as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, \$11,054,000.

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, \$14,051,000, to remain available until expended as authorized by 22 U.S.C. 2696(c).

AMERICAN SECTIONS, INTERNATIONAL
COMMISSIONS

For necessary expenses, not otherwise provided for, including not to exceed \$9,000 for representation expenses incurred by the International Joint Commission, \$4,290,000; for the International Joint Commission and the International Boundary Commission, as authorized by treaties between the United States and Canada or Great Britain.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, as authorized by law, \$14,200,000: *Provided*, That the United States share of such expenses may be advanced to the respective commissions, pursuant to 31 U.S.C. 3324.

OTHER

UNITED STATES BILATERAL SCIENCE AND
TECHNOLOGY AGREEMENTS

For necessary expenses, not otherwise provided for, for Bilateral Science and Technology Agreements, \$4,275,000, to remain available until expended as authorized by 22 U.S.C. 2696(c).

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, as authorized by section 501 of Public Law 101-246,

\$16,287,000, to remain available until expended as authorized by 22 U.S.C. 2696(c).

GENERAL PROVISIONS—DEPARTMENT OF STATE

SEC. 501. Funds appropriated under the title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapter 59 of 5 U.S.C.; for services as authorized by 5 U.S.C. 3109; and hire of passenger transportation pursuant to 31 U.S.C. 1343(b).

SEC. 502. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of State in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided*, That not to exceed 5 percent of any appropriation made available for the current fiscal year for the United States Information Agency in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided further*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

Related Agencies

ARMS CONTROL AND DISARMAMENT AGENCY
ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses, not otherwise provided, for arms control and disarmament activities, including not to exceed \$100,000 for official reception and representation expenses, authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.), \$47,279,000.

BOARD FOR INTERNATIONAL BROADCASTING
GRANTS AND EXPENSES

For expenses of the Board for International Broadcasting, including grants to Radio Free Europe/Radio Liberty, Incorporated, as authorized by the Board for International Broadcasting Act of 1973, as amended (22 U.S.C. 2871-2883), \$214,643,000, of which not to exceed \$52,000 may be made available for official reception and representation expenses.

□ 1550

POINT OF ORDER

Mr. BERMAN. Mr. Chairman, I rise to make a point of order against the provisions contained in lines 14 through 22 on page 67.

Mr. Chairman, lines 14 through 22 on page 67 would provide an appropriation which is unauthorized in law at this time, and thus constitutes a violation of clause 2(a) of rule XXI of the House which prohibits unauthorized appropriations in general appropriation bills.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. SMITH of Iowa. Mr. Chairman, I will concede the point of order. It is not authorized, so I will have to concede the point of order.

The CHAIRMAN (Mr. BROWN of California). The gentleman concedes the point of order. The Chair upholds the point of order, and the lines will be stricken.

Mr. KLUG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me make it clear what the point of order that was just raised is all about, which is an attempt to deflect the opportunity for this House to debate an amendment to cut 15 percent out of the operating budget of the Bureau of International Broadcasting, which includes Radio Liberty and Radio Free Europe.

Since the Soviet Union fell in August 1991 we have spent \$650 million in U.S. taxpayer dollars telling the individuals who lived under Communist rule what they have already learned from living for 69 years of occupation under Communist rule.

I understand that Mr. Mica, the new chairman, and Mr. Forbes, the former chairman of the Board of International Broadcasting, have a very intelligent, thoughtful plan to consolidate these operations with Voice of America, saving millions of dollars over the next few years. But let me suggest to this House that this is a town where everybody has a plan to save millions of dollars at some point in the future.

Is there a necessity in these days for Radio Free Europe and Radio Liberty? Perhaps. There certainly may be an application in Bosnia where the Government controls virtually all of the media and it is impossible to get any conflicting views. But is it really necessary in this day and age to broadcast in Prague and Czechoslovakia when you can turn on the television in any hotel room to Cable News Network. Or does it make sense to broadcast in this day and age in Afghanistan at a time when there is no longer an Afghan civil war?

I understand the suggestion that what we are going to do at some point is shift resources to Asia and reconsolidate the mission. But I think this is a perfect example of a government agency which has done its mission well and it is now time to dismantle it.

Research across the world has shown a couple of things. And one key point I would like to make in terms of international broadcasting is that given the choice, occupants anywhere in this world will watch television first. Second, they will listen to broad band radio, AM/FM as here in the United States, and the last choice will be shortwave radio. And as the media begins to proliferate across the former Soviet Union and across what was once beyond the Iron Curtain in Eastern Europe, and television stations appear and radio stations appear, it simply indicates that Radio Free Europe and Radio Liberty are not needed in the same way or to be funded at the same kind of levels they have been for the last 25 years.

Is there still a mission? Absolutely. That is why this amendment would not strike funding altogether.

Is there a need to cut back when we have a \$400 million deficit in this country? Absolutely.

And I respect the gentleman from California's position to try to save Radio Free Europe and Radio Liberty in order to allow the consolidation proposal to take place. But the great disappointment I have today is that if we are going to see a consolidation that the Members of the House do not have an opportunity to guarantee that it happens with a 15-percent reduction.

Mr. GILMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I commend the gentleman from California [Mr. BERMAN] for raising this point of order. Removing this appropriation for the Board for International Broadcasting is the most appropriate decision at this time and should be viewed as a positive move for the future of our international broadcasting.

I support the continuation of international broadcasting because of the significant contribution it makes to the goals of democracy and because it is an efficient means to foster free and fair press.

However, the House and Senate Foreign Affairs Committees are currently considering legislation to consolidate all of our international broadcasting—to include services provided through the Bureau of International Broadcasting to Radio Free Europe/Radio Liberty.

Since we are revising the organizational structure of international broadcasting, I support Mr. BERMAN's effort to preserve the resource decisions for BIB and RFE/RL pending the outcome of the consolidation legislation that will be incorporated in conference on the Department of State and USIA authorization bill.

Mr. BERMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, just to explain a little further, the gentleman from Wisconsin [Mr. KLUG] accurately characterized my position as one of seeking to save the BIB appropriation as part of allowing the consolidation envisioned in the administration's plan to take effect. And while it may be the most used argument in the world that we are spending money in order to save money, once in a while even that argument is an accurate one, and in this particular case it is.

The ability to rationalize existing services, maintain surrogate radio, and I would suggest we might well wait 3 or 4 years before we proclaim the victory of democracy in all of the countries focused on by Radio Free Europe and Radio Liberty and recognize their critical role in helping to consolidate those democracies, but I believe this consolidation effort, this rationalization of our limited resources will be dramatically impeded if we face a major slash in the appropriation level. For that reason, I sought to protect it with my point of order.

I might point out that Radio Free Asia, a new initiative by the adminis-

tration, is contained in this appropriation level, and that had an amendment been proposed and adopted it would have had a massive impact on our ability to start Radio Free Asia as well.

In addition, we have a major task to perform in the former Yugoslavia and republics of the former Yugoslavia where we want to see RFE and RL again broadcasting there. This consolidation will not occur overnight. We will have a chance to debate the consolidation as I expect it will be coming back in conference reports in both the authorization and the appropriation process. And I think it is very important at this critical time that we maintain our commitment to surrogate radios, to independent radio that I think played an important part in our public diplomacy during the cold war, and now plays a critical part in our promotion of democracy throughout the world.

Mr. PORTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I very much regret that the point of order raised by the gentleman from California was occasioned by the amendment that the gentleman from Wisconsin would have offered. I have the highest regard for the gentleman from Wisconsin, for his intelligence and perception and understanding of the issues. But I believe, very frankly, that the amendment he planned to offer would have been extremely shortsighted and counterproductive.

It would have slashed the funds for the Board for International Broadcasting, one of the very best Government-funded programs that we have in this country. A great deal of the credit for ending Soviet communism and the domination of Eastern Europe by Soviet-backed, Communist governments has to go to the Board for International Broadcasting through its two service radios, Radio Free Europe and Radio Liberty.

We like to think that after years and years of authoritarian rule that people will simply understand immediately what democracy, human rights, and the rule of law is all about. But if we believe that we are fooling ourselves and no one else. It takes time to develop the institutions of freedom. It takes a commitment to doing so by those outside like ourselves who know that it is to our best advantage that democracies exist around the world. We have an obligation to assist people living in countries where formerly they were ruled by authoritarian governments, and we must put out resources and our commitment to seeing that democratic institutions do survive in their incipient phase and become established on soil that had not been hospitable to them before.

With all due respect, I might say to the gentleman from Wisconsin, what you see on a hotel room television set

is not necessarily what is being seen by the people in the countryside who do not understand what elections are all about, what an independent judiciary means, and what the rule of law means to them and their rights as opposed to their government.

□ 1600

I believe very strongly that the best money we spend, the most effective, productive, cost-effective money we spend is for our surrogate broadcasting services. We are now at the point, Mr. Chairman, of looking at the reorganization of all of our international broadcasting services, and we are working toward the establishment of a more efficient, effective means of getting our messages broadcast to listeners across the globe. In addition, we are going to expand our surrogate radios to beam a message of truth to the oppressed billions in Asia, countries such as China, Vietnam, Cambodia, Burma, North Korea, and Tibet, places where freedom is unknown, places where the institutions that we value, that our society is based upon, have no understanding. This mission to expand our surrogate services to Asia has got to be established under an institution that enjoys the same kind of independence as the Board for International Broadcasting.

It would be a travesty if the United States does not make that commitment to begin those broadcasts to Asia and penetrate those societies with the same message of freedom that we send to Eastern Europe and to the former Soviet Union.

And so I respect my colleague, the gentleman from Wisconsin, a great deal. I do believe that the amendment he would have offered would have been harmful in the extreme. I would not like to see a message sent to the other body that this body does not fully support the Board for International Broadcasting, especially during a time when we will be consolidating all of our international broadcasting services.

I support very strongly the establishment of Radio Free Asia, or Asian Democracy Radio, as it may be called. Once established, this service will continue the fine traditions started by Radio Free Europe and Radio Liberty of promoting our values abroad in a most cost-effective way, and I regret that this point of order was occasioned by the cutting amendment that the gentleman would have offered.

Mr. KLUG. Mr. Chairman, will the gentlemen yield?

Mr. PORTER. I am happy to yield to the gentleman from Wisconsin.

Mr. KLUG. Mr. Chairman, I just wanted to make two quick points.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. PORTER] has expired.

(By unanimous consent, Mr. PORTER was allowed to proceed for 2 additional minutes.)

Mr. KLUG. Mr. Chairman, if the gentleman will yield further, first of all, this is not just my wild idea. Again, what the chairman said of the Presidential Commission on International Broadcasting, focusing half the Government's transmitters on Eastern Europe and the western part of the former Soviet Union was logical once but it does not make sense now. Neither does the Government's spending 17 times on radio what it spends on television.

RFE and RL serve the country well, but with political changes, their programs increasingly resemble those of the Voice of America.

For example, the Voice of America broadcasts in 6 of 12 languages broadcast by Radio Liberty, and incredibly 100 percent, 9 of the 9 languages broadcast by Radio Free Europe.

The phaseout should not happen overnight, but it should happen. The taxpayers do not need to fund this duplication.

I share the enthusiasm of my colleague, the gentleman from Illinois, for the program itself, but again, what my amendment did was not eliminate either service. It simply cut 15 percent, or \$32 million, out of an operating budget next year of \$214 million.

I understand that consolidation is under way, but back to my initial point that this is a town and a community where everybody has got to plan to save money 3 years from now.

Mr. PORTER. Reclaiming my time, let me say to the gentleman one thing, and I want to make this absolutely clear. The mission of the Voice of America is an entirely different mission that the mission of the surrogate radios. The purpose of the Voice of America is to broadcast to other countries what our society is all about. That is a very important mission, indeed, but it is not what surrogate radios do.

Surrogate radios provide free information, the truth, within societies where the truth is either not readily available or censored by the government. It is a truth about their own societies and the rest of the news of the world, not about what is good about America. They are very different missions, and they should be very carefully defined in the future.

Ms. PELOSI. Mr. Chairman, I rise today in opposition to the proposed Klug amendment to cut Board for International Broadcasting funding for Radio Free Europe and Radio Liberty.

Some of our colleagues argue that these important broadcasting services are no longer necessary because the cold war is over. The cold war may be over, but the transition to democratic societies and market economies is not. Transitions are not easy and they do not happen overnight. Every day we hear new stories of ethnic conflict and unrest in the republics of the former Soviet Union.

Radio Free Europe and Radio Liberty provide an important independent voice promot-

ing freedom and democracy in a tumultuous region undergoing fundamental change. They provide a voice of reason at a time and in a place where frustration and uncertainty are high. The transition has not yet been successfully made and the need for the voices of democracy continues.

We have spent over \$82,000 per family in this country on defense expenses to fight the cold war. Now that it is over, we can start cutting back on expenses related to it. Let us make sure, however, that our spending reductions are in the right place at the right time. Radio Free Europe and Radio Liberty have been effective programs to promote democracy. Until we are sure that the transition to democracy and market economies has been successfully made, we should continue to support programs that will facilitate it. I urge my colleagues to vote "no" on the Klug amendment.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

ISRAEL RELAY STATION
(RESCISSION)

Of the available funds under this heading, \$180,000,000 are rescinded.

COMMISSION FOR THE PRESERVATION OF
AMERICA'S HERITAGE ABROAD
SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, \$200,000 as authorized by Public Law 99-83, section 1303.

INTERNATIONAL TRADE COMMISSION
SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed \$2,500 for official reception and representation expenses, \$44,391,000, to remain available until expended.

JAPAN-UNITED STATES FRIENDSHIP
COMMISSION

JAPAN-UNITED STATES FRIENDSHIP TRUST FUND
For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94-118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, \$1,250,000; and an amount of Japanese currency not to exceed the equivalent of \$1,420,000 based on exchange rates at the time of payment of such amounts as authorized by Public Law 94-118.

UNITED STATES INFORMATION AGENCY
SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.) and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), to carry out international communication, educational and cultural activities; and to carry out related activities authorized by law, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed \$700,000 of this appropriation), as authorized by 22 U.S.C. 1471, and entertainment, including official receptions, within the United States, not to exceed \$25,000 as authorized by 22 U.S.C. 1474(3); \$730,000,000: *Provided*, That not to exceed \$1,400,000 may be used for representation abroad as authorized by 22 U.S.C. 1452 and 4085: *Provided further*, That not to exceed \$1,200,000 of the

amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2452(a)(3)), shall remain available until expended: *Provided further*, That *Provided further*, That not to exceed \$7,615,000 to remain available until expended, may be credited to this appropriation from fees or other payments received from or in connection with English teaching, library, motion pictures, radio, television, and publication programs as authorized by section 810 of the United States Information and Educational Exchange Act of 1948, as amended.

OFFICE OF INSPECTOR GENERAL

For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 3), and in accordance with the provisions of 31 U.S.C. 1105(a)(25), \$4,247,000.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of Fulbright, International Visitor, Humphrey Fellowship, Citizen Exchange, Congress-Bundestag Exchange, and other exchange programs, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), \$217,650,000, to remain available until expended as authorized by 22 U.S.C. 2455.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

For necessary expenses of Eisenhower Exchange Fellowships, Incorporated to be derived from interest and earnings from the Eisenhower Exchange Fellowship Program Trust Fund as authorized by sections 4 and 5 of the Eisenhower Exchange Fellowship Act of 1990 (20 U.S.C. 5204-05), \$300,000, to remain available until expended: *Provided*, That none of the funds appropriated herein shall be used to pay any salary or other compensation, or to enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376; or for purposes which are not in accordance with OMB Circulars A-110 (Uniform Administrative Requirements) and A-122 (Cost Principles for Non-profit Organizations), including the restrictions on compensation for personal services.

ISRAELI ARAB SCHOLARSHIP PROGRAM

For necessary expenses of the Israeli Arab Scholarship Program as authorized by section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452), all interest and earnings accruing to the Israeli Arab Scholarship Fund on or before September 30, 1994, to remain available until expended.

RADIO CONSTRUCTION

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception as authorized by 22 U.S.C. 1471, \$75,164,000, to remain available until expended as authorized by 22 U.S.C. 1477b(a).

EAST-WEST CENTER

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960 (22 U.S.C. 2054-2057), by grant to the Center for Cultural and Technical Interchange Between East and

West in the State of Hawaii, \$23,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376.

NORTH/SOUTH CENTER

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the North/South Center Act of 1991, (22 U.S.C. 2075), by grant to an educational institution in Florida known as the North/South Center, \$8,000,000, to remain available until expended.

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that the bill through page 72, line 26, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request by the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, \$17,500,000, to remain available until expended.

POINT OF ORDER

Mr. BERMAN. Mr. Chairman, I have a point of order.

I rise to make a point of order against the provision contained in lines 1 through 5 on page 73.

Lines 1 through 5 on page 73, Mr. Chairman, would provide an appropriation which is unauthorized in law at this time, and thus constitutes a violation of clause 2(a) of rule XXI of the House which prohibits unauthorized appropriations in general appropriation bills.

Mr. SMITH of Iowa. Mr. Chairman, I agree it is not authorized, and I will have to concede the point of order.

The CHAIRMAN (Mr. BROWN of California). The point of order is conceded, and the Chair sustains the point of order.

Mr. KANJORSKI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise because I did not have the opportunity to make the motion to strike these funds although it is appropriate.

What is involved in lines 1 through 5 on page 73 is the remaining funding for the National Endowment for Democracy.

I rise today to oppose the pressure that is being exerted in this town, within the beltway, to be certain that National Endowment for Democracy does not die.

Mr. Chairman, following the vote on the amendment offered by myself and our colleague from Connecticut, Mr. SHAYS, which eliminated the Federal earmark for [NED] the National Endowment for Democracy has gone to

the well, if you will; to the patriarchs of the Republican Party, the patriarchs of the Democratic Party, the leaders of the U.S. Chamber of Commerce, and the AFL-CIO. Everyone has joined together to be certain that National Endowment for Democracy is funded in the conference report on this bill when it comes back from the Senate so that the Endowment will not die.

Since the June 22 vote, the extremes of our newspaper columnists in America have written on this, from extreme liberal to extreme conservative. They have joined together and have found common ground in their support of the National Endowment for Democracy.

Of course, I understand that people of diverse views and philosophies can join together and support something, but I would suspect that our effort to terminate the National Endowment for Democracy has struck a real chord. The chord is the same message that my friends on the other side of the aisle have been talking about during earlier debate on this bill: nothing ever dies in this town. Regardless of whether a program is a \$1 million expenditure or a \$500 million expenditure, someone always has reasons to prove it should go on and live forever.

The truth of the matter is all of these programs may in some measure do some good, but we must ask ourselves "can we afford them?"

In addition to my philosophical and fiscal accountability concerns about National Endowment for Democracy, which were discussed in depth during the June 22 debate, I must answer my constituents when they ask "How can America today, with \$300 billion in deficits, continue to finance the economic, social, and political benefits of all the people of the world and not provide for the economic, social, and political benefits of the American people here at home."

Just today Mr. Chairman, the last shoe manufacturing plant in my hometown of 10,000 people, Nanticoke, announced that it is closing. One hundred and seventy-five people in the shoemaking industry are losing their jobs because of foreign competition; competition from Asia and primarily China.

Yet here we are spending hundreds of millions of taxpayers' dollars so that the Chinese can hear the great American message from the United States. We are using my shoemakers' dollars to let the Chinese know that democracy is a great institution, and that we want them to join us. Not only will we pay for them to hear how great we are, as well as the benefits of freedom and individual rights, but they can enjoy this message while they produce shoes with prison labor. These shoes are the same shoes that are going to cause the unemployment of 175 workers in Nanticoke, and across America.

These same America workers who on April 15 were asked to pay their taxes

so that this Congress can go back and continue to spend money on programs such as the National Endowment for Democracy, Radio Free Europe, and countless others.

Mr. Chairman, I just hope that when the authorizing subcommittee chairman, the gentleman from California [Mr. BERMAN], and the Appropriations subcommittee chairman, Mr. SMITH of Iowa, go off to conference and make a hell-bent effort to fund the National Endowment for Democracy against the wishes of the majority of the Members of this House, that they will remember there ought to be a domestic Endowment for Democracy here in the United States. There ought to be some program to take care of the 175 workers in my hometown that just lost their jobs after 25 years to foreign competition.

I cannot go home and explain to them how this Congress can spend \$50 million for the National Endowment for Democracy but not \$1 for domestic economic development at home. We have a deficit, and we cannot afford it.

Mr. Chairman, I have not had the opportunity during this debate to address the other concerns I have about the National Endowment for Democracy. For this reason, I would like to submit a written statement I had prepared earlier on the subject of National Endowment for Democracy with our colleague from Connecticut, Mr. SHAYS.

WHEN SPECIAL INTERESTS GROUPS CONDUCT AMERICAN FOREIGN POLICY

How many Americans are aware that arms of the national Democratic party, the national Republican party, the AFL-CIO, and the U.S. Chamber of Commerce receive millions of taxpayers' dollars annually to develop and carry out their own version of American foreign policy? Not many, we would guess, as these private groups are not usually considered to be the choice of the American taxpayer to carry out American foreign policy.

Yet through the National Endowment for Democracy, [NED], that is exactly what happens. National Endowment for Democracy is a private organization whose sole job is to take taxpayers' funds and dole the majority of them out to these four major interests groups so that they can promote democracy—and their own agendas—abroad. Since 1984 National Endowment for Democracy has received several hundreds of millions of dollars from the Federal coffers.

We object to the premise that these four groups have a better understanding of how the American taxpayer wants to spend their hard-earned money than either the Congress or the administration, both of which are accountable to the people.

For this reason, we recently offered an amendment on the House floor to eliminate National Endowment for Democracy's annual earmark, not the organization itself. Our amendment passed by a margin of 243 to 181.

Since then much has been written about the vote; people have speculated as to the motives for the amendment, why it passed by such an overwhelming margin, and why anyone would be "against" global democracy.

To set the record straight, we support a progressive foreign policy as well as American assistance abroad to ensure that democracy and human rights are upheld, protected, and promoted. In fact, we would probably support many of the projects funded by National Endowment for Democracy if they were developed and overseen by an established government agency charged with conducting American foreign policy. However we reject the current practice of giving taxpayers' money to four of the biggest, most powerful special interest groups in Washington. We do not believe that the framers of the Constitution intended for our Nation's foreign policy to operate this way.

We do not dispute that some of the projects funded by National Endowment for Democracy have been beneficial in the world-wide struggle for democracy. But with an annual budget of just over \$30 million this year, we reject the notion that National Endowment for Democracy was responsible for the fall of the Berlin Wall or the breakup of the Soviet bloc.

In addition, National Endowment for Democracy has also funded a number of questionable projects. Through National Endowment for Democracy American taxpayers' dollars have gone to labor unions in France and to the opposition party to then-President Oscar Arias in Costa Rica. Both France and Costa Rica have been democracies for more than 100 years.

Furthermore, because National Endowment for Democracy is not accountable to Congress or the President there have been instances in which National Endowment for Democracy-funded projects appear to be contradictory to American foreign policy. An example occurred in Korea in 1989, where National Endowment for Democracy moneys assisted the Federation of Korean Trade Unions [FKTU] in increasing its ability to influence government policies. This occurred 1 year after the State Department commended the Korean government for breaking the FKTU's monopoly by allowing other unions to register.

In another instance, National Endowment for Democracy money was used in Panama in the mid-1980's to support political events on behalf of Nicolas Ardito Barletta, a candidate for president. Mr. Ardito, the military-backed candidate, won by 1,713 votes in a fraud-ridden election over Arnulfo Arias, who was twice elected president only to be deposed by the military. When the U.S. ambassador discovered this expenditure of American funds he wired the State Department and, noting the existing United States policy of not meddling in Panama's politics, speculated about the likely embarrassment should this interference come to light. The Ambassador's cable concluded "Embassy requests this harebrained project be abandoned before it hits the fan."

It is the concept of federally funded projects "hitting the fan" that may have led many of the freshman Members of the House, as well as the majority of our House colleagues who have heard this debate before, to support the amendment. Members of Congress are right to hesitate to support an organization which has a history of funding dubious projects as well as fiscal mismanagement and abuse, a critical 1991 General Accounting Office report found an instance in which Federal money

was used to help obtain a car for use in a drug crime.

National Endowment for Democracy is an American foreign policy loose cannon which needs to be reined in. We agree there is a need to bolster fragile democracies abroad, but National Endowment for Democracy is not the proper vehicle. American taxpayers' dollars should be spent by the structures sanctioned by the Constitution, not private organizations with private agendas.

□ 1610

Mr. BERMAN. Mr. Chairman, I move to strike the last word.

I will try to be brief. But I think the comments of the gentleman from Pennsylvania [Mr. KANJORSKI] deserve a response.

One can assume that Members of this body from the Democratic side of the aisle and from the Republican side of the aisle and the columnists from the liberal persuasion, and columnists from the conservative persuasion are involved in some conspiracy to feather the nests of party leaders and the bureaucracies of the chambers of commerce and organized labor in order to promote their own narrow special interests and to reward their friends; or one can assume that the issue underlying the National Endowment for Democracy is the belief that it is in the American workers' interests for pluralism, democracy and regard for human rights and peaceful resolution of disputes to take hold in the rest of the world because to the extent that, whether it is communism or totalitarianism under any other name, or terrorism or ethnic rivalries that blow over, pretty soon history tells us American interests are directly affected.

It was a cornerstone of this President's campaign that the promotion of democracy and of democratic values would be a cornerstone of our foreign policy. The National Endowment for Democracy is the major institution that exists; it has done that throughout its life, it has done excellent work in a variety of different areas, and I suggest to my friend from Pennsylvania that the testimony of support that is coming now from different columnists and from different people, from many different philosophical backgrounds, is a recognition of what they have done not just in Lithuania, Poland, or Czechoslovakia, but in Chile, Namibia, and the Philippines, and I can assure the gentleman that this particular Member will be hellbent to try and secure the funding, undo the decision the House made earlier in the year with respect to that funding.

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. BERMAN. I yield to the gentleman.

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Chairman, I do not think anyone disputes that the National Endowment

for Democracy has done a lot of good things; that is not the question. The question is: Can we afford it? Is there no other vehicle by which these good works can be tried out? The private sector, the State Department?

The gentleman from California [Mr. BERMAN] will remember our former colleague here, the gentleman from the Ozarks, Mr. Taylor. He had a little test he put to every piece of legislation that came before us. That test was: Do we need it, and can we afford it? And if the answer to both those questions is "yes," we must then ask ourselves how was it we got along without it for so long?

I think that test is applicable here where we know we are in a time of great budgetary constraints. It seems this is nonessential spending.

Mr. BERMAN. Reclaiming my time, I think the question is: Can we afford not to do it?

I think all one has to do is to study the history of the 20th century when America decided that its engagements abroad were either too expensive or too difficult or too complicated or too controversial, and sought to withdraw within its own borders and tried to divide the world up into the United States and this domestic affairs, versus what is going on in the rest of the world, and thought that we could somehow escape.

The clear history leading up to World War II indicates the follies of isolationism as a general policy.

I do not support the National Endowment for Democracy because it is a nice thing and I wish it on the rest of the world. I support it because I believe its development, its promotion is vitally in America's interest from an economic and from a national security point of view.

We have spent trillions of dollars in the cold war. We are talking about an infinitesimal percentage of those expenditures to try to deal with the controversies around the world, whether they were Communist in nature or other kinds of antidemocratic forces, because inexorably history tells us if we do not deal with them and try to get ahead of the curve in this area, we will be facing far more difficult and larger expenditures from our own taxpayers, our own people, their fortunes and their lives by ignoring all of this.

So it is a question of how you feel about what our role in the world should be at this very exciting but difficult time of transition. I think there is a role for it.

Mr. GILMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to respectfully disagree with the gentleman from Pennsylvania [Mr. KANJORSKI] in attempting to eliminate NED. The National Endowment for Democracy has been providing an invaluable means to promote democracy throughout the

world, and it is extremely shortsighted to zero out funding for such a worthy organization.

I submit we need to support the capability for a rapid response to the unforeseen needs that arise in the emerging democracies. Government agencies alone cannot provide the kind of quick responses that NED and its grantees have exhibited in a number of important programs around the world. Our national interests are best served by building democratic institutions, and NED has been a vital tool in implementing this key foreign policy objective.

Mr. HYDE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I strongly, prayerfully urge that we do not dissolve the National Endowment for Democracy. And I suggest to my good friend from Pennsylvania that he has provided us with some false alternatives. It is called in logic the fallacy of the false alternative; we cannot take care of our problems at home if we are spending money overseas.

That may or may not be a sound, general proposition, but there are some expenditures that are in our national interest. We have troops over in Somalia, we have troops over in Macedonia, and there are many areas where trouble spots exist. It is imperative that the world calm down.

The cold war has been supplanted by a hundred smaller hot wars, whether they are in Azerbaijan, Armenia, whether in former Yugoslavia, whether in still-explosive Afghanistan; all over the globe you see slaughter and killing.

This world needs democracy. There is an agency that privatizes the selling of democracy. This agency is not a part of Government. There are places in the world where the Government cannot get in, where suspicions exist if you are an official member of the Government.

But when you can get the essential elements of the American economy—management, labor—working together in a common cause, where you can get the Democratic Party and the Republican Party working with management and labor in a common cause and that cause is democracy, it is an incredible self-defeating notion that we would turn our backs on this most useful agency selling the most important product, world peace through democracy, in the world today.

And so I urge that we continue this grand idea that has worked so well in Poland, in Central Europe, in so many places. Now, if indeed they have made mistakes, if some expenditures have been unwise, then, fine, let us exercise oversight over them. We have the staff, we have the Members of Congress willing to do so.

But do not, do not extirpate this agency that does so much good in the cause of peace, in the cause of showing

countries practically from the private sector how democracy works and what it can mean for their country, what the free enterprise system can do to lift their standards of living, to prevent the conflicts and the wars that are bleeding the world to death.

□ 1620

So please, I ask that you look at this expenditure as a wise one, as a beneficent one, as one that moves the world toward peace and democracy.

Mr. KANJORSKI. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to my friend, the gentleman from Pennsylvania.

Mr. KANJORSKI. Mr. Chairman, does the gentleman from Illinois suggest when he is having his town meetings and talking to his constituents that the only way we can privatize and sell democracy in America is by giving the Republican Party and the Democratic Party and the AFL-CIO and the United States Chamber of Commerce millions and millions of taxpayer dollars every year, going up to \$50 million this year, that this is the only way democracy can be spent, or are there institutions within the Government and is not the National Endowment for Democracy capable of doing this?

Mr. HYDE. The gentleman has made his point. I just do not agree with it.

It is not the only way, but it is an excellent way.

Republicans and Democrats, what is anathema about them? These are the people of America. If you want to put some independence in there, do it, but management and labor are the heart and soul of the best economy, the most productive economy, the one that has provided this country with the highest standard of living in history, and we want to show people in the world how it can work, how we can work together.

To me there is nothing more imperative. It is not us against them.

What happens in Central Europe, in Africa, in Asia, can touch this country increasingly day by day; and I suggest to the gentleman that it is a false dichotomy that says whatever we spend in trying to democratize the world is money we cannot spend at home. It may well be the best investment that we can make if it forestalls a war, if it provides a growing standard of living for the people over there crying out for technological assistance, for help, for example, from management, from labor, from Republicans and Democrats.

Mr. SHAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am here because I was listening to this debate, and seeing my colleague, the gentleman from Pennsylvania [Mr. KANJORSKI] respond to comments on the floor, and I just did not want to see him be by himself on this issue.

There have been many issues I have been involved in where I received a lot

of accolades and public support, and people have said, "What a great thing you are doing."

On this one, I have noticed there are people I respect who want to continue to support NED. It may not be a popular position to oppose NED, because the name has such meaning, and as my colleague, the gentleman from Illinois points out, we do want to export democracy and we do want countries from overseas to emulate what we do here. We think the world would be a better place.

The question is, is it proper? Is it right? In fact, is it even moral to fund NED through the Republican and Democratic political structure, to fund NED through the head of the AFL-CIO and the U.S. Chamber of Commerce? I think it is wrong. I think it is an inherently corrupt system.

I have personal experience, and admittedly going back a few years, that tells me the system leads itself to things that should not happen.

An individual in my State took a particular political position that the Republicans wanted to reward him. He finds himself on a trip, admittedly a few years ago, funded by NED, going throughout the European nations.

There have been consistent reports by the GAO that point out that funds provided for NED have not gone to the places they should have. There have been organizations that have said they never received the funds.

I do not in any way oppose the concept of NED. I oppose the concept of this money being channeled through the Republican Party, admittedly through a separate institute, or the Democratic Party, admittedly through a separate entity, or the AFL-CIO, because in all four cases they are controlled, in my judgment, by the leadership of those organizations, organizations if the AFL-CIO and the National Chamber of Commerce lobby this Congress and political leaders that we have to deal with who control our parties. I just think it is wrong.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SHAYS. I am happy to yield to the gentleman from Illinois.

Mr. HYDE. I will say to the gentleman, Mr. Chairman, that he has a faith in bureaucrats that I admire. I stand in awe.

I personally prefer to have people from organized labor and organized management.

The fact that you are a Republican or a Democrat, as long as you are a private citizen and you are selling the product of democracy by example and showing these people how we can work together, I cannot imagine that it is a bad idea.

Mr. SHAYS. No, it is not a bad idea, Republicans and Democrats working together, but not through the Republican Party and the Democratic Party,

labor working through management, but not through their particular structures that lobby us every day of the year. That is where I have my problem. I do not have any problem with the intent of NED. I have my problem with the structure of NED.

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

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

RADIO BROADCASTING TO CUBA

For expenses necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act, as amended (22 U.S.C. 1465 et seq.) (providing for the Radio Marti Program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception as authorized by 22 U.S.C. 1471, \$8,750,000, to remain available until expended as authorized by 22 U.S.C. 1477b(a).

POINT OF ORDER

Mr. SKAGGS. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SKAGGS. Mr. Chairman, I make a point of order that the provisions of the bill, including lines 6 through 16 on page 73, are in violation of rule XXI, clause 2, in that they appropriate funds for a program which is not otherwise authorized.

The CHAIRMAN. Does the gentleman from Iowa, the subcommittee chairman, desire to be heard on the point of order?

Mr. SMITH of Iowa. Mr. Chairman, I concede that the program is not authorized, and would have to concede the point of order.

The CHAIRMAN (Mr. BROWN of California). The gentleman from Iowa concedes the point of order. The point of order is sustained, and the language will be stricken.

The Clerk will read.

The Clerk read as follows:

This title may be cited as the "Department of State and Related Agencies Appropriations Act, 1994".

TITLE VI—GENERAL PROVISIONS

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 602. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 604. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of

each provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. 605. (a) None of the funds provided under this Act or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act shall be available for the agencies obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees;

(b) None of the funds provided under this Act or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of \$500,000 or 10 per centum, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 per centum funding for any existing program, project, or activity, or numbers of personnel by 10 per centum as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress, unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

AMENDMENT OFFERED BY MR. TRAFICANT

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

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: At the end of the bill, add the following new sections:

SEC. . SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, to the extent feasible, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Head of the agency shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, we would do a lot more to export democracy around the world if we would export a few more American-made products. If Congress would take more seriously the procurement process whereby our taxpayer dollars are used many times to buy all these foreign-made goods, we might be able to do a better job of balancing our budget.

I would just like to say this for the RECORD on this amendment. I have been getting some mail relative to this issue. I had a very interesting letter asking me if in fact there was ever one instance, one instance where Germany in fact awarded a contract to an American firm?

If anybody has that, I will leave the RECORD open. They can submit it.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the chairman of the committee.

Mr. SMITH of Iowa. Well, Mr. Chairman, all I can say is that essentially the same amendment was carried last year. For that reason, I am not going to make any big deal out of it.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, we have looked at the amendment and have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. EMERSON

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

The Clerk read as follows:

Amendment offered by Mr. EMERSON: Page 75, after line 19, insert the following new section:

SEC. 606. Hereafter, each public ceremony for the admission of new citizens under section 337 of the Immigration and Nationality Act (8 U.S.C. 1448) shall be conducted solely in the English language.

POINT OF ORDER

Mr. SMITH of Iowa. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The gentleman from Ohio [Mr. SMITH] reserves a point of order on the amendment.

□ 1630

The gentleman from Missouri [Mr. EMERSON] is recognized for 5 minutes in support of his amendment.

Mr. EMERSON. Mr. Chairman, I was astounded to learn that in Tucson, AZ, on July 2, the Immigration and Naturalization Service swore in 75 immigrants in Spanish—yes, they were sworn in as United States citizens, not in English, but in Spanish. United States District Judge Alfredo Marquez, the judge who conducted the ceremony, is quoted as saying, "Even though the new citizens can speak and understand English, the ceremony is more meaningful to them in Spanish."

Mr. Chairman, when an individual leaves his or her native homeland and comes to America, that individual is taking new steps. The swearing-in ceremony is the beginning of a new life as an American. Taking the oath in English ought to be more meaningful—the language signals a new day, a new way

of life, and a new bond with the other citizens of our country.

Americans are a diverse lot; nearly 150 languages are spoken in this country, and English is the common bond for us all. The citizenship ceremony should emphasize the things that unite us, not those which divide us into ethnic and linguistic subgroups.

The INS should know better. I am therefore offering an amendment which would prohibit the INS from conducting citizenship swearing-in ceremonies in languages other than English.

America's ability to unite those of differing backgrounds—"out of many, one"—is her greatest strength. I am concerned, however, that that strength is waning. We've focused so much on the many that we're forgetting about the one.

The face of America—of that "one"—is changing. Change can be good. But as we all know, change—for better or for worse—can be traumatic. It's tough on those who come here, and it's tough on those who are already here. One essential element of that process of change—an element that could well determine our ultimate success or failure—is communication. Human nature often leads us to resist and fear those who are different from ourselves. Unless we can communicate with each other, we cannot begin to understand each other. We will not be able to communicate with each other unless we share a common tongue.

The English language is our common bond. By conducting the citizenship ceremony in a language other than English, the INS is sending the wrong message. I urge my colleagues to support this amendment.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. EMERSON. I yield to the distinguished gentleman from Kentucky [Mr. ROGERS], the ranking member of the subcommittee.

Mr. ROGERS. Mr. Chairman, unfortunately it sounds like the amendment offered by the gentleman from Missouri [Mr. EMERSON] will be ruled out of order. The Chair will rule in a few minutes, and I assume that is what will happen. But let me commend the gentleman for bringing this matter to the Members' attention.

Mr. Chairman, I share the gentleman's views, and I want to associate myself with his remarks. I think he made a very important point. Our common language, English, is the glue that holds this great country together, and, if we have the official U.S. Government saying to new citizens of this country that it is OK never to develop the common tongue, then we are doing those people a disservice, as well as the rest of us, and I commend the gentleman.

Mr. EMERSON. Precisely, and I thank the gentleman from Kentucky [Mr. ROGERS] for his contribution.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, this is strictly a legislative matter. It proposes to change existing law and imposes additional duties, modifies existing powers and duties, and it is operative beyond the 1994 fiscal year. So, I insist on my point of order.

The CHAIRMAN. Does the gentleman from Missouri [Mr. EMERSON] desire to be heard on the point of order?

Mr. EMERSON. No, I concede the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Missouri concedes the point of order, the Chair upholds the point of order, and the amendment is ruled out of order.

AMENDMENT OFFERED BY MR. FIELDS OF TEXAS

Mr. FIELDS of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FIELDS of Texas: Page 75, after line 19, insert the following new section.

SEC. 606. None of the funds made available in this Act for "THE JUDICIARY—Courts of Appeals, District Courts, and Other Judicial Services—Defender services" may be used to provide assistance for the operation of death penalty resource centers.

Mr. SMITH of Iowa. Mr. Chairman, I reserve a point of order on the amendment offered by the gentleman from Texas [Mr. FIELDS].

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. FIELDS] for 5 minutes in support of his amendment.

Mr. FIELDS of Texas. Mr. Chairman, I am offering an amendment to prevent any funds in the defender services line item from being used for death penalty resource centers.

Death penalty resource centers are nonprofit entities that provide free, tax-payer financed legal assistance to death row prisoners seeking to overturn their convictions and their death sentences. The fiscal year 1994 request for death penalty resource centers is \$30.4 million; this for the operation of existing centers and the creation of additional centers.

My constituents do not want their hard-earned tax dollars used to pay for the endless legal appeals of murderers, rapists, drug kingpins, and others who are seeking to avoid the penalties to which they have been sentenced.

In my State of Texas, there have been numerous allegations against the Texas Resource Center. Those allegations have been lodged by various sources, including several district attorneys' offices across the State. Some of the allegations include charges that the center hired a public relations expert to handle public relations campaigns; that the center recruited witnesses in death row cases; and that the center pressured witnesses to perjure themselves. There have even been allegations—and evidence to support those allegations—that the center once posted bail for a witness who had been ordered arrested by the presiding judge in a capital case.

Funding for the centers is authorized by Congress and coordinated through the administrative offices of the U.S. courts. Some centers receive additional funding from a program of State bar associations. The centers are exempt from the Freedom of Information Act; and therefore, they are not as accountable to the public as I would like.

The serious allegations that have been lodged against the Texas Resource Center disturb me profoundly. Congress should restrict funding for death penalty resource centers until these serious allegations can be investigated and until proper oversight can be ensured.

Mr. Chairman, I urge my colleagues to support this important amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. SMITH].

POINT OF ORDER

Mr. SMITH of Iowa. Mr. Chairman, my point of order is that this is a limitation to a general appropriations bill offered during the reading of a general appropriations bill, and I insist on my point of order.

The CHAIRMAN. Does the gentleman from Texas [Mr. FIELDS] desire to be heard on the point of order?

Mr. FIELDS of Texas. Mr. Chairman, I regrettably concede the point of order.

The CHAIRMAN. The gentleman from Texas [Mr. FIELDS] concedes the point of order, the Chair upholds the point of order, and the amendment is ruled out of order.

The Clerk will read the last three lines of the bill.

The Clerk read as follows:

This Act may be cited as the "Department of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1994".

Mr. FARR. Mr. Chairman, I rise again today in opposition to the amendment previously offered by Representative WALKER. When I last addressed my colleagues on this amendment, I focused on the negative impact that it would have on the National Marine Sanctuaries Program, programs fostering our understanding of the relationship between land and sea, and our domestic fisheries fleet. Today, I wish also to discuss the severe impact that the amendment could have on our Nation's coasts.

The committee has spoken clearly on the need for a sufficient level of funding for the coastal and ocean programs under the National Oceanic and Atmospheric Administration [NOAA]. By stripping \$37.5 million from the NOAA marine, coastal and ocean, and Great Lakes programs, we would be severely undermining the National Marine Sanctuaries Program, the National Undersea Research Program, Coastal Zone Management nonpoint source pollution prevention, the National Sea Grant College Program, zebra mussel research and fisheries management.

Mr. Chairman, the Congress acted at long last in 1992 to designate the Monterey Bay National Marine Sanctuary with the distinct intention of preserving this pristine marine environment for future generations. Other ocean

areas have also been recently designated under the National Marine Sanctuary Program. This program hinges on adequate resources to help foster sound management practices.

Clearly, it is not in our interest to undermine our sanctuary areas further and open them to potential problems after the Congress has mandated their specific protection.

This amendment would also have the very negative impact of reducing already limited funding for coastal nonpoint pollution control and the management of our coastal resources. In 1972, the Congress enacted the Coastal Zone Management Act [CZMA] in an effort to protect the Nation's coastal resources and to ensure that these resources are wisely used. This monumental legislation balanced economic growth with resource protection.

While funding for CZMA has remained level over the last 12 years, the number of States participating has almost doubled. This has caused tremendous strain on the effectiveness of the act. Without sufficient funding for CZMA nonpoint pollution control, we put our coastal areas at tremendous and lasting risk.

I implore my colleagues to realize that adoption of this amendment would be to take a giant step backward for what has been done in previous years to make this country more aware of our oceans and the opportunities they provide by establishing protection and educational processes. Previous to this amendment, this bill allowed these priorities.

This amendment is not an exercise in fiscal responsibility, but an attempt to shift funding away from the modestly funded, yet desperately needed, ocean and coastal programs to the well-funded National Weather Service modernization. In fact, even without this amendment, the Weather Service modernization is getting a 28-percent increase over last year's appropriation. The nominal amount saved by this amendment will cause a tremendous increase in the future costs to protect the marine sanctuaries. Neglect of our sanctuaries and coastal areas now will result in our having to pay for cleanup costs in addition to management later.

Again, Mr. Chairman, I urge my colleagues to oppose this amendment and restore the level approved by the committee.

Mr. SAWYER. Mr. Chairman, I rise to comment on funding for the Bureau of the Census for fiscal year 1994.

I chair the Subcommittee on Census, Statistics and Postal Personnel of the Committee on Post Office and Civil Service. In that capacity, I have worked closely with Subcommittee Chairman NEAL SMITH and ranking minority member HAROLD ROGERS to ensure adequate financial resources for the Census Bureau's work. I am grateful for their attention over the years to the Bureau's complex, specialized, and sometimes esoteric programs.

Fiscal year 1994 is an important year in the planning cycle for the 2000 decennial census. The Census Bureau will have chosen one or two designs for testing in 1995. The 1995 test will determine those methods that hold the greatest promise to improve census-taking into the next century.

The success of that test will depend, in large measure, on adequate preparations in 1994. Those preparations include site selection, procurement of office and data process-

ing equipment, and final research on new census techniques. The Bureau also must develop technology to process census forms that are much more user-friendly than in the past.

H.R. 2519 includes \$15 million less for 2000 census research and planning than the administration had requested. The report accompanying the bill clearly sets forth the reason for that significant reduction in funding. Members are understandably frustrated by the outcome of the 1990 census. It cost twice as much as the census before it. But it was less accurate. It missed more people. It missed more minorities than the overall number of people missed in 1980.

The Appropriations Committee has sent a clear message. The primary concern for Members of Congress is the accuracy of the population numbers. Rapidly escalating costs for the census must be contained. And the Census Bureau must ensure that there is an important governmental purpose for the wide range of demographic data it has traditionally collected in the census. Those of us who work closely with the Census Bureau, and the larger Federal statistical system of which it is an integral part, are grateful for the guidance and direction that the committee has provided.

There is a consensus that we must do better in 2000. I'm convinced that we can. That is why I have supported a planning process that starts much earlier in the decade. The Census Bureau needs time to develop and test new methods that will help improve the accuracy of the population numbers, at a reasonable cost. It must explore ways to redistribute the burden of meeting the Nation's vast data needs onto other vehicles throughout the decade.

Progress toward an improved census process has been slow at times. I believe that the Census Bureau is committed to reform of that process. Unfortunately, its efforts to reach that goal have, at time, been cumbersome. The Appropriations Committee has been understandably frustrated by what might appear to be a lack of direction, or even commitment, on the part of the Bureau.

But 1994 presents a key opportunity for the Bureau to clarify its progress toward census reform, as it prepares to test promising new methods in 1995. Without the test, we cannot have much confidence in a range of complex and untried, yet promising, techniques for 2000. Worse yet, we might end up with the same census in 2000 that we took in 1990.

I look forward to working with Chairman SMITH, Congressman ROGERS, and other members of the Appropriations Committee as they prepare for conference with the Senate, to ensure that the Census Bureau has the financial resources it needs to achieve the mutual goal of a more accurate and cost-effective census in 2000.

Ms. WOOLSEY. Mr. Chairman, I rise today in strong support of H.R. 2519, Commerce, Justice, State appropriations for fiscal year 1994. I would like to express my great appreciation to Chairman SMITH for his hard work in crafting such a fine bill. In particular, I am supportive of the provisions to increase funding for the National Marine Sanctuary Program and Coastal Zone Management programs, essential programs which protect the coastline in California and across the Nation.

As the only Federal program specifically designed to protect our most outstanding marine areas, the National Marine Sanctuary Program is of crucial importance to our National's coastal regions. The enrollment of three new sanctuaries in the program in the past year is a testament to the program's importance and popularity. The sanctuaries off the coast of California make up the largest protected marine area in the world. However, the increase in number size and complexity of designated sanctuaries has strained the program's limited resources in recent years.

Next year, as a result of Chairman SMITH's decision to increase funding from \$7 to \$9 million, the National Marine Sanctuary Program will be better able to ensure that Congress' mandate of environmental protection for sensitive marine areas is responsible and effectively maintained.

I am pleased that this bill also increases funds for Coastal Zone Management programs. The district I represent, Marin and Sonoma counties in California, is famous for its beautiful coast. The Coastal Zone Management programs are vital to the health of my district's coasts as well as those of the Nation. With Federal funding in real dollars decreasing over the past 10 years, the Coastal Zone

In addition, this bill continues funding of the weather data buoys which provide fishermen with critical weather information. Generations of families have made their living fishing in the coastal waters off Marin and Sonoma Counties, and the weather buoys stationed in these waters are relied upon by the fishermen and their families to ensure safe and successful journeys.

Mr. Chairman, I strongly urge my colleagues to support the Commerce, State, Justice appropriations bill.

Mr. GOODLING. Mr. Chairman, I am extremely pleased the Commerce, Justice, State appropriations bill for fiscal year 1994 includes funding for the Juvenile Justice Delinquency Prevention Act and specifically for the Juvenile Mentoring Program.

As the author of this mentoring program, I soundly believe mentoring programs provide the necessary partnership between schools, public and private agencies, institutions and businesses, which can help make a difference in the lives of our Nation's at-risk youth.

It has been proven that a relationship exists between poor academic achievement, school completion, and juvenile delinquency. By using mentors to work with at-risk youth, as in the Juvenile Mentoring Program, we provide young people with the positive role models they need to lead successful lives. Mentors provide academic assistance and experience in the workplace as well as helping to develop positive interests and attitudes. The Juvenile Mentoring Program also provides better coordination between the youth's home, school, and residential facility and helps to ensure at-risk youth keep up with their classmates. This encourages them to stay in school once they return to their homes. By making this investment in young people, we help them to be assets to their communities rather than repeat offenders or gang members.

The \$2 million provided in H.R. 2519 by the Appropriations Committee will most certainly go a long way in helping our Nation's commu-

nities reduce juvenile delinquency. I appreciate the attention the Appropriations Committee has given to this important program and encourage schools to apply for and use this funding to develop mentoring programs for at-risk youth. I commend the committee for providing increases for the overall Juvenile Justice and Delinquency Prevention Act. This investment will pay for itself many times over in reduced costs for law enforcement, job training, and other social services. With juvenile crime on the rise in our country, particularly violent crime, it is of the utmost importance that we support the activities authorized under this law.

Ms. HARMAN. Mr. Chairman, at an earlier point in the debate on this bill, a point of order was sustained to delete funding for one of the lifelines for Americans who live in poverty.

As a young lawyer in the late 1960's and early 1970's, I witnessed the birth of the Legal Services Corporation and participated in its struggle for adequate funding.

Contrary to the claims of its critics, the LSC was never envisioned as—nor has it functioned as—a political effort to radicalize the poor. Rather, it has been the only chance for many Americans to have a shot at the basic tenet of our Constitution and system of law—equal justice.

Despite scant resources, the LSC has helped thousands over the years in critically important matters such as:

Wrongful tenant evictions—without the LSC there would be substantially more homelessness

Wrongful denial of Social Security benefits—often the sole income for the elderly

Discrimination in housing or employment based on psychiatric disability

Wrongful termination of parental rights which deprives children of the nurturing role of one or both parents.

All these issues affect families, and the LSC is one of the few pro-family advocates for Americans in poverty.

Yet, LSC funding and coverage have declined in today's dollars since 1981.

Here are how these decreases have affected California:

From 1980 to 1990, the number of legal services attorneys in California decreased 20 percent while the number of Californians eligible to receive legal assistance increased 34 percent.

The ratio of poor persons per legal services attorney during this same decade nearly doubled, from 5,727 in 1980 to 10,074 in 1990

California Rural Legal Assistance lost one third of its field staff in the 1980's, while poverty increased 50 percent in the program's client population.

In Los Angeles, the Legal Aid Foundation is facing the loss this year of \$1.1 million. Due to the severe funding cuts, thousands seeking legal assistance are turned down.

Mr. Chairman, these statistics are devastating. And behind the statistics are human beings: children, seniors, adults with disabilities, many of whom are striving to break out of the cycle of poverty.

As a member of the bar and a Member of the Congress of the United States, I view my obligation to help afford equal justice for all as central. Deleting LSC funding hinders that

goal. I urge restoration of LSC funding in the conference report, and approval of that request by the House.

Mr. COPPERSMITH. Mr. Chairman, at the request of the Chief Judge of the U.S. Bankruptcy Court in my State, I rise to support the Appropriations Committee for including in H.R. 2519, the Commerce, Justice, State appropriations bill, funds available for use for additional bankruptcy judgeships previously authorized in the 102d Congress. The committee has included in this bill \$16 million in the judiciary salaries and expenses account to cover the highest priority needs of the Federal judiciary. This particular appropriation could fund many of the bankruptcy judgeships authorized, but not funded, by the last Congress.

Adequate judicial resources on the Federal bankruptcy bench represent a small but important piece needed for our Nation's economic recovery. Adequate resources help both debtors get back on their feet and help creditors receive payment more quickly. Debtors and creditors, small and large businesses, labor and management, rural and urban Americans, and the economy as a whole, all depend on the swift and equitable handling of bankruptcy cases.

The judicial district of Arizona had a record year for bankruptcy filings in 1992. Last year, Arizona ranked 11th in the country in overall filings. Funding of these new bankruptcy judgeships should lead to a reduced backlog, quicker turnaround for individual cases, and ultimately a positive impact on our economy.

I thank the distinguished chairmen of the full committee and the subcommittee, as well as the members of the full committee and subcommittee, for recognizing this national need in this bill.

Mr. SMITH of Iowa. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The question was taken; and on a division (demanded by Mr. WALKER) there were ayes 9; noes 8.

So the motion to rise and report was agreed to.

□ 1640

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MCNULTY) having assumed the chair, Mr. BROWN of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2519) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1994, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.
 The SPEAKER pro tempore. Is a separate vote demanded on any amendment?
 Mr. WALKER. Mr. Speaker, I demand a separate vote on the so-called Hunter amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment?

Mr. SMITH of Iowa. Mr. Speaker, I demand a separate vote on the so-called Penny amendment, as amended, which reduced SBA by \$21,870,000, and also on the so-called Walker amendment that had to do with reducing NOAA.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.
 The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:
 Amendment: Page 19, line 3, strike "\$999,000,000" and insert "\$1,059,000,000".

The SPEAKER pro tempore. The question is on the amendment.

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

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to rule XV, votes on the two subsequent amendments, if ordered, will be reduced to a minimum of 5 minutes. Members are advised this is a 15-minute vote, which may be followed by two 5-minute votes, after which there may be further votes.

The vote was taken by electronic device, and there were—yeas 298, nays 129, not voting 7, as follows:

[Roll No. 342]

YEAS—298

Abercrombie	Blute	Collins (MI)
Ackerman	Boehert	Combest
Andrews (TX)	Boehner	Condit
Applegate	Bonilla	Cooper
Archer	Brewster	Coppersmith
Arney	Brooks	Cox
Bacchus (FL)	Bryant	Crapo
Bacchus (AL)	Bunning	Cunningham
Baker (CA)	Burton	Danner
Ballenger	Buyer	Darden
Barlow	Byrne	de la Garza
Barrett (NE)	Callahan	Deal
Bartlett	Calvert	DeLay
Barton	Camp	Derrick
Bateman	Canady	Deutsch
Becerra	Castle	Diaz-Balart
Beilenson	Chapman	Dickey
Bentley	Clay	Dingell
Bereuter	Clayton	Dixon
Berman	Clement	Doolittle
Bilbray	Clinger	Dornan
Bilirakis	Clyburn	Drier
Bishop	Coleman	Duncan
Blackwell	Collins (GA)	Edwards (CA)
Bliley	Collins (IL)	Emerson

Engel	Klecza	Rohrabacher
English (AZ)	Klug	Ros-Lehtinen
Eshoo	Knollenberg	Rose
Evans	Kolbe	Roth
Everett	Kopetski	Roukema
Ewing	Kyl	Rowland
Farr	LaFalce	Roybal-Allard
Fawell	Lancaster	Royce
Fazio	Lantos	Sanders
Fields (LA)	LaRocco	Sangmeister
Fields (TX)	Laughlin	Santorum
Filner	Lazio	Sarpalius
Fingerhut	Leach	Sawyer
Fish	Lehman	Saxton
Flake	Levin	Schaefer
Ford (MI)	Levy	Schenk
Fowler	Lewis (CA)	Schiff
Franks (CT)	Lewis (FL)	Schroeder
Franks (NJ)	Lewis (GA)	Schumer
Galleghy	Lightfoot	Scott
Gallo	Linder	Serrano
Gekas	Lipinski	Shaw
Gilchrest	Livingston	Shays
Gillmor	Long	Shepherd
Gilman	Machtley	Shuster
Gingrich	Maloney	Sisisky
Gonzalez	Manton	Skeen
Goodlatte	Manzullo	Skelton
Gordon	Margolies-	Slaughter
Goss	Mezvinsky	Smith (MI)
Grams	Martinez	Smith (NJ)
Grandy	Matsui	Smith (OR)
Green	Mazzoli	Smith (TX)
Greenwood	McCandless	Snowe
Gunderson	McCollum	Solomon
Gutierrez	McCurdy	Spence
Hall (TX)	McHugh	Stark
Hamburg	McInnis	Stearns
Hancock	McKeon	Stokes
Hansen	McKinney	Stump
Harman	McMillan	Stupak
Hastert	McNulty	Sundquist
Hefley	Meek	Swett
Heger	Menendez	Talent
Hilliard	Meyers	Tanner
Hinchey	Mfume	Tauzin
Hobson	Mica	Taylor (NC)
Hochbrueckner	Michel	Tejeda
Hoekstra	Miller (FL)	Thomas (CA)
Hoke	Mineta	Thomas (WY)
Horn	Molinar	Thompson
Houghton	Moorhead	Torkildsen
Huffington	Morella	Torres
Hunter	Myers	Torricelli
Hutchinson	Nadler	Towns
Hutto	Neal (NC)	Traficant
Hyde	Nussle	Upton
Inglis	Ortiz	Velazquez
Inhofe	Oxley	Vucanovich
Inslee	Pallone	Walker
Istook	Pastor	Walsh
Jefferson	Paxon	Walters
Johnson (CT)	Petri	Watt
Johnson (GA)	Pickett	Waxman
Johnson (SD)	Pombo	Weldon
Johnson, E.B.	Pryce (OH)	Wheat
Johnson, Sam	Quillen	Whitten
Johnston	Quinn	Wilson
Kaptur	Ramstad	Wolf
Kasich	Rangel	Ramsey
Kennedy	Ravenel	Young (AK)
Kildee	Richardson	Young (FL)
Kim	Ridge	Zeliff
King	Roberts	Zimmer
Kingston	Rogers	

NAYS—129

Allard	Carr	Furse
Andrews (ME)	Coble	Gejdenson
Andrews (NJ)	Costello	Gephardt
Baesler	Coyne	Geren
Baker (LA)	Cramer	Gibbons
Barca	Crane	Glickman
Barcia	DeFazio	Goodling
Barrett (WI)	DeLauro	Hall (OH)
Bevill	Dellums	Hamilton
Bonior	Dicks	Hastings
Borski	Dooley	Hayes
Boucher	Dunn	Hefner
Browder	Durbin	Hoagland
Brown (CA)	Edwards (TX)	Holden
Brown (FL)	English (OK)	Hoyer
Brown (OH)	Foglietta	Hughes
Cantwell	Ford (TN)	Jacobs
Cardin	Frank (MA)	Kanjorski

Kennelly	Obey	Sensenbrenner
Klein	Oliver	Sharp
Klink	Orton	Skaggs
Kreidler	Owens	Slattery
Lambert	Parker	Smith (IA)
Lloyd	Payne (NJ)	Spratt
Lowe	Payne (VA)	Stenholm
Markey	Pelosi	Strickland
McCloskey	Penny	Studds
McCrery	Peterson (FL)	Swift
McDade	Peterson (MN)	Synar
McDermott	Pickle	Taylor (MS)
McHale	Pomeroy	Thornton
Meehan	Porter	Thurman
Miller (CA)	Portman	Unsoeld
Minge	Poshard	Valentine
Mink	Price (NC)	Vento
Mollohan	Rahall	Visclosky
Montgomery	Reed	Volkmer
Moran	Regula	Washington
Murphy	Reynolds	Williams
Murtha	Roemer	Wise
Natcher	Rostenkowski	Wyden
Neal (MA)	Rush	Wynn
Oberstar	Sabo	Yates

NOT VOTING—7

Conyers	Mann	Tucker
Frost	Moakley	
Henry	Packard	

□ 1705

Messrs. PORTER, ENGLISH of Oklahoma, SPRATT, and PENNY changed their vote from "yea" to "nay."

Mr. BARLOW, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. MARGOLIES-MEZVINSKY, Messrs. RANGEL, STARK, ABERCROMBIE, COX, DINGELL, TAUZIN, CLAYTON, and TOWNS, and Ms. SLAUGHTER changed their vote from "nay" to "yea."

So the amendment was agreed to.
 The result of the vote was announced as above recorded.

The SPEAKER pro tempore. (Mr. McNULTY). The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:
 Amendment: Page 33, line 21, strike "\$1,650,000,000" and insert in lieu thereof "\$1,640,366,000".

The question is on the amendment.
 The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.
 The vote was taken by electronic device, and there were—ayes 70, noes 356, not voting 8, as follows:

[Roll No. 343]

AYES—70

Allard	DeLay	Inhofe
Archer	Doolittle	Johnson, Sam
Arney	Dornan	Kim
Baker (CA)	Drier	Kyl
Ballenger	Duncan	Linder
Barrett (NE)	Franks (CT)	Manzullo
Barton	Gingrich	McCandless
Bereuter	Glickman	McInnis
Bonilla	Goodlatte	McKeon
Bunning	Grams	Meyers
Burton	Grandy	Minge
Coble	Hall (TX)	Montgomery
Combest	Hancock	Moorhead
Condit	Harman	Myers
Coppersmith	Heger	Nussle
Cox	Hunter	Parker
Crapo	Hutchinson	Paxon

Penny
Pombo
Portman
Roberts
Rohrabacher
Royce
Schaefer

Sensenbrenner
Solomon
Stearns
Stump
Sundquist
Taylor (MS)
Taylor (NC)

Thomas (CA)
Thomas (WY)
Thurman
Walker
Young (FL)

NOES—356

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Bacchus (FL)
Bachus (AL)
Baesler
Baker (LA)
Barca
Barcia
Barlow
Barrett (WI)
Bartlett
Bateman
Becerra
Bellenson
Bentley
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Billiey
Blute
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Cooper
Costello
Coyne
Cramer
Crane
Cunningham
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Engel

English (AZ)
English (OK)
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (NJ)
Furse
Gallegly
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrist
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Goss
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hamburg
Hamilton
Hansen
Hastert
Hastings
Hayes
Hefley
Hefner
Hilliard
Hinchev
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hutto
Hyde
Inglis
Inslee
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
King
Kingston
Kleccka
Klein
Klink
Klug
Knollenberg

Kolbe
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowe
Machtley
Maloney
Manton
Margolies-
Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Mink
Molnari
Mollohan
Moran
Morella
Murphy
Murtha
Nadler
Natcher
Neal (MA)
Neal (NC)
Oberstar
Obey
Oliver
Ortiz
Orton
Owens
Oxley
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Quillen

Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schenk
Schiff
Schroeder
Schumer
Scott
Serrano

Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Spence
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Sweet
Swift
Synar
Talent
Tanner
Tauzin
Tejeda
Thompson

Thornton
Torkildsen
Torres
Torrice
Towns
Traficant
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Washington
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Zeliff
Zimmer

Cunningham
DeFazio
DeLay
Derrick
Dooley
Doolittle
Dreier
Duncan
Dunn
Emerson
English (OK)
Everett
Ewing
Fawell
Fields (TX)
Fingerhut
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gallo
Gekas
Gibbons
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Greenwood
Gunderson
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Herger
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutchinson
Hyde

Inglis
Inhofe
Inslee
Istook
Johnson (CT)
Johnson, Sam
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyi
LaRocco
Laughlin
Lazio
Lehman
Levy
Lewis (FL)
Linder
Livingston
Machtley
Manzullo
McCandless
McCollum
McCrery
McCurdy
McHugh
McInnis
McKeon
McMillan
Mica
Michel
Miller (FL)
Minge
Molnari
Montgomery
Moorhead
Murphy
Myers
Orton
Oxley
Parker
Paxon
Penny
Peterson (MN)
Petri

Pickle
Pombo
Porter
Portman
Pryce (OH)
Ramstad
Ravenel
Reed
Ridge
Roberts
Roemer
Rohrabacher
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Sharp
Shays
Shepherd
Shuster
Slattery
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stenholm
Stump
Synar
Talent
Tanner
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Walker
Walsh
Weldon
Wolf
Young (FL)
Zeliff
Zimmer

NOT VOTING—8

Conyers
Frost
Henry

Istook
Mann
Moakley

Packard
Tucker

□ 1715

Mr. SPRATT changed his vote from "aye" to "no."

Mr. ROHRABACHER changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MCNULTY). The Clerk will report the last amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 55, line 8, strike "\$243,326,000" and insert "\$221,456,000."

The SPEAKER pro tempore. The question is on the amendment.

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

RECORDED VOTE

Mr. SMITH of Iowa. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule XV, and the Chair's prior announcement, this is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 183, noes 242, not voting 9, as follows:

[Roll No. 344]

AYES—183

Allard
Andrews (NJ)
Andrews (TX)
Archer
Army
Bacchus (FL)
Bachus (AL)
Baesler
Baker (LA)
Ballenger
Barrett (NE)
Barrett (WI)
Bartlett

Barton
Bateman
Bilirakis
Billey
Blute
Boehlert
Boehner
Bonilla
Brown (OH)
Bunning
Burton
Buyer
Byrne

Callahan
Calvert
Camp
Canady
Cardin
Castle
Clinger
Collins (GA)
Condit
Coppersmith
Cox
Crane
Crapo

Abercrombie
Ackerman
Andrews (ME)
Applegate
Baker (CA)
Barca
Barcia
Barlow
Becerra
Bellenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Bryant
Cantwell
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coble
Coleman
Collins (IL)
Collins (MI)
Combest
Cooper
Costello
Coyne
Cramer
Danner
Darden
de la Garza

NOES—242

Deal
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Durbin
Edwards (CA)
Edwards (TX)
Engel
English (AZ)
Eshoo
Evans
Kennelly
Kildee
Kleccka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
Leach
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Long
Lowe
Maloney
Manton
Margolies-
Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McDade
McDermott

Hochbrueckner
Holden
Hoyer
Hughes
Hutto
Jacobs
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleccka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
Leach
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Long
Lowe
Maloney
Manton
Margolies-
Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McDade
McDermott

McHale	Quinn	Stupak
McKinney	Rahall	Sundquist
McNulty	Rangel	Swett
Meehan	Regula	Swift
Meek	Reynolds	Tauzin
Menendez	Richardson	Taylor (MS)
Meyers	Rogers	Taylor (NC)
Mfume	Ros-Lehtinen	Tejeda
Miller (CA)	Rose	Thompson
Mineta	Rostenkowski	Thornton
Mink	Rowland	Thurman
Mollohan	Roybal-Allard	Torres
Moran	Rush	Torricelli
Morella	Sabo	Towns
Murtha	Sanders	Trafcant
Nadler	Sangmeister	Unsoeld
Natcher	Sarpalius	Valentine
Neal (MA)	Sawyer	Velazquez
Neal (NC)	Schenk	Vento
Nussle	Schroeder	Visclosky
Oberstar	Schumer	Volkmer
Obey	Scott	Vucanovich
Olver	Serrano	Washington
Ortiz	Shaw	Waters
Owens	Sisisky	Watt
Pallone	Skaggs	Waxman
Pastor	Skeen	Wheat
Payne (NJ)	Skelton	Whitten
Payne (VA)	Slaughter	Williams
Peiosi	Smith (IA)	Wilson
Peterson (FL)	Smith (MI)	Wise
Pickett	Spratt	Woolsey
Pomeroy	Stark	Wyden
Poshard	Stokes	Wynn
Price (NC)	Strickland	Yates
Quillen	Studds	Young (AK)

NOT VOTING—9

Conyers	Frost	Moakley
Dickey	Henry	Packard
Dornan	Mann	Tucker

□ 1723

Mr. GALLO changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DICKEY. Mr. Speaker, I was unavoidably detained and could not make the vote on the Penny amendment to H.R. 2519. Had I been present, I would have voted for that amendment.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. KOLBE

Mr. KOLBE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. KOLBE. Mr. Speaker, in its present form, I am.

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

The Clerk read as follows:

Mr. KOLBE moves to recommit the bill, H.R. 2519, to the Committee on Appropriations with instructions to report back the same forthwith with the following amendments:

On page 13, line 1, strike "\$307,700,000" and insert "\$356,884,000".

On page 16, line 18, strike "\$2,024,705,000" and insert "\$2,043,705,000".

On page 18, line 4, strike "\$718,684,000" and insert "\$731,639,000".

The SPEAKER pro tempore. Does the gentleman wish to be heard on his motion to recommit?

Mr. KOLBE. Mr. Speaker, I do. The SPEAKER pro tempore. The gentleman from Arizona [Mr. KOLBE] is recognized for 5 minutes on his motion to recommit.

Mr. KOLBE. Mr. Speaker, This motion to recommit will restore funding to the level requested by the President in three critical law enforcement areas: Detention of U.S. Prisoners; FBI; and DEA. My motion is as simple as that.

Originally this motion was to have included increases in funding to protect and regulate this country's borders. The INS is woefully understaffed, resulting in wave after wave of illegal border crossings, and causing endless delay for legal crossings. By a July 1 floor amendment, however, the House agreed to add \$60 million to the INS budget, removing the need to include increased funding in the motion to recommit for INS.

The increases in funding for law enforcement contained in this motion do not cause the bill to exceed last year's spending level. In fact, with this spending, it is still \$2.2 billion below

Let me describe the areas very quickly.

U.S. prisoners: Of the \$81.2 million total, \$49.2 million will go to support detention of U.S. prisoners, bringing the bill to the funding level requested by the President.

At the bill's current funding level, over 874,126 fewer jail days will be funded than would be under this motion.

Since 1987, the U.S. Marshals Service's Federal detainee population has grown by 167 percent—an annual growth rate of 15 percent and far outpacing the Bureau of Prisons inmate population.

In 1992 alone, the population grew by 20.6 percent.

Most likely, the BOP could not handle the overflow, and the Department would have to work with the courts, and Federal arresting agencies to control the population, including delays in detaining suspected criminals, or at the other end releasing convicted criminals early so the detained people can be kept in jail pending trial.

Mr. Speaker, we have to send a strong message to lawbreakers today, that if you break the law you are going to be put away, period. We have a responsibility to be able to hold those that are being arrested, to detain them until they have trial, and this amendment would allow us to do that.

For the FBI, the motion provides \$19 million to bring it to the President's requested level of funding.

Mr. Speaker, when addressing the FBI, let me point out that the \$10 million will go into the fund, or will go to fund nationwide implementation of the background investigation contract service known as BICS. With the BICS funding, we will be able to take 62 agents that might be reassigned to

such high-priority programs as health care fraud, and the FBI has estimated that health care fraud amounts to over \$80 billion annually, or close to 10 percent of our health care spending.

If we put it another way, if we could eliminate health care fraud, and this could go partway to doing that, we could fund the various health care reforms that are floating around this House and around Washington today.

Besides providing important funding for the BICS Program, the motion to recommit would provide \$9 million for the Integrated Automated Fingerprint Identification System that is called IAFIS. IAFIS will improve turnaround for criminal fingerprint checks from as long as 6 weeks to just 2 hours. The expedited time for fingerprint checks will help the Federal and State law enforcement agencies to identify criminals before they are released from custody.

□ 1730

This motion will add \$13 million to the DEA to bring it to the President's level.

The House mark would result in a reduction of approximately 105 positions in the DEA.

These reductions come on the heels of position reductions totalling 176 in 1993, including 163 agents.

The combined agent loss in 1994 of 238 agents, 163 in 1993, and 75 in 1994, will result in roughly 1,825 fewer cocaine arrests, two-thirds of which are the highest level class I and class II cases, and an untold amount of asset seizures lost.

Worst of all is the message the cuts send the drug kingpins: That we are in retreat; that our commitment is waning; that we have lost and do not care about fighting the war on drugs.

The appropriations process is the place where this body sets its spending priorities. And while there may be debate on the merits of some programs in this bill, no one can question the importance of properly funding this country's law enforcement agencies. Law enforcement must be of the highest priority until our streets are safe.

Mr. Speaker, along with many of our Members, I wish that we could do more, but this, at least, is a beginning, and I urge my colleagues to vote "yes" on the motion to recommit.

Mr. SMITH of Iowa. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, this is a novel motion to recommit. It adds money. All of the motions to recommit we have had up to now took money out of programs.

This motion to recommit would add \$81 million for a purpose that is close to my heart, always has been, law enforcement. But in the bill, we gave law enforcement more than the 95 percent of current services that we held most agencies to.

Then, if you will remember, when the budget was submitted last February,

the administration requested some enhancements as part of its investment proposals. We could have the enhancements if we waived the Budget Act. But I am not about to believe that Members are going to waive the Budget Act. We could not give the administration all of the enhancements they requested. So when it is said that we did not give the Justice Department all they requested, it is because we did not give them all of the requested enhancements in the investment proposal. We just do not have the money.

Now for program enhancements, we gave them maybe half of their request. But we have to reserve money for the programs that were knocked out of the bill or points of order. If we do not reserve money, then we will not have the money to restore these programs when we go to conference.

So law enforcement was already over the 95 percent of current services that most agencies received in the bill.

Also, the Hunter amendment that the House just approved added another \$60 million to the Justice Department.

Now, the money does not come out of nowhere; we have to get the money from somewhere. I need to know which Members believe law enforcement is a higher priority than all the other things in the bill. That is the reason I want a rollcall vote.

We need to know which Members believe law enforcement is a higher priority than all the other things in the bill. We can get the money; I am not going to say we cannot. We could get the money by killing the NOAA projects that are in the bill. For example, we can kill the Sea Grant Program, which is funded at \$40.8 million. We could pick up a chunk right there.

We could kill the Coastal Zone Management Program, which is funded at \$41 million. Those two programs together will give us the money to pay for the motion to recommit, if that is what Members want to do. It is your decision.

Marine sanctuaries, if we eliminated that program, it would save another \$9 million. We can kill that program. We have already, in this bill, saved \$17 million because the chairman of the Energy and Commerce Committee knocked out funds for the Travel and Tourism Administration on a point of order. We already spent three times that amount on the Hunter amendment which added \$60 million for the INS.

That is what this motion is about. We do not have the money. If you do not have the money, do you want to increase \$81 million over what is contained in the bill.

I say let us have a "no" vote. The SPEAKER pro tempore (Mr. McNULTY). Without objection, the previous question is ordered on the motion to recommit.

There was no objection. The SPEAKER pro tempore. The question is on the motion to recommit.

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

RECORDED VOTE

Mr. KOLBE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 112, noes 315, not voting 7, as follows:

[Roll No. 345]

AYES—112

Archer	Grams	Molinari
Armey	Grandy	Mollohan
Bachus (AL)	Greenwood	Moorhead
Baker (CA)	Gunderson	Oxley
Ballenger	Hancock	Pryce (OH)
Bartlett	Hastert	Quinn
Bateman	Herger	Rahall
Bilirakis	Hobson	Ramstad
Billey	Hoekstra	Regula
Boehler	Hoke	Ridge
Boehner	Horn	Rogers
Bonilla	Houghton	Roukema
Bunning	Hunter	Royce
Buyer	Hyde	Santorum
Camp	Inglis	Schiff
Canady	Inhofe	Schumer
Clinger	Istook	Shays
Cunningham	Johnson (CT)	Shuster
DeLay	Kasich	Smith (OR)
Diaz-Balart	Kim	Smith (TX)
Doolittle	King	Snowe
Dornan	Knollenberg	Spence
Dreier	Kolbe	Stearns
Dunn	Kyl	Talent
Emerson	Lazio	Taylor (MS)
Ewing	Levy	Taylor (NC)
Fawell	Lewis (CA)	Upton
Fields (TX)	Lewis (FL)	Vucanovich
Fish	Lightfoot	Walker
Fowler	Linder	Walsh
Franks (CT)	Livingston	Weldon
Gallegly	McCandless	Wise
Gekas	McCollum	Wolf
Gilchrest	McDade	Young (FL)
Gillmor	McHugh	Zeliff
Gilman	Mica	Zimmer
Gingrich	Michel	
Goss	Miller (FL)	

NOES—315

Abercrombie	Calvert	Duncan
Ackerman	Cantwell	Durbin
Allard	Cardin	Edwards (CA)
Andrews (ME)	Carr	Edwards (TX)
Andrews (NJ)	Castle	Engel
Andrews (TX)	Chapman	English (AZ)
Applegate	Clay	English (OK)
Bacchus (FL)	Clayton	Eshoo
Baesler	Clement	Evans
Baker (LA)	Clyburn	Everett
Barca	Coble	Farr
Barcia	Coleman	Fazio
Barlow	Collins (GA)	Fields (LA)
Barrett (NE)	Collins (IL)	Filner
Barrett (WI)	Collins (MI)	Fingerhut
Barton	Combest	Flake
Becerra	Condit	Foglietta
Bellenson	Cooper	Ford (MI)
Bentley	Coppersmith	Ford (TN)
Bereuter	Costello	Frank (MA)
Berman	Cox	Franks (NJ)
Bevill	Coyne	Furse
Bilbray	Cramer	Gallo
Bishop	Crane	Gejdenson
Blackwell	Crapo	Gephardt
Blute	Danner	Geren
Bonior	Darden	Gibbons
Borski	de la Garza	Glickman
Boucher	Deal	Gonzalez
Brewster	DeFazio	Goodlatte
Brooks	DeLauro	Goodling
Browder	Dellums	Gordon
Brown (CA)	Derrick	Green
Brown (FL)	Deutsch	Gutierrez
Brown (OH)	Dickey	Hall (OH)
Bryant	Dicks	Hall (TX)
Burton	Dingell	Hamburg
Byrne	Dixon	Hamilton
Callahan	Dooley	Hansen

Harman	McMillan	Sawyer
Hastings	McNulty	Saxton
Hayes	Meehan	Schaefer
Hefley	Meek	Schenk
Hefner	Menendez	Schroeder
Hilliard	Meyers	Scott
Hinchey	Mfume	Sensenbrenner
Hoagland	Miller (CA)	Serrano
Hochbrueckner	Mineta	Sharp
Holden	Minge	Shaw
Hoyer	Mink	Shepherd
Huffington	Montgomery	Sisisky
Hughes	Moran	Skaggs
Hutchinson	Morella	Skeen
Hutto	Murphy	Skelton
Inslee	Murtha	Slattery
Jacobs	Myers	Slaughter
Jefferson	Nadler	Smith (IA)
Johnson (GA)	Natcher	Smith (MI)
Johnson (SD)	Neal (MA)	Smith (NJ)
Johnson, E.B.	Neal (NC)	Solomon
Johnson, Sam	Nussle	Spratt
Johnston	Oberstar	Stark
Kanjorski	Obey	Stenholm
Kaptur	Olver	Stokes
Kennedy	Ortiz	Strickland
Kennelly	Orton	Studds
Kildee	Owens	Stump
Kingston	Pallone	Stupak
Kieczka	Parker	Sundquist
Klein	Pastor	Swett
Klinski	Paxon	Swift
Klug	Payne (NJ)	Synar
Kopetski	Payne (VA)	Tanner
Kreidler	Pelosi	Tauzin
LaFalce	Penny	Tejeda
Lambert	Peterson (FL)	Thomas (CA)
Lancaster	Peterson (MN)	Thomas (WY)
Lantos	Petri	Thompson
LaRocco	Pickett	Thornton
Laughlin	Pickle	Thurman
Leach	Pombo	Torkildsen
Lehman	Pomeroy	Torres
Levin	Porter	Torricelli
Lewis (GA)	Portman	Towns
Lipinski	Poshard	Trafficant
Lloyd	Price (NC)	Unsoeld
Long	Quillen	Valentine
Lowe	Rangel	Velazquez
Machtley	Ravenel	Vento
Maloney	Reed	Visclosky
Manton	Reynolds	Volkmer
Manzullo	Richardson	Washington
Margolies-	Roberts	Waters
Mezvinsky	Roemer	Watt
Markey	Rohrabacher	Waxman
Martinez	Ros-Lehtinen	Wheat
Matsui	Rose	Whitten
Mazzoli	Rostenkowski	Williams
McCloskey	Roth	Wilson
McCrery	Rowland	Woolsey
McCurdy	Roybal-Allard	Wyden
McDermott	Rush	Wynn
McHale	Sabo	Yates
McInnis	Sanders	Young (AK)
McKeon	Sangmeister	
McKinney	Sarpalius	

NOT VOTING—7

Conyers	Mann	Tucker
Frost	Moakley	
Henry	Packard	

□ 1752

Mr. STUMP and Mr. PAXON changed their vote from "aye" to "no."

Messrs. MICHEL, RAHALL, and WISE changed their vote from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the passage of the bill.

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

RECORDED VOTE

Mr. ROGERS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule XV, the Chair reminds Members that this in a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 327, noes 98, not voting 9, as follows:

[Roll No. 346]

AYES—327

Abercrombie	Engel	Kreidler
Ackerman	English (AZ)	Kyl
Andrews (ME)	English (OK)	LaFalce
Andrews (NJ)	Eshoo	Lambert
Andrews (TX)	Evans	Lancaster
Bacchus (FL)	Farr	Lantos
Baesler	Fazio	LaRocco
Baker (CA)	Fields (LA)	Laughlin
Barca	Flner	Lazio
Barlow	Fingerhut	Leach
Barrett (NE)	Fish	Lehman
Barrett (WI)	Flake	Levin
Bateman	Foglietta	Lewis (CA)
Becerra	Ford (MI)	Lewis (GA)
Beilenson	Ford (TN)	Lightfoot
Bentley	Fowler	Linder
Bereuter	Frank (MA)	Lipinski
Berman	Franks (CT)	Livingston
Bevill	Furse	Lloyd
Bilbray	Gallo	Long
Bilirakis	Gedjenson	Lowe
Bishop	Gephardt	Machtley
Blackwell	Geren	Maloney
Bliley	Gibbons	Manton
Blute	Gilchrest	Margolies-
Boehlert	Gillmor	Mezvinsky
Bonior	Gilman	Markey
Borski	Glickman	Martinez
Boucher	Gonzalez	Matsui
Brewster	Goodlatte	Mazzoli
Brooks	Goodling	McCloskey
Browder	Gordon	McCollum
Brown (CA)	Grandy	McCrery
Brown (FL)	Green	McCurdy
Brown (OH)	Gutierrez	McDade
Bryant	Hall (OH)	McDermott
Bunning	Hall (TX)	McHale
Byrne	Hamburg	McKinney
Calvert	Hamilton	McMillan
Canady	Harman	McNulty
Cantwell	Hastert	Meehan
Cardin	Hastings	Meek
Carr	Hayes	Menendez
Castle	Hefner	Meyers
Chapman	Hilliard	Mfume
Clay	Hinche	Michel
Clayton	Hoagland	Miller (CA)
Clement	Hobson	Mineta
Clinger	Hochbrueckner	Minge
Clyburn	Hoekstra	Mink
Coleman	Hoke	Mollohan
Collins (IL)	Holden	Montgomery
Collins (MI)	Horn	Moran
Condit	Houghton	Morella
Cooper	Hoyer	Murtha
Coppersmith	Hughes	Myers
Costello	Hunter	Nadler
Coyne	Hutchinson	Natcher
Cramer	Hutto	Neal (MA)
Danner	Hyde	Neal (NC)
Darden	Inslee	Nussle
de la Garza	Jefferson	Oberstar
Deal	Johnson (CT)	Obey
DeFazio	Johnson (GA)	Oliver
DeLauro	Johnson (SD)	Ortiz
Dellums	Johnson, E.B.	Orton
Derrick	Johnston	Owens
Deutsch	Kanjorski	Oxley
Diaz-Balart	Kaptur	Pallone
Dickey	Kasich	Parker
Dicks	Kennedy	Pastor
Dingell	Kennelly	Payne (NJ)
Dixon	Kildee	Payne (VA)
Dooley	Kim	Pelosi
Durbin	Kleczka	Penny
Edwards (CA)	Klein	Peterson (FL)
Edwards (TX)	Klink	Peterson (MN)
Emerson	Kopetski	Pickett

Pickle	Schiff	Thompson
Porter	Schumer	Thornton
Portman	Scott	Thurman
Poshard	Serrano	Torkildsen
Price (NC)	Sharp	Torres
Pryce (OH)	Shaw	Torricelli
Quillen	Shepherd	Towns
Quinn	Sisisky	Trafiacnt
Rahall	Skaggs	Unsoeld
Rangel	Skeen	Valentine
Ravenel	Skelton	Velazquez
Reed	Slaughter	Vento
Regula	Smith (IA)	Visclosky
Reynolds	Smith (NJ)	Volkmer
Richardson	Smith (TX)	Vucanovich
Ridge	Snowe	Walsh
Roemer	Spratt	Waters
Rogers	Stark	Watt
Ros-Lehtinen	Stenholm	Waxman
Rose	Stokes	Wheat
Rostenkowski	Strickland	Whitten
Roukema	Studds	Williams
Rowland	Stupak	Wilson
Roybal-Allard	Sundquist	Wise
Rush	Swett	Wolf
Sabo	Swift	Woolsey
Sanders	Synar	Wyden
Sangmeister	Tanner	Wynn
Sarpalius	Tauzin	Yates
Sawyer	Taylor (MS)	Young (AK)
Saxton	Tejeda	
Schenk	Thomas (CA)	

NOES—98

Allard	Franks (NJ)	Moorhead
Applegate	Gallely	Murphy
Archer	Gekas	Paxon
Armey	Gingrich	Petri
Bachus (AL)	Goss	Pombo
Baker (LA)	Grams	Ramstad
Ballenger	Greenwood	Roberts
Barcia	Gunderson	Rohrabacher
Bartlett	Hancock	Roth
Barton	Hansen	Royce
Boehner	Hefley	Santorum
Bonilla	Herger	Schaefer
Burton	Huffington	Schroeder
Buyer	Inglis	Sensenbrenner
Callahan	Inhofe	Shays
Camp	Istook	Shuster
Coble	Jacobs	Slattery
Collins (GA)	Johnson, Sam	Smith (MI)
Combust	King	Smith (OR)
Cox	Kingston	Solomon
Crane	Klug	Spence
Crapo	Knollenberg	Stearns
Cunningham	Kolbe	Stump
DeLay	Levy	Talent
Doolittle	Lewis (FL)	Taylor (NC)
Dorman	Manzullo	Thomas (WY)
Dreier	McCandless	Upton
Duncan	McHugh	Walker
Dunn	McInnis	Weldon
Everett	McKeon	Young (FL)
Ewing	Mica	Zeliff
Fawell	Miller (FL)	Zimmer
Fields (TX)	Molinari	

NOT VOTING—9

Conyers	Mann	Pomeroy
Frost	Moakley	Tucker
Henry	Packard	Washington

□ 1801

Mr. GALLO changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1850

PERSONAL EXPLANATION

Mr. POMEROY. Mr. Speaker, while meeting with my constituents from North Dakota a few minutes ago, I inadvertently missed rollcall No. 346, a vote which represented final passage of

the appropriations for Commerce, Justice, State, and Judiciary for fiscal year 1994.

Mr. Speaker, I would like the record to reflect that had I voted, I would have voted in the affirmative.

Mr. PACKARD. Mr. Speaker, had I been present for the following rollcall votes, I would have voted "yes" on rollcall votes numbered 340, 342, 343, 344, 345, and 346.

I would have voted "no" on rollcall vote numbered 341.

REPORT ON H.R. 2667, EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR RELIEF FROM MAJOR WIDESPREAD FLOODING IN THE MIDWEST, FISCAL YEAR, 1993

Mr. NATCHER, from the Committee on Appropriations, submitted a privileged report (Rept. No. 103-184) on the bill (H.R. 2667) making emergency supplemental appropriations for relief from the major, widespread flooding in the Midwest for the fiscal year ending September 30, 1993, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. HOBSON reserved all points of order on the bill.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 702

Mr. BEILENSEN. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 702.

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

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2530, BUREAU OF LAND MANAGEMENT AUTHORIZATION, FISCAL YEAR 1994

Mr. BEILENSEN, from the Committee on Rules, submitted a privileged report (Rept. No. 103-185) on the resolution (H. Res. 218) providing for consideration of the bill (H.R. 2530) to amend the Federal Land Policy and Management Act of 1976 to authorize appropriations for programs, functions, and activities of the Bureau of Land Management, Department of the Interior, for fiscal year 1994, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2021

Mr. FISH. Mr. Speaker, I ask unanimous consent that my named be removed as a cosponsor of H.R. 2021, the Undercharge Settlement and Amnesty Act.

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

There was no objection.

**REMOVAL OF NAME OF MEMBER
AS COSPONSOR OF H.R. 2026**

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 2026.

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

There was no objection.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 2010, NATIONAL SERVICE TRUST ACT OF 1993

Mr. BEILENSEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 217 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 217

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for further consideration of the bill (H.R. 2010) to amend the National and Community Service Act of 1990 to establish a Corporation for National Service, enhance opportunities for national service, and provide national service educational awards to persons participating in such service, and for other purposes. No further general debate shall be in order. The bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with section 302(f) of the Congressional Budget Act of 1974 or clause 5(a) of rule XXI are waived. Other than pro forma amendments for the purpose of debate, no amendment to the committee amendment in the nature of a substitute shall be in order unless printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII prior to Tuesday, July 20, 1993. The amendments en bloc caused to be printed by Representative Ford of Michigan shall be considered as read and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from California [Mr. BEILENSEN] is recognized for 1 hour.

Mr. BEILENSEN. Mr. Speaker, for the purpose of debate only, I yield the customary one-half hour of debate time to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 217 is the rule providing for further consideration of H.R. 2010, the National Service Trust Act of 1993. This is the second rule the Rules Committee has recommended, and the House has considered, for this piece of legislation.

As Members will recall, the first rule, which was approved July 13, provided for 3 hours of general debate time on this important policy initiative, a step the Rules Committee decided to take to ensure that the proponents and the opponents would have more time than they normally would have had under the standard procedures of the House to debate the intricacies of this legislation.

Mr. Speaker, the rule we are considering today makes in order the Education and Labor Committee amendment in the nature of a substitute now printed in the bill as an original bill for the purpose of amendment. The substitute shall be considered as read, and is open at any point for any germane amendment that has been printed in the CONGRESSIONAL RECORD prior to today.

Mr. Speaker, the rule also provides for waivers of clause 5(a) of rule XXI, which prohibits appropriating in a legislative bill, and of section 302(f) of the Congressional Budget Act, a section that prohibits the consideration of measures that contain direct spending authority in excess of a committee's appropriation allocation.

The waivers are necessary to address several provisions in both the introduced version and committee-reported version of H.R. 2010 that create direct spending authority. Since the Committee on Education and Labor has not been allocated sufficient authority to accommodate any new spending, several provisions give rise to an infraction of this Budget Act provision.

One of those provisions would allow Peace Corps and certain VISTA volunteers who later become Federal employees to credit the time served in their computation of retirement benefits; they must, however, pay the required funds for that period of time. This change is parallel to one made several years ago making similar accommodations for members of the uniformed services.

Another provision that technically violates section 302(f) of the Budget Act creates executive level positions for senior officers of the new Corporation of National Service. Individuals appointed to positions in the executive schedule are assigned fixed rates of

pay. By precedent, this action constitutes the creation of new entitlement authority and is therefore technically a violation of the Budget Act.

One final example of the type of provision that requires this waiver is one that permits the Corporation for National Service and other Federal agencies to accept donations in support of the National Service Program and to expend those donations directly. While these provisions are deficit neutral—the Federal Government would receive an amount equal to the amount expended—budget process rules count donations to the Federal Government as revenues on one side of the ledger and the spending of

Since these direct spending provisions are also interpreted to be appropriations under House precedents, a waiver of clause 5(a) of rule XXI is also necessary.

Mr. Speaker, as a member of the Budget Committee and as one member who has been aggressive, if I may say so, in objecting to substantive violations of the Budget Act, I can assure my colleagues that these waivers are indeed minor and technical in nature. You may hear otherwise from other Members of this body, but in my view section 302(f) of the Budget Act was not written to prevent such minor provisions from being enacted.

Further, it is the role of the Rules Committee obviously to consider, determine, and recommend waivers of existing rules when those waivers are, as they are in this case, purely technical and minor in nature.

Mr. Speaker, the rule we are considering today is an open rule. Members were permitted to offer any amendment that would be allowed under the rules of the House; this rule contains no restrictions on the substance of amendments.

The only restriction is the requirement that amendments that are considered must have been printed in the CONGRESSIONAL RECORD prior to July 20. The Rules Committee fully recognized that Members would need adequate advance time to prepare amendments, and so first gave official notice of this requirement 3 weeks ago, on June 30.

The Committee recognized also that the complexities of the bill made the preprinting requirement reasonable for fair, orderly, and effective debate. I might add, Mr. Speaker, minority members of the Committees on Education and Labor and Rules did not object to this suggestion during our first meeting on H.R. 2010, so long as Members received adequate time to prepare amendments—and, surely, 3 weeks is ample time. In this Member's view, the requirement should have had no deleterious effect on Members who desire to offer amendments, especially those amendments that will be useful in the forthcoming debate.

In addition, Mr. Speaker, secondary amendments to those amendments printed in the RECORD, will be allowed; the rule in no way blocks secondary amendments.

The rule also allows Chairman FORD to offer a nondivisible en bloc amendment that was printed in the RECORD on July 13. Many of the modifications to the bill contained in the en bloc amendment were recommended by members from the minority on the Education and Labor Committee. Further, the minority on the committee agreed to the inclusion of all the modifications in the en bloc amendment.

And finally, Mr. Speaker, the rule allows for one motion to recommit with or without instructions.

The bill for which this rule is being offered, H.R. 2010, creates a system of national service that would encourage individuals to work in, for example, educational, environmental, and human and public safety programs that address many of our Nation's most serious problems.

The National Service Trust Act not only will enable Americans of all backgrounds to perform service and earn educational awards in return, but also will reauthorize several existing programs offering service opportunities for Americans, including senior citizens.

The bill has wide bipartisan support. I do not intend, nor do I believe this to be the place, to argue or debate the merits of this ambitious initiative—we have already had 3 hours of general debate for that purpose, and I trust we shall have further intelligent and thoughtful debate as amendments—as many as 18 of them—are considered tomorrow.

I encourage my colleagues to approve this open rule so that we may proceed with what I assume will be a lively debate in the consideration of amendments to H.R. 2010.

□ 1810

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

PARLIAMENTARY INQUIRY

Mr. DREIER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. McNULTY). The gentleman will state it.

Mr. DREIER. Mr. Speaker, I would like to propound this parliamentary inquiry: assuming that I or my colleague, the gentleman from Woodland Hills, CA, were to ask for a vote on this at the end, would that vote be held this evening or tomorrow?

The SPEAKER pro tempore. That vote would be rolled until tomorrow.

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

Mr. Speaker, I rise in strong opposition to this rule, because there is absolutely no reason why our Committee on Rules cannot employ proper procedure for consideration of this national

service legislation. There is absolutely no scheduling emergency facing this House. We should have general debate directly before the amendment process. Then all Members of this House, Democrats and Republicans alike, should be able to participate in an open amendment process as is their right under the House rules. Finally, there is no excuse whatsoever for waiving points of order basically, once again, ignoring our rules.

Last week, when the part one rule for this bill was considered on the floor, I urged my colleagues to reject the two-part rule process that permits general debate one day, and amendments later. This bill illustrates why these two-part rules are so counterproductive.

We held the 3 hours of general debate on this national paid service bill a week ago. There were 3 hours of debate because there was a strong consensus from members of the committee that this was a very important issue, and it was a completely new proposal. We needed the time, that 3 hours, to adequately deliberate. Today, I strongly doubt that more than a handful of Members, besides those who took part in that debate, remember a heck of a lot of what was said.

General debate is intended to be more than a chance to make grandstand speeches for the TV cameras. It is designed to play a very important part in the process of deliberative democracy.

General debate must immediately precede the actual consideration of legislation so that the debate helps Members understand the bill before them.

Many of us have grappled with the problem of setting schedules so Members can focus on their most important job: legislating. Think about what most Members have done since we held the general debate on this bill. On the floor, there have been hours of debate and scores of votes on appropriations bills, and we have debated the budget itself. Every Member has had dozens of meetings and committee hearings. Nearly all Members have traveled back and forth from their districts, including the Members from the Mississippi Valley who are dealing with the terrible flood devastation. Now, with all that, how many know what was said in the debate on this national service bill? It is absolutely clear, Mr. Speaker, that this two-part rule process is for the birds.

This rule also requires amendments to be printed in the CONGRESSIONAL RECORD. That might not sound like much, but it is another bad policy that belittles the traditions of House debate. If amendments must be preprinted, then it is impossible to listen to the debate on the floor, come up with a new idea to improve the bill, and then offer an amendment to incorporate that idea.

Why do we need this burdensome preprinting process? Shouldn't the com-

mittees that report these bills have a grasp of the issues affecting the legislation under their jurisdiction? Again, Mr. Speaker, I think we can do better.

Finally, this rule waives the Budget Act and the prohibition against appropriating in an authorizing bill. Last week, the Ziggy cartoon actually portrayed the House Rules Committee as the "House Whatever We Feel Like Doing Committee." Now, I don't know what brought Ziggy up to our cozy little Rules Committee room. But I think it shows that constantly ignoring the rules around here has become a joke to the American people.

Mr. Speaker, this bill creates a paid service program that pays better than many private sector jobs. The American people do not want new and expensive Clinton government make-work programs, because they do not want new taxes to pay for them. Therefore, once again, I urge the House to perform a little community service of our own. Send this bad rule back, and consider this important bill under a process that is worthy of the spirit of national service.

Mr. Speaker, I include for the RECORD these documents regarding the proposed rule:

VOTES ON MOTIONS IN THE RULES COMMITTEE TO THE PROPOSED RULE ON THE NATIONAL SERVICE TRUST ACT, WEDNESDAY, JULY 14, 1993

1. Open Rule (see text below).—Provides for consideration of committee amendment in the nature of a substitute as original text for amendment purposes under the 5-minute rule; allows for the en bloc consideration of Ford amendments printed in the Rules Committee report which shall not be subject to division in the House or Committee of the Whole, and for said en bloc amendments to be considered part of the original text for further amendment purposes under the 5-minute rule. Finally, the rule provides for one motion to recommit, with or without instructions. *The substitute rule contains no waivers, no pre-filing requirements for amendments, and no self-executing provisions.*

Rejected: 4-5. Yeas: Solomon, Quillen, Dreier, and Goss. Nays: Moakley, Derrick, Beilenson, Frost, and Slaughter. Not voting: Bonior, Hall, Wheat and Gordon.

2. Strike Pre-Filing Requirement.—Strike from the rule the language requiring the pre-filing of amendments in the Congressional Record before Tuesday, July 20th.

Rejected: 4-6. Yeas: Solomon, Quillen, Dreier, and Goss. Nays: Moakley, Derrick, Beilenson, Frost, Gordon, and Slaughter. Not voting: Bonior, Hall, and Wheat.

3. TO REPORT THE RULE AS MOVED.—Providing for the consideration of the committee amendment in the nature of a substitute as original text, waiving sec. 302(f) of the Budget Act and clause 5(a) of rule XXI against the substitute, permitting no amendments to the substitute except pro forma amendments and those printed in the Record prior to Tuesday, July 20th, and permitting en bloc consideration of amendments by Rep. Ford of Michigan, and providing one motion to recommit, with or without instructions.

Adopted: 6-4. Yeas: Moakley, Derrick, Beilenson, Frost, Gordon and Slaughter. Nays: Solomon, Quillen, Dreier and Goss. Not voting: Bonior, Hall, and Wheat.

PROVIDING AN OPEN RULE FOR THE NATIONAL SERVICE TRUST ACT

Strike all after the resolving clause and insert in lieu thereof the following: "That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2010) to amend the National and Community Service Act of 1990 to establish a Corporation for National Service, enhance opportunities for national service, and provide national service educational awards to persons participating in such service, and for other purposes. At the completion of general debate pursuant to H. Res.

215, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on the Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and said amendment shall be considered as read. It shall first be in order to consider en bloc the amendments printed in part 1 of the report of the Committee on Rules to accompany this resolution if offered by Representative Ford of Michigan, or a designee, said amendments shall be considered as read, shall not be subject to a division of the question in the House or in the Committee of the Whole, and, if adopted, shall be considered

part of the original text for the purpose for further amendment under the five-minute rule, notwithstanding their prior adoption. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions."

OPEN VERSUS RESTRICTIVE RULES—95TH-103D CONGRESSES

Congress (years)	Total rules granted ¹	Open rules ²		Restrictive rules ³	
		Number	Percent	Number	Percent
95th (1977-78)	211	179	85	32	15
96th (1979-80)	214	161	75	53	25
97th (1981-82)	120	90	75	30	25
98th (1983-84)	155	105	68	50	32
99th (1985-86)	115	65	57	50	43
100th (1987-88)	123	66	54	57	46
101st (1989-90)	104	47	45	57	55
102d (1991-92)	109	37	34	72	66
103d (1993-94)	26	7	27	19	73

¹ Total rules counted are all order of business resolutions reported from the Rules Committee which provide for the initial consideration of legislation, except rules on appropriations bills which only waive points of order. Original jurisdiction measures reported as privileged are also not counted.
² Open rules are those which permit any member to offer any germane amendment to a measure so long as it is otherwise in compliance with the rules of the House. The parenthetical percentages are open rules as a percent of total rules granted.
³ Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules, as well as completely closed rule, and rules providing for consideration in the House as opposed to the Committee of the Whole. The parenthetical percentages are restrictive rules as a percent of total rules granted.
 Sources: Rules Committee Calendars & Surveys of Activities, 95th-102nd Congresses; "Notice of Action Taken," Committee on Rules, 103rd Congress, through July 14, 1993.

OPEN VERSUS RESTRICTIVE RULES—103d CONGRESS

Rule number and date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 58—Feb. 2, 1993	MC	H.R. 1: Family and Medical leave	30 (D-5; R-25)	3 (D-0; R-3)	PQ: 246-176 A; 259-164 (2/3/93)
H. Res. 59—Feb. 3, 1993	MC	H.R. 2: National voter registration act	19 (D-1; R-18)	1 (D-0; R-1)	PQ: 248-171 A; 249-170 (2/4/93)
H. Res. 103—Feb. 23, 1993	C	H.R. 920: Unemployment compensation	7 (D-2; R-5)	0 (D-0; R-0)	PQ: 243-172 A; 237-178 (2/24/93)
H. Res. 106—Mar. 2, 1993	MC	H.R. 20: Hatch Act amendments	9 (D-1; R-8)	3 (D-0; R-3)	PQ: 248-166 A; 249-163 (3/3/93)
H. Res. 119—Mar. 9, 1993	MC	H.R. 4: NIH Revitalization Act of 1993	13 (D-4; R-9)	8 (D-3; R-5)	PQ: 247-170 A; 248-170 (3/10/93)
H. Res. 132—Mar. 17, 1993	MC	H.R. 1335: Emergency supplemental approps.	37 (D-8; R-29)	1 (not submitted) (D-1; R-0)	A: 240-185 A (3/18/93)
H. Res. 133—Mar. 17, 1993	MC	H. Con. Res. 64: Budget resolution	14 (D-2; R-12)	4 (1-D not submitted) (D-2; R-2)	PQ: 250-172 A; 251-172 (3/18/93)
H. Res. 138—Mar. 23, 1993	MC	H.R. 670: Family planning amendments	20 (D-8; R-12)	9 (D-4; R-5)	PQ: 252-164 A; 247-169 (3/24/93)
H. Res. 147—Mar. 31, 1993	C	H.R. 1430: Increase public debt limit	6 (D-1; R-5)	0 (D-0; R-0)	PQ: 244-168 A; 242-170 (4/1/93)
H. Res. 149—Apr. 1, 1993	MC	H.R. 1578: Expedited Rescission Act of 1993	8 (D-1; R-7)	3 (D-1; R-2)	A: 212-208 (4/28/93)
H. Res. 164—May 4, 1993	O	H.R. 820: Natl. Competitiveness Act	N/A	N/A	A: Voice Vote (5/5/93)
H. Res. 171—May 18, 1993	O	H.R. 873: Gallatin Range Act of 1993	N/A	N/A	A: Voice Vote (5/20/93)
H. Res. 172—May 18, 1993	O	H.R. 1159: Passenger Vessel Safety Act	N/A	N/A	A: 308-0 (5/24/93)
H. Res. 173—May 18, 1993	MC	S.J. Res. 45: U.S. forces in Somalia	5 (D-1; R-5)	6 (D-1; R-5)	A: Voice Vote (5/20/93)
H. Res. 183—May 25, 1993	O	H.R. 2244: 2nd supplemental approps	N/A	N/A	A: 251-174 (5/26/93)
H. Res. 186—May 27, 1993	MC	H.R. 2348: Omnibus budget reconciliation	51 (D-19; R-32)	8 (D-7; R-1)	PQ: 252-178 A; 236-194 (5/27/93)
H. Res. 192—June 9, 1993	MC	H.R. 2348: Legislative Branch appropriations	50 (D-6; R-44)	6 (D-3; R-3)	PQ: 240-177 A; 226-185 (6/10/93)
H. Res. 193—June 10, 1993	O	H.R. 2200: NASA authorization	N/A	N/A	A: Voice Vote (6/14/93)
H. Res. 195—June 14, 1993	MC	H.R. 5: Striker replacement	7 (D-4; R-3)	2 (D-1; R-1)	A: 244-176 (6/15/93)
H. Res. 197—June 15, 1993	MO	H.R. 2333: State Dept. H.R. 2440: Foreign Aid	53 (D-20; R-33)	27 (D-12; R-15)	A: 294-129 A; (6/16/93)
H. Res. 198—June 16, 1993	C	H.R. 1876: Ext. of Fast Track	N/A	N/A	A: Voice Vote (6/22/93)
H. Res. 200—June 16, 1993	MC	H.R. 2295: Foreign Operations Appropriations	33 (D-11; R-22)	5 (D-1; R-4)	A: 263-160 (6/17/93)
H. Res. 201—June 17, 1993	O	H.R. 2403: Treasury-Postal appropriations	N/A	N/A	A: Voice Vote (6/17/93)
H. Res. 203—June 22, 1993	MO	H.R. 2445: Energy & Water Appropriations	N/A	N/A	A: Voice Vote (6/23/93)
H. Res. 206—June 23, 1993	O	H.R. 2150: Coast Guard Authorization	N/A	N/A	
H. Res. 217—July 14, 1993	MO	H.R. 2010: National Service Trust Act	N/A	N/A	

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

Mr. BEILSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma. [Mr. MCCURDY].

Mr. MCCURDY. Mr. Speaker, I thank the gentleman for yielding time to me.

I am not going to take long, Mr. Speaker, but I rise only because I think there has been considerable rhetoric given in the past few days regarding national service.

As one who is a strong proponent of not only national service and community service but also the bill that is before this House, I thought it was im-

portant that at least some of us stand up and try to again, for the sake of the public record and for those who are listening, state what this bill is not and perhaps what this bill actually does.

I notice on the other side of the aisle my distinguished colleague and friend, the gentleman from Connecticut [Mr. SHAYS], who like myself has been a strong proponent of this legislation and has been a tremendous contributor to this bill, who understands community and public service, who himself was a member of the Peace Corps.

□ 1820

Mr. Speaker, the national service bill that we will be debating and that we will be considering either tomorrow or the remainder of this week is not a volunteer bill, it is not voluntarism. We had the Thousand Points of Light discussed. It is important to support voluntarism in America. No one wants to undermine that, or undercut voluntarism. It is a staple of the American way of life, and an important one. We value that.

However, this is not a volunteer bill. On the other extreme, it is not a public jobs bill. It is not a public works bill.

It is not, as my colleague, the gentleman from California, said, a make-work program. It is truly national service.

We are building on the successful programs in the communities that have tried this through pilot programs, such as the Boston Year Program, or the ones in Philadelphia, New York City, the State of California, the one recently established in the State of South Carolina, where individuals will commit full-time service in their communities for a year, drawing minimum wage.

Unfortunately, there are many in our society who want to contribute, who want to provide service, who cannot afford to volunteer full time because they have to live. They have to have housing, they have to be able to eat, they have to be able to provide for themselves and others.

As one young lady that I met with in Boston, a young African-American woman who had a child, stated so clearly and vividly the fact that this program she was involved in, a pilot program of national service, helped turn her life around. She now had direction, had learned some life management skills, and because of this was going on to further education.

There are young people by the score across this country who seek real national service, who look for the opportunity. As one who serves on the Committee on Armed Services, who believes in the all-volunteer force, as we reduce that force substantially over the next few years we are going to deny opportunity for a large number of young people who would not have any other alternative course to improve their lives, to get them training, establish some discipline, and at the end of that service have some meager voucher to take and apply to their further education.

This bill, as I indicated, is not voluntarism. It is not a make-work program. If the Members will notice, one SHAYS and the gentleman from Wisconsin [Mr. GUNDERSON], Republican Members of this body, stated, and I thought it was interesting, they said, "National service, a Republican idea."

Mr. Speaker, I do not think it is a Republican idea or a Democratic idea. I believe this is truly a democratic notion, an American notion, that we want to change the entitlement mentality in America.

This is not an entitlement program, this is an appropriated bill. If it does not work, if it turns out to be a failure, then we do not appropriate the funds and it can be terminated very quickly.

However, I believe it will be successful, because this is building on the core values of America. At the same time, we are going to address one of those critical social deficits we have in America. We are going to provide opportunities for young Americans to

give something back to their country, to provide support in their communities where they need it the most.

All we are going to say is, we are going to give them a voucher so they can go further their education, not based on financial need, not based on where they come from, not based on their race, religion, or sex. We are going to say we are going to provide that opportunity "because you earned it, simply because you earned it. You spent a year of your life helping other people, drawing minimum wage, and at the end of that time we are going to give you a \$5,000 voucher. If you decide not to use it to go to college, do not use the full amount, then it does not go beyond that."

It is just a small point that we are going to say, "You have earned this benefit."

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

Mr. MCCURDY. I am glad to yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank the gentleman for yielding to me, and I thank him for his very complimentary remarks about my statement.

What I would like to ask my friend is if he is aware of the level of compensation that is provided for those in this volunteer program, juxtaposed to those who are benefiting under the GI program.

Mr. MCCURDY. Absolutely. Charlie Moskos, who is one of the premier military sociologists in America, and I, worked to develop a national service program which is not here today, which is far more generous than what the GI bill advocated.

SAM NUNN, the distinguished Senator from the other body, from Georgia, and I introduced a national service bill that had a voucher of \$10,000. The bill we have today is \$5,000.

The original proposal was for \$7,400. Because of the negotiations and the concerns of my colleagues on the other side of the aisle, the gentleman from Wisconsin [Mr. GUNDERSON], the gentleman from Connecticut [Mr. SHAYS], and others, and the veterans community that we dealt with honestly and openly, we reduced the amount to \$5,000.

The actual education voucher, and I will respond to the question, is slightly more than what is offered in the GI bill, but the difference is that we are not talking about minimum wage. In the military today we are paying privates and enlistees very generous wages and health care benefits. When we look at the total value of the GI bill, with the stipend given to military service plus the health care and other benefits after they separate from the military.

Mr. DREIER. If the gentleman will continue to yield, I just thought it was very important for us to show that at the outset, there is a higher level of

compensation for this volunteer program than there is for those who are fighting on behalf of our country.

I thank the gentleman for yielding to me.

Mr. MCCURDY. The gentleman's last statement, with the figures that I have, is not an accurate statement. Let me just state for the record, under the Civilian National Service Program, if we include the stipends, and this was based on the \$7,400, and it is now at \$5,000, the total for 2 years of service is \$16,820. For basic pay for 2 years of active duty in the armed services plus the educational benefit, it is \$21,018.

Mr. DREIER. Mr. Speaker, if my friend would further yield, I would just like to raise this question. I was trying to specifically raise the issue of the education benefit, not all these other benefits that are accrued and provided to those who have provided military service for the country.

The gentleman's staff has just provided him with figures there. I do not have a member of the committee providing that to me, but the way I understand it, we see the education benefit that is provided to those who are in this volunteer program at a higher level than the education benefit that is actually provided to those who have been in the military.

Mr. Speaker, I think this is an important point, and I think this is something we need to raise. For a 2-year enlistment, a servicemember contributes, in the military, \$1,200 to the Montgomery, SONNY MONTGOMERY, the author of the GI bill, a cosponsor of the national service bill we will be debating, he contributes \$1,200 and qualifies for \$11,700 at the end of the 2-year enlistment, for a total of \$10,500.

For 2 years active duty plus 2 years reserve and 4 years individual reserve enlistment, he receives, after reduction of his contribution, \$13,200. For the national service, it is a maximum of \$10,000 for the 2 years of service, so in fact, it is less than it is for the GI bill. Previously, it would have been more. We reduced it because of that very concern.

Mr. Speaker, I thank the distinguished gentleman from California for his time. Mr. Speaker, I want to commend the chairman of the Committee on Education and Labor for his determined and thoughtful stewardship of this bill through the committee, and again to my colleagues on the other side who have truly worked to make this a bipartisan proposal.

□ 1830

Mr. DREIER. Mr. Speaker, I am happy to yield 3 minutes to my good friend, the gentleman from East Petersburg, PA [Mr. WALKER], the deputy whip on the minority side.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding the time.

Mr. Speaker, I think my concern stems from something that I raised

during the general debate, and that is that it is true that this is not a case of volunteerism. What we are talking about here is that national service is simply another term for adding 25,000 new Federal employees to the rolls.

Nowhere do I go in America that they believe that the solution to our Nation's problems is to increase the Federal work force by another 25,000 people. Most people that I talk to believe that there is some necessity to reduce the size of the Federal Government, to reduce the number of Government employees, not to increase them, and yet what we are talking about here is increasing Federal employment.

I am wondering as I look at this rule whether or not that relates directly to the fact that we have to waive both the Budget Act and rule XXI, clause 5(a). Can the gentleman from California [Mr. DREIER], tell me when we waive section 302(f) of the Congressional Budget Act what it is we are doing here?

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

Mr. WALKER. I yield to the gentleman from California.

Mr. DREIER. There are a wide range of things we are doing here. One of the things that concerns me is that we are taking VISTA and Peace Corps volunteers and basically incorporating them in the Civil Service Retirement Program, which is something that is very, very disconcerting to me. I am surrounded here by some former VISTA and Peace Corps volunteers who have done spectacular service for our country, but it seems to me that the Peace Corps and VISTA programs were not established to be a springboard from which one would establish a career in working for the Government. But that is basically what this does with this budget waiver, it provides an opportunity for people to utilize the time that they put in as volunteers as Government service time.

Mr. WALKER. So when those programs were created, they were created with much of this kind of an idea behind them. The same concept that spurs national service was behind the Peace Corps and VISTA when they were created, and that was that they would be an opportunity for primarily young people, but people beyond youth as well, to give some of their time to their country.

Now what we have done in this bill, as I understand it, is we have converted that time spent into time that can count toward retirement.

Mr. DREIER. Absolutely.

Mr. WALKER. So we have now admitted flatly that during that period of time that they were in, that they were in fact Federal employees. Now we are coming back and suggesting that in this program well, no, this one is going to be different. We did not mean it 25 years ago when we said it was vol-

untary time, because now we are including that time for purposes of Federal employment. But this time we mean it. These people are not going to be Federal employees.

I think that this budget waiver is in fact proof positive that what I have been saying with regard to the fact that this adds 25,000 new Federal employees to the payroll is in fact the case. This bill basically takes the whole idea of volunteerism, converts it over into Federal employment for the purposes of Federal retirement.

So what we have here is both an attempt to get around the Budget Act, and interestingly enough, an appropriation in an authorization bill. So what we now have is the authorizing committee also appropriating money that we do not have.

I think that this rule tells us a lot of what is wrong in this bill.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. FORD] chairman of the Committee on Education and Labor.

Mr. FORD of Michigan. Mr. Speaker, I thank the gentleman for yielding the time.

Mr. Speaker, as the former chairman of the Post Office and Civil Service Committee for 10 years, and the author of the present Federal pension system with the Senator from Alaska back in 1968, in cooperation with the Reagan administration, I would like to compliment the gentleman from Pennsylvania for the great performance of I believe a Shakespearean play called "Much Ado About Nothing."

They already have the conversion right under the CSRS, the old pension system. All we are doing is upgrading that right so that they can come into the new system, which also puts them into Social Security, to pay into Social Security like the Members of the House and our staffs. We do not give anybody any credit for their service in the Peace Corps. We do not give anybody any financial reward for service in the Peace Corps or in VISTA.

We simply say, as we said to other people when they were in the military in World War II, you did not expect to get anything like the GI bill, and I am one of the people who benefited from that, but Congress decided that it was worthwhile, your effort was worthwhile, and we wanted to give it to you.

What we are talking about here is maybe five or six people who would be asked to come into the headquarters of this program, using their experience from programs like VISTA and the Peace Corps, and we are saying to them if you had been over there doing something else, and you will come and do this, we will let you buy the time as if you were covered by the pension system during the 2 years that you were in VISTA or in the Peace Corps.

It is much ado about nothing. It is pennies. It is kind of a silly argument.

I hate to dignify it by responding, but the American public at least ought to understand when somebody is trying to pull the wool over their eyes.

Mr. DREIER. Mr. Speaker, I yield 1 minute to my friend, the gentleman from East Petersburg, PA [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding the time.

I guess what we have just been told is that the Budget Act is being waived for pennies. The gentleman has just told us that we are talking about pennies here. It is much ado about nothing.

All I see is a rule that suggests that we have to waive both the Budget Act and rule XXI, clause 5(a) in order to accomplish what the gentleman tells us is much ado about nothing and is a matter of pennies.

My guess is that it is a little more serious than that when we have to bring a whole rule to the floor and waive both rules of the House and the Budget Act in order to accomplish what the gentleman regards as much ado about nothing. I think it is a matter of concern because I think it says very, very clearly that we are in this bill moving in brandnew directions, all of which are designed to increase Federal employment and increase obligations on the taxpayer for some time to come.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to my friend, the gentleman from Stamford, Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, I thank my colleague for yielding the time. I am intrigued that he knows where all of our communities are besides our States.

Mr. Speaker, I would just want to say from the outset that I have been very grateful to Members on both sides of the aisle for how they have treated debate on this bill, and particularly grateful to the majority party for their open rule. I am not, like my colleague, troubled about the 24-hour preprinting requirement. I note there are 18 amendments. I was concerned as a supporter of this bill that we gave Members too much time to prepare amendments, because this rule was adopted weeks and weeks ago. So I feel fairly certain this bill has received a tremendous amount of scrutiny.

I also want to thank my colleagues, DAVE MCCURDY, HAROLD FORD, MARTY MARTINEZ, STEVE GUNDERSON, and others on the other side of the aisle, and the White House for the fact that they are allowing this House the opportunity to do its job, and do it correctly, to debate this bill openly, to consider any amendment that a Member would like to offer.

□ 1840

I think the outcome of that will be a bill that many of us can feel comfortable supporting.

I would say to you that I do not view this as a volunteer program as my colleague, the gentleman from Oklahoma

[Mr. McCURDY], has pointed out. I view this as a national service that participants will participate in their local communities and their States at a minimum wage, receiving health-care benefits, many of whom will be very young and never need to receive any benefits and receive not cash at the end of their service but a stipend that allows them the opportunity to further their education.

I say to you that I am going to be very protective in this debate and will speak as strongly as I can about one amendment that seeks to make this a bill that will reward those who have the least amount of income and discourage those who may have more income from participating in the program. Because I am absolutely convinced that this program works if all income levels are involved in it and are encouraged to participate.

I am absolutely convinced that this bill requires the non-high-school graduate to be working next to the college graduate, and maybe even the graduate graduate, of all levels of income, and that is what is going to bring, I think, this country together in a way that we have not seen in a long time.

So I just congratulate my colleagues on the rule, except that I must say that I am left a little uneasy as a Peace Corps volunteer on the waiver of the budget rule and not certain yet what that last dialog really states about the waiver of the budget. That does cause me a bit of concern. But that is the only part that does cause me concern.

Mr. DREIER. Mr. Speaker, I urge a no vote on this rule.

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

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

Mr. Speaker, I do want to say a couple of words to close.

First of all, I do want to thank the gentleman from Oklahoma [Mr. McCURDY], also the gentleman from Michigan [Mr. FORD], for their statements and for trying to set the record straight.

I want to set another part of the record straight, if I might. The gentleman from California [Mr. DREIER], my good friend, in discussing the waivers of the points of order said, and I quote him on two occasions, first, "There is no excuse for waiving the points of order," and, second, that, "We are constantly ignoring rules around here."

I explained in my opening remarks why I thought we should be making these waivers, why they were reasonable, and why, in my opinion, they were minor and technical waivers. I strongly disagree with the characterization of them given by my friend from California and given also by the gentleman from Pennsylvania.

The waivers are given for three specific purposes, and I will repeat them so that Members who may be listening understand. One, the waiver was necessary to address in sections 193 and 194 the creation of the positions of two managing directors, an inspector general, and a chief financial officer for the Corporation for National Service, four positions. This is a big thing we are talking about; obviously you have to have some management involved, and we are talking about four positions. These positions are to be compensated at the rate provided for level 4 of the executive pay schedule, and because the bill itself provides for this pay level, it is technically in violation of the Budget Act.

Second, another provision would allow Peace Corps and certain Vista volunteers who later become Federal employees to credit the time served in their computation of retirement benefits. They must, however, pay the required funds for that time period themselves. The gentleman, the distinguished chairman, said that there were probably five or six people involved here, at most, that we are talking about here.

Finally, the waiver was necessary for provisions in the bill, which as I explained earlier on, that would allow the Corporation for National Service and other Federal agencies to accept donations in support of the National Service Program and to spend those funds for the program. That is deficit-neutral. They will be taking in some funds, and they will spend those funds. That is a technical violation. It is also a technical violation of clause 5(a) of rule XXI. So we had to have the waivers.

In my opinion, in this gentleman's opinion, the opinion of the vast majority of members of the Committee on Rules, and I would hope the Members of this body, these were technical and nonsubstantive waivers. They are absolutely necessary if we are ever to take up, on this floor, any major piece of legislation. They do not break the Budget Act. They do not constitute much additional spending and, frankly, I think the gentleman's characterization of them was misleading to other Members who may have been listening to the gentleman.

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

Mr. BEILENSON. I am happy to yield to the gentleman from California.

Mr. DREIER. Let me just say that the explanation my friend has given is absolutely accurate, but from my perspective it confirms the description provided of this rule.

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

Mr. BEILENSON. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

The gentleman from Michigan has indicated that only five to six employees are involved in this granting of the additional retirement benefits.

Mr. BEILENSON. It is a crediting of time, yes, which they have to pay for themselves.

Mr. WALKER. But as the gentleman knows, the paying for the time does not in any way constitute the same amount of money that they are likely to get out of those retirement benefits based upon the accrued benefits over a period of time, and so that could result in some kind of taxpayer subsidy of those retirement benefits based upon a couple of years of service.

And I am not so certain that I agree with the five or six.

Mr. BEILENSON. That is probably less than the taxpayer subsidy for the gentleman's retirement.

Mr. WALKER. I think that is probably true. That is true of all Federal benefits, however, and as long as we have the cost-of-living increases and if we do not go through and reform some of these pension structures as I would prefer to do, I think we are going to continue to have that, but to include more and more people under it and waive the Budget Act in order to do it is, I think, a cause for concern. That is the only thing that I have raised here.

I am not so certain that the number is five or six. It could, in fact, end up being significantly more than that based upon the waiver which is provided.

Mr. BEILENSON. Let us be straight about this. The gentleman is very much opposed to the bill. There is no way of carrying out a major program of this sort unless one can have 10 or 12 managerial types.

If someone were to be taken from people who have given some time prior to this time to the Peace Corps and to Vista and there is some way to entice them into this program because they are clearly the kinds of people you want in the program, it makes all the sense in the world to do so, providing they pay for their own contributions during those 2 years.

I mean, otherwise there is no way of running any program around here, as the gentleman understands. These are in fact, as this gentleman is trying to point out, minor waivers of the Budget Act and of rule XXI, and for anyone to suggest otherwise is absolutely incorrect.

Mr. WALKER. The problem is, of course, that all of the waivers that we have of the Budget Act sound like they are being—

Mr. BEILENSON. These specific waivers are, and I am a little tired of the gentleman standing up and speaking the same way about all waivers that are given. This is not a major waiver. These are not major costs. There is no way to run such a program without granting these waivers.

Now, I wish that the gentleman would understand that and accept that.

Mr. WALKER. It all depends on what the gentleman regards as minor. I mean, this could amount to several thousands of dollars.

Mr. BEILENSEN. Yes, several thousands of dollars.

Mr. WALKER. And that may be minor in the gentleman's regard. But \$5,000 represents all the taxes paid by one middle-class family in this country. That is a lot of money to them, and when we start waiving the Budget Act, we start having an impact on every one of those middle-class families that paid \$5,000.

Mr. BEILENSEN. The gentleman would have a much larger impact, if this gentleman would say so, to wait and to point out to the Members every now and then when we do, in fact, waive the Budget Act when it is terribly important, terribly substantive, and involves substantial amounts of money.

I really think, if this gentleman may say so, that the gentleman loses a little credibility by making objections to minor waivers such as this.

Mr. WALKER. If the gentleman would yield further, I have attempted to point out on a number of occasions when we have had major waivers as well, and as I recall, there has been very little willingness by the majority party to vote down rules that have the major waivers in them either, so it really does not get us very far here on the House floor to object to them whether they are major or minor, because the majority is determined to waive the Budget Act whenever it is convenient for them to do so.

Mr. BEILENSEN. That happens, for those who may be listening, not to be true, if this gentleman may say so.

The Committee on Rules this year has not been in the habit of waiving the Budget Act for major matters or substantive matters. It is almost always a minor technical violation such as the three included in this particular rule, and it would be useful to everybody listening, whether they are Members of the body or members of the public, if the gentleman would differentiate between the two kinds.

Mr. WILLIAMS. Mr. Speaker, I rise to support H.R. 2010, the National Service Trust Act of 1993. This is a bipartisan bill that deserves the bipartisan support of this body.

I have been a supporter of national service legislation for quite some time. I sponsored legislation in 1990, with a number of my colleagues, that expanded on the proud history of national service legislation that we have enacted in the past, a history that includes Franklin D. Roosevelt's Civilian Conservation Corps and John Kennedy's Peace Corps and continues with VISTA, the Foster Grandparents Program, the National Senior Volunteer program, and many other community service initiatives.

Prior to that 1990 legislation, I had introduced in previous Congresses the American

Conservation Corps bill, which was modeled after similar legislation introduced by my good friend and former colleague, Chairman Mo Udall. That bill added to the types of activities that could be done on public lands and also added labor protection language to insure that substitution of already employed existing workers would clearly be prohibited. That legislation became a part of the 1990 national service bill, which is now the law of the land.

So, we have had a proud history of enacting national service initiatives, and it is a history that Bill Clinton seized upon in last year's election, touching the hopes, spirits, and ideals of young people across this country, resulting in the legislation that he has proposed and which we consider today.

This is a good bill. It rejects the cynicism and the me-only attitude of the past decade and builds on the premise that there is indeed a responsibility that we all have to do something for our country. It acknowledges that young people today do indeed want to give something back to their communities, and it provides a way for them to perform useful community service. And recognizing that the cost of college has escalated beyond the reach of many of our citizens, it also provides college funding aid to those who take part in national service activities.

In the past, I have had reservations about national service proposals that tied college aid to service. The difference between the bill before us today and those past proposals is that those proposals would have replaced existing student aid programs with a national service requirement. Thus, the only way someone could have received college assistance was by performing national service. To me that meant that only those who needed help the most to pay for college would have been involved in national service. President Clinton has wisely rejected these past proposals and has sought to build on existing programs, not replace them. I think this will greatly expand the reach of national service, involving people from every economic class in our country. I think the President has made a wise decision.

The legislation before us today also includes provisions of the Public Land Corps Act that I recently introduced with my colleagues Mr. VENTO and Mr. MILLER. These provisions establish a new public land corps and expand the opportunities for youth conservation service in America's National Parks, Forests, Wildlife Refuges and other public lands. All of these are experiencing overuse, inadequate maintenance, and an infrastructure that has a backlog of work that is in desperate need of assistance. This Public Land Corps will help address these unmet environmental and conservation needs. These will not be make-work projects; they will be projects that need to be done but which will never be done unless there is a new infusion of workers to do them. By including this Public Land Corps in this bill we will provide that corps of workers, and at the same time we will be giving these young people who make up that corps the chance to get college assistance or job training. I am pleased that this is included in the bill we are considering today.

However, I must point out that I do have serious concerns and reservations about funding for this important program. The way this bill is

currently structured, national service will compete with the space program, with veterans programs, and with housing programs for funding. I fear that this competition might result in this national service program not receiving the funds it deserves. I hope not. Yet I also do not want to see national service take money away from existing student aid programs. Those programs are already sorely underfunded. For example, the Pell Grant Program does not even begin to meet the needs that are out there. A decade ago the Pell Grant program covered 46 percent of the average college cost; today it covers only 23 percent. The education funding bill that we recently passed lowers the maximum Pell award from \$2,300 to \$2,250. Two years ago that maximum was \$2,400. So in my opinion we are going the wrong way with existing student aid programs. And I for one will do all that I can to see that existing student aid programs receive the support they need and deserve, and that this new national service legislation will not take funds away from them. We need both a strong student aid system and a strong national service program. They are complements to one another, and we must make sure that they remain so.

Mr. Speaker, this is a good bill that touches all that is right about this country. It reflects the spirit of helping others, of giving a little bit back to one's community and one's nation. After years of taking during the me-decade, it's time to give something back and become the us-decade. That's what this bill is about. And I urge my colleagues to support it.

Mr. BEILENSEN. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the resolution.

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

Mr. BEILENSEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this resolution will be postponed until tomorrow, July 21, 1993.

The point of order of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. BEILENSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 217, the resolution just considered.

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

There was no objection.

**ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE**

The **SPEAKER pro tempore** (Mr. McNULTY). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on the 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 roll call vote, if postponed, will be taken tomorrow, Wednesday, July 21, 1993.

**SECURITIES AND EXCHANGE COMMISSION
AUTHORIZATION ACT
OF 1993**

Mr. **MARKEY**. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2239) to authorize appropriations for the Securities and Exchange Commission, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2239

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 "Securities and Exchange Commission Authorization Act of 1993."

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 35. There are authorized to be appropriated to carry out the functions, powers, and duties of the Commission—

- "(1) \$281,900,000 for fiscal year 1994; and
- "(2) \$317,700,000 for fiscal year 1995.

Funds appropriated for any fiscal year pursuant to this section are authorized to remain available during the succeeding fiscal year."

SEC. 3. SECURITIES AND EXCHANGE COMMISSION FEES.

(a) **FULL COST RECOVERY OF COMMISSION EXPENSES.**—The Securities Exchange Act of 1934 is further amended by inserting after section 31 the following new section:

"FULL COST RECOVERY OF COMMISSION EXPENSES

"SEC. 31A. (a) **PURPOSE.**—It is the purpose of this section—

"(1) to establish a system for the annual adjustment of fees collected by the Commission so that the total amount appropriated to the Commission for any fiscal year will be offset by the amount collected during such fiscal year; and

"(2) in order to permit an orderly transition to this method of funding the Commission, to require that such fees continue to collect general revenues during each of the fiscal years 1994 through 1998 in amounts commensurate with the amount of such revenues produced by such fees prior to the enactment of this section.

"(b) **ESTABLISHMENT OF ADJUSTED RATES.**—

"(1) **OBLIGATION TO ADJUST RATES TO RECOVER COSTS.**—For each of the fiscal years after fiscal year 1993, the Commission, by rule or order, shall adjust the rate of each of the fees described in subsection (c) to secure (when combined with fees collected during

the period from October 1 through December 31 under the rates then in effect) a total amount of collections of such fees during such fiscal year that can reasonably be expected to equal the sum of—

"(A) the applicable surplus amount for such fiscal year, if any; and

"(B) subject to subsection (e)(1), the amount appropriated for such fiscal year of this title (determined without regard to any reduction of the net amount appropriated that is attributable to offsetting collections).

"(2) **METHOD OF ADJUSTMENT.**—Such rates shall be adjusted by making an equal proportionate change in each of such rates, except that the Commission may round such proportionate changes to avoid requiring rates that are unduly mathematically complex.

"(3) **EFFECTIVE DATE OF ADJUSTMENTS.**—Such adjusted rates shall apply—

"(A) with respect to any fee described in paragraph (1), (2), (3), or (5) of subsection (c), to any fee paid on or after January 1 of such fiscal year; and

"(B) with respect to any fee described in paragraph (4) of such subsection, to any fee based on a transaction occurring on or after January 1 of such fiscal year.

Any such adjusted rate shall continue to apply until the effective date of a subsequent adjusted rate.

"(c) **FEES TO WHICH ADJUSTMENTS APPLY.**—For purposes of this section, the fees described in this subsection are—

"(1) the fees collected under section 6(b) of the Securities Act of 1933;

"(2) the fees collected under section 13(e) of this title;

"(3) the fees collected under section 14(g) of this title;

"(4) the fees collected under section 31 of this title; and

"(5) the fees collected under section 203A of the Investment Advisers Act of 1940.

"(d) **APPLICABLE SURPLUS AMOUNT.**—For purposes of subsection (b)(1)(A), the applicable surplus amount is equal to—

"(1) \$171,000,000 for fiscal year 1994;

"(2) \$174,000,000 for fiscal year 1995;

"(3) \$178,000,000 for fiscal year 1996;

"(4) \$181,000,000 for fiscal year 1997;

"(5) \$184,000,000 for fiscal year 1998; and

"(6) zero each succeeding fiscal year.

"(e) **DEPOSIT AND CREDIT OF OFFSETTING COLLECTIONS.**—

"(1) **OFFSETTING COLLECTIONS CONTINGENT ON APPROPRIATIONS.**—The authority of the Commission to collect and deposit fees as offsetting collections pursuant to paragraph (2) is available only to the extent provided in advance in appropriations Acts.

"(2) **OFFSETTING COLLECTIONS.**—Of the moneys received during any fiscal year from fees described in subsection (c), there shall (subject to paragraph (1)) be deposited as an offsetting collection in, and credited to, the account providing appropriations to carry out the functions described in the sections referred to in such subsection, an amount equal to the amount appropriated to the Commission for such fiscal year (determined without regard to any reduction attributable to such offsetting collections and excluding any amounts that are permitted to remain available after the close of the succeeding fiscal year).

"(3) **GENERAL REVENUES.**—The remainder of any moneys received during any fiscal year (after complying with paragraph (2)) shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(f) **JUDICIAL REVIEW; REPORTS TO CONGRESS.**—The determinations and adjustments

made by the Commission under this section shall not be subject to judicial review. The Commission shall, not less than 30 days before the effective date of any adjustments required by this section, submit such adjustments to the Congress together with a report explaining the estimates and calculations on which such adjustments are based.

"(g) **RECLASSIFICATION FOR BUDGET PURPOSES.**—

"(1) **EFFECT ON DISCRETIONARY SPENDING LIMITS.**—For purposes of complying with section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, the change mandated by subsection (e) of this section in the budgetary treatment of certain moneys received from fees shall be treated as a change in concepts and definitions within the meaning of section 251(b)(1)(A) of that Act. Accordingly—

"(A) at the earliest time allowed by section 251(b)(1) of that Act, the Director of the Office of Management and Budget shall adjust the discretionary spending limits in accordance with section 251(b)(1) to reflect this change in concepts and definitions; and

"(B) if a final sequestration report under section 254(g) of that Act is issued before the adjustment under subparagraph (A) occurs, the change in budgetary treatment mandated by subsection (e) of this section shall be disregarded for all purposes of that report.

"(2) **EFFECT ON PAY-AS-YOU-GO LIMITS.**—The changes mandated by this section shall be treated as affecting receipts for purposes of section 252 of that Act only to the extent that the applicable surplus amount differs from the surplus amount in the baseline. For this purpose, the surplus amount in the baseline shall be determined by subtracting the baseline estimate of outlays of the Commission from the baseline estimate of receipts generated by the fees described in subsection (c)."

"(b) **ADJUSTMENT OF FEES TO RECOVER COSTS.**—

"(1) **CHANGES IN APPLICATION AND COLLECTION OF TRANSACTION FEES UNDER SECTION 31 OF THE SECURITIES EXCHANGE ACT OF 1934.**—Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is amended to read as follows:

"TRANSACTION FEES

"SEC. 31. (a) **COST RECOVERY.**—The Commission shall, in accordance with this section and subject to section 31A(e), collect transaction fees to recover the costs of supervision and regulation of, and enforcement with respect to, securities markets and securities professionals. Such costs shall include a proportional share of related Commission expenses in the following areas: enforcement activities, policy and rulemaking activities, administration, legal services, investor information services, and international regulatory activities.

"(b) **EXCHANGE-TRADED SECURITIES.**—Every national securities exchange shall pay to the Commission a fee in an amount equal to 1/300th of 1 percent of the aggregate dollar amount of sales of securities (other than bonds, debentures, and other evidences of indebtedness) transacted on such national securities exchange.

"(c) **OFF-EXCHANGE-TRADED SECURITIES.**—For transactions occurring on or after January 1, 1994, every national securities association shall pay to the Commission a fee in an amount equal to 1/300th of 1 percent of the aggregate dollar amount of sales transacted by or through any member of such association otherwise than on a national securities exchange of—

"(1) securities registered on such an exchange (other than bonds, debentures, and other evidences of indebtedness); and

"(2) securities (other than bonds, debentures, and other evidences of indebtedness) subject to prompt last sale reporting pursuant to the rules of a registered national securities association.

"(d) DATES FOR PAYMENT OF FEES.—For transactions occurring on or after January 1, 1994, the fees required by subsections (b) and (c) shall be paid semiannually. Fees shall be paid on September 15 for transactions occurring during the period from the preceding January 1 through June 30, and shall be paid on March 15 for transactions occurring during the period from the preceding July 1 through December 31.

"(e) EXEMPTIONS.—The Commission, by rule, may exempt any sale of securities or any class of sales of securities from any fee imposed by this section, if the Commission finds that such exemption is consistent with the public interest, the equal regulation of markets and brokers and dealers, and the development of a national market system.

"(f) RATES SUBJECT TO ADJUSTMENT AND CONTINGENT ON APPROPRIATIONS.—The fees required by this section are subject to adjustment by the Commission pursuant to section 31A of this title. The authority to collect such fees and the total amount of such fees are subject to subsection (e) of such section."

"(2) REGISTRATION FEES.—Section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) is amended to read as follows:

"(b)(1) The Commission shall, in accordance with this subsection and subject to section 31A(e) of the Securities Exchange Act of 1934, collect registration fees to recover the costs of services of the securities registration process. Such costs shall include a proportional share of related Commission expenses in the following areas: enforcement activities, policy and rulemaking activities, administration, legal services, investor information services, and international regulatory activities.

"(2) At the time of filing a registration statement, the applicant shall pay to the Commission a fee of $\frac{1}{2}$ of 1 percent of the maximum aggregate price at which such securities are proposed to be offered, but in no case shall such fee be less than \$100.

"(3) The fees required by this subsection are subject to adjustment by the Commission pursuant to section 31A of the Securities Exchange Act of 1934. The authority to collect such fees and the total amount of such fees are subject to subsection (e) of such section."

(3) SELF-TENDERING TRANSACTIONS.—Section 13(e)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(e)(3)) is amended—

(A) by inserting after "(3)" the following: "The Commission shall, in accordance with this paragraph and subject to section 31A(e), collect fees to recover the costs of supervision and regulation of, and enforcement with respect to, disclosure relating to transactions subject to this subsection. Such costs shall include a proportional share of related Commission expenses in the following areas: enforcement activities, policy and rulemaking activities, administration, legal services, investor information services, and international regulatory activities."; and

(B) by striking " $\frac{1}{2}$ of 1 percent" and inserting " $\frac{1}{2}$ of 1 percent"; and

(C) by adding at the end thereof the following: "The fees required by this paragraph are subject to adjustment by the Commission pursuant to section 31A of the Securities Exchange Act of 1934. The authority to collect such fees and the total amount of such fees are subject to subsection (e) of such section."

(4) PROXY FILING FEES.—Section 14(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(g)) is amended—

(A) by striking " $\frac{1}{2}$ of 1 percent" each place it appears in paragraphs (1)(A)(i), (1)(A)(ii), and (3) and inserting " $\frac{1}{2}$ of 1 percent";

(B) by redesignating paragraphs (1) through (4) as paragraphs (2) through (5);

(C) by striking such subsection designation and by inserting before such redesignated paragraph (2) the following:

"(g)(1) The Commission shall, in accordance with this paragraph and subject to section 31A(e), collect proxy filing fees to recover the costs of supervision and regulation of the proxy filing and disclosure process. Such costs shall include a proportional share of related Commission expenses in the following areas: enforcement activities, policy and rulemaking activities, administration, legal services, investor information services, and international regulatory activities."; and

(D) by adding at the end thereof the following new paragraph:

"(6) The fees required by this subsection are subject to adjustment by the Commission pursuant to section 31A of this title. The authority to collect such fees and the total amount of such fees are subject to subsection (e) of such section."

(c) EFFECTIVE DATES.—Except as otherwise provided therein, the amendments made by this section are effective for fiscal years after fiscal year 1993.

SEC. 4. FEE STRUCTURE STUDY.

(a) STUDY REQUIRED.—The Securities and Exchange Commission shall conduct a study of the structure and procedures for the collection of fees by the Commission pursuant to the amendments made by this Act. Such study shall include (but not be limited to) an examination of—

"(1) the expanding statutory mandate and regulatory responsibilities of the Commission,

"(2) the adequacy of current fees to meet Commission resource needs,

"(3) the possible need for new fees in specific program areas,

"(4) the extent to which beneficiaries of Commission regulatory activities equitably share fee burdens, and

"(5) the impact of specific fees on the international competitiveness of United States markets.

(b) REPORT REQUIRED.—Not later than March 31, 1995, the Commission shall submit to the Congress a final report containing a detailed statement of findings made and conclusions drawn from the study conducted under this section, including such recommendations for administrative and legislative action as the Commission determines to be appropriate.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Massachusetts [Mr. MARKEY] will be recognized for 20 minutes, and the gentleman from Texas [Mr. FIELDS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. MARKEY].

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

Mr. Speaker, today the House is considering legislation to authorize appropriations for the Securities and Exchange Commission for fiscal years 1994 and 1995 and to establish a mechanism for full-cost recovery of SEC expenses from the fees it collects.

The Securities and Exchange Commission is charged with overseeing the Nation's securities markets. For the past 60 years, the SEC has fulfilled this responsibility effectively, preserving the integrity, safety, and fairness of the U.S. securities markets. Although the Commission's activities involve a broad spectrum of securities matters, its ultimate responsibility lies in securing the protection of investors and in maintaining fair and orderly securities markets; markets which have grown in complexity and scope in recent years.

The last decade has witnessed phenomenal growth in securities activity. Along with a dramatically rising Dow, trading volume over the last 10 years has exploded in virtually all U.S. markets. Annual public offerings over the past 3 years nearly tripled. At the same time, the number of securities professionals peddling their wares and services to the public has risen emphatically. In the past decade, the number of registered broker-dealers increased to over 8,000, and the number of investment advisers over approximately the same period has skyrocketed by almost 260 percent, with assets under management rising more than 2,000 percent. Certain investment vehicles, such as mutual funds, have gone from the relative backwaters of the securities markets to the forefront of investor interest.

Other forms of growth are more subtle, but they have an equally profound impact. In recent years, there has been a creative explosion in new strategies such as program trading which have required more sophisticated analysis of their market impacts. Novel proprietary trading systems have arisen and are raising questions about the future organization of the stock market. It is often the thankless job of the regulator to keep abreast of these developments and to ensure that, while positive progress is not impeded, market and investor risks are understood and addressed.

Moreover, in recent years, the vigilance of the SEC staff has been both tested and rewarded in the face of a series of financial scandals which include the Salomon Brothers government securities misconduct, the Steven Wymer investment adviser indictment and, most recently, potential conflict-of-interest concerns regarding the municipal bond market. And with the revelations of each of these scandals have come calls for more sophisticated and elaborate mechanisms for SEC oversight in each of these marketplaces.

Every year, the SEC produces substantial revenue through its collection of registration, transactional, and other filing fees that go directly to the General Fund of the U.S. Treasury. This is in addition to the monies raised by the SEC through penalties and fines. Since 1983, the SEC has consistently collected revenues that exceed

the agency's annual appropriation. In fact, for fiscal year 1993, the SEC collected a total of \$406 million in fees from the industry, but was only appropriated a funding level of \$226 million—a difference of \$180 million which was not made available to an SEC struggling to keep pace with its important responsibilities.

This disparity between the appropriations level for the SEC and the amount of money actually collected by the SEC was raised during House floor debate on the SEC's appropriations level back in 1988. At that time, the idea of making the SEC a self-funded agency was also raised. Since 1989 the Energy and Commerce Committee has reported two separate bills which would have established the SEC as a self-funded agency. It is a solution that the committee has considered for some time, and one that will be to the benefit of all investors in our securities markets.

Under this new full cost recovery arrangement, the SEC would be authorized to use fee collections to offset its appropriations and to fund agency operations. Penalties and fines would not be included in the self-funding mechanism, and would continue to go directly into the Treasury as general revenue. So as to assure a smooth transitional period for the SEC in enacting this new method of funding, the bill has been crafted to be pay-go scorecard neutral and to have no negative deficit impact within the current budget window. It provides that the SEC will continue to collect general revenue during fiscal years 1994 through 1998 for the purposes of deficit reduction, in an aggregate amount of \$880 million. After that time, the SEC fees will once again resemble the user fees they were initially intended by Congress to be.

I would also note that this authorization continues to fund the SEC's operation of the EDGAR project, which is aimed at automating the filing of disclosure documents and their dissemination to the public. Over the last several months, the Telecommunications and Finance and Oversight and Investigations Subcommittees have been reviewing the SEC's strategy for public dissemination of EDGAR data.

Currently, this strategy relies on a private contractor to sell EDGAR data at a regulated wholesale price to retail information vendors, who will then sell the data—along with value-added services—to the public. This approach was chosen to minimize the cost to the government of funding an EDGAR dissemination system, but to date no retail market has yet developed for the data. Hopefully, this situation will soon change as more companies begin mandatory filings using EDGAR and retail information vendors enter the market.

At the same time, the public has a strong interest in obtaining access to information regarding the financial and operating condition of publicly-

traded companies. The ability to obtain this data in electronic form greatly enhances its usefulness to investors, analysts, and other interested parties because it allows EDGAR filing to be more efficiently reviewed and complex data searches and retrievals to be performed in a very short time. In this way, technology can help serve the public policy goals which underlie the full disclosure provisions of the Securities Act of 1933 and the Exchange Act of 1934.

Over the last several months, the Telecommunications and Finance Subcommittee has been closely monitoring the public dissemination issue, and has urged the SEC to undertake initiatives to make EDGAR data available on low-cost CD-ROMs through the Government Printing Office and allow the public access to floppy disks containing EDGAR data at SEC public reading rooms. The SEC has agreed to explore both options. In addition, the Telecommunications and Finance Subcommittee has been exploring mechanisms for getting EDGAR data onto the Internet. The SEC continues to work with the subcommittee on these initiatives to making EDGAR filings fully available over the Internet, a nationwide interconnected electronic highway which has grown to over 15 million users. In my view, these efforts will supplement the current dissemination strategy by assuring that many different types of potential users of EDGAR data can obtain access to this information.

This bill represents the collective work of several years worth of bipartisan effort on the part of the staffs of the Committees on Energy and Commerce, Appropriations, Budget, and Ways and Means, as well as CBO and OMB.

I urge my colleagues to support this important piece of legislation, which will provide the Commission with the financial tools necessary to continue to oversee our Nation's securities markets as effectively as possible.

Mr. Speaker, I report to the full House that the chairman of the full committee, the gentleman from Michigan [Mr. DINGELL], who has worked long and hard on this measure, gives his full support to it, along with all of the Democratic members on the House side on the Committee on Energy and Commerce.

As well, Mr. Speaker, I would like to note the work of the ranking minority member of the Subcommittee on Telecommunications and Finance, the gentleman from Texas [Mr. FIELDS]. We have worked over the last 6 months to construct this legislation. We think that it reflects a strong bipartisan product which deals with the very serious problems in the financial marketplace, while acting in a financially responsible way.

I would also like to note that the gentleman from California [Mr. MOOR-

HEAD], the ranking member of the full Committee on Energy and Commerce, and all the rest of the Republicans on that side, have participated in a long set of negotiations that wind up with this product being presented to the House today.

Mr. Speaker, it is our hope that it will in fact be received favorably.

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

Mr. FIELDS of Texas. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. MOORHEAD], the ranking member of the Committee on Energy and Commerce.

Mr. MOORHEAD. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of H.R. 2239.

The Securities and Exchange Commission has helped the securities markets in the United States set the world standard for depth, liquidity, and honesty. Our regulatory systems and legal standards literally have become a model that other countries have emulated.

The SEC was last reauthorized in 1991. Since then, the Congress has enacted several pieces of legislation that have significantly increased the responsibilities of the agency. These include legislation on insider trading and enforcement remedies, stock market reform, and improving shareholder communications.

In addition, in the last few years, we have seen the SEC bring to justice Dennis Levine, Ivan Boesky, and Michael Milken for their insider trading, and Steven Wymer for his investment advisory fraud. The Commission's efforts have also crushed abuses in the penny stock market and they have led the charge for more and better disclosure by corporate insiders.

H.R. 2239 offers a solution to the pressing need of properly funding the Commission to meet its new responsibilities. Since January 1989, the SEC has sought congressional approval to change its funding status from appropriated to self-funded, like most of the other financial regulatory agencies.

Under a self-funding arrangement, the SEC would be authorized to use fee collections to fund all agency operations rather than rely on annual appropriated funds. The SEC would set its fee levels to completely recover any appropriation it received from Congress. Penalties and fines would not be included in the self-funding mechanism, and would continue to go directly into the treasury as general revenue. It is appropriate that the fees paid by the securities industry be used to the maximum extent reasonably possible to pay for Federal regulation of the securities industry.

For these reasons, I support this legislation and urge my colleagues to do so as well.

□ 1900

Mr. FIELDS of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2239, legislation reauthorizing the Securities and Exchange Commission.

Since its last reauthorization in 1991, the activities over which the commission has jurisdiction have increased significantly both in size and complexity.

First, the insider trading scandals produced legislation in which we demanded the SEC increase its efforts in policing insider trading.

Later, Congress granted the agency new enforcement authority in the market reform act and instructed them to use it.

Finally, the continuing scandal of the penny stock market produced a Congressional mandate to improve the monitoring of the special problems of markets for very low priced securities.

All these new laws placed demands on the already stretched resources of the agency. Now we must pass H.R. 2239 to insure that the agency has resources adequate to meet its responsibilities.

In its deliberations, the Telecommunications and Finance Subcommittee considered a number of funding options that ranged from separate congressional consideration of commission funding to the creation of a permanent revolving fund entirely outside the traditional appropriations process. Agreement was reached that the full cost recovery proposal of this bill was the most efficient program we reviewed.

Under a self-funding arrangement, the SEC will be authorized to use fee collections to fund all agency operations. The SEC would set its fee levels to completely recover any appropriation it received from Congress. The SEC will still be subject to the congressional authorization and appropriation process.

Mr. Speaker, the SEC must discharge responsibilities that have grown in their urgency and complexity. In the past, resources have failed to keep pace with the regulatory and oversight obligations of the agency. I believe this legislation will bring that situation to an end and I urge my colleagues to support it.

Also, Mr. Speaker, I want to commend our chairman, the gentleman from Massachusetts [Mr. MARKEY], for his dynamic leadership in not only crafting this piece of legislation, but also bringing it to the floor expeditiously.

Also, I want to compliment the chairman of the full committee, the gentleman from Michigan [Mr. DINGELL], as well as the ranking Republican, the gentleman from California [Mr. MOORHEAD], for their work in crafting and bringing this legislation to the floor. I think it is a good piece

of legislation and I commend it to my colleagues.

Mr. MARKEY. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. First of all, Mr. Speaker, I rise in strong support of this bill.

The Securities and Exchange Commission as a general rule does an extraordinarily effective job of protecting consumers in the area of financial regulation, and the Energy and Commerce Committee does an extraordinary job of oversight in the area of securities regulation.

I have for some time felt that the way we regulate financial instruments, however, is based upon a New Deal mode of thinking. We have securities in one agency, futures in another agency, Treasury Department in a third agency, banking in a fourth agency. For some time I have felt that we ought to at least think about consolidating those regulatory functions.

What tends to happen in our society is that people will tend to work an area based upon who is regulating it, and they will design financial instruments to meet the test of who is regulating it, and oftentimes the public interest is not well served with that.

So this year I have coauthored a bill with the gentleman from Oregon [Mr. WYDEN] which merges the Commodity Futures Trading Commission and the Securities and Exchange Commission into a new agency that would regulate most financial instruments. That is not being done to say that the current method of regulating securities is not good. In fact, the current method of regulating securities is probably the best method that we have of regulating financial instruments out there. It is just that futures and options and securities are all one and the same thing. They all interrelate. They are all based upon similar financial

For a long time people in the futures area resisted any effort to try to merge or consolidate the regulation of securities and futures, but I think that thinking is ending, as more and more people recognize that in a modern global world there has to be a sensible, unified way of regulating futures and securities and all financial instruments.

So while I rise in support of this bill and I compliment the gentleman from Massachusetts (Mr. MARKEY) and the gentleman from Michigan (Mr. DINGELL) and the gentleman from Texas (Mr. FIELDS) for the way that they are involved in the regulation of these instruments, I still believe that Congress should modernize the regulation of these instruments, and in doing so merge the functions so that folks out there know that there is one Federal agency regulating financial instruments.

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

that is just to compliment Elise Hoffman from my staff, Consuela Washington of the full committee staff, and Stephen Blumenthal of the minority staff, for the excellent work which they did in helping to bridge whatever differences existed between the majority and minority side on this issue.

This is a critically important issue. The securities marketplace of the United States and of the globe is still in many ways the golden goose that makes it possible for investors in our country to use this middle-man mechanism to put capital into the hands of CEO's in this country so that we can in fact have investment in the kinds of companies that produce the jobs in our country.

There is nothing more central to our economy than what goes on during that mechanism. The fact that Democrats and Republicans on this floor are able to agree on a bill of this nature demonstrates our commitment to the continued growth and vitality of the capitalist system in our country.

Mr. DINGELL. Mr. Speaker, the U.S. Securities and Exchange Commission is one of the most widely admired regulatory agencies in the world. Its basic mission is to require truthful disclosure and honest dealing in securities and to prevent and punish fraud. Dishonesty and fraud have no defenders. We ask the SEC to do much. The capital markets that it oversees are the heart of this Nation's economic system. We take it for granted that the SEC will be there, ever-vigilant, performing all the tasks we impose on it.

Having said all that, I need to bring to Members' attention a matter of great concern. This matter is the growing failure of SEC resources to keep pace with the agency's expanding workload. In order to provide the SEC with more adequate funding and the ability to maintain that funding over time, the Committee on Energy and Commerce has concluded that a full-cost recovery mechanism is necessary and appropriate.

Accordingly, H.R. 2239 will authorize appropriations for the SEC for fiscal years 1994 and 1995 in the amounts of \$281.9 million and \$317.7 million, respectively. The legislation also establishes a system for the annual adjustment of fees collected by the SEC so that the total amount appropriated to the SEC for any fiscal year will be offset by the amount collected during that fiscal year. This will secure the funding to the agency. H.R. 2239 further requires that these fees continue to collect general revenues, the surplus over offsetting collections, during the current budget window, that is, during each of the fiscal years 1994 through 1998.

The SEC brings in more money than it spends. The fees collected by the SEC, however, go the Federal Treasury as general revenue. The SEC gets no credit for or use of these moneys. H.R. 2239 will correct that imbalance.

This bill is the result of several years of bipartisan negotiations involving the Committee on Energy and Commerce, the Committee on Appropriations, the Budget Committee, the Committee on Ways and Means, and the

Committee on Government Operations. I commend our sister committees for their cooperation and perseverance in working with us to solve the difficult jurisdictional and substantive questions that we confronted along the way.

In October 1968, SEC Chairman Manuel F. Cohen observed that: "Regulations is not a dirty word. We should not be ashamed to regulate." His admonition still rings true today. The markets and activities over which the SEC has jurisdiction have increased significantly both in size and complexity. H.R. 2239 will ensure that the SEC has the resources it needs to maintain this country's honest and free markets and to enforce the Federal securities laws vigorously for the protection of investors.

I urge my colleagues to support this bill.

INVESTMENT COMPANY INSTITUTE,
Washington, DC, July 16, 1993.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce,
Washington, DC.

DEAR CHAIRMAN DINGELL: I am writing to express the support of the Investment Company Institute¹ for H.R. 2239, legislation to authorize appropriations for the Securities and Exchange Commission. We commend the Committee's decision to report the bill with the Chairman's amendment authorizing the agency to offset its appropriations with a portion of its fee collections.

As you know, mutual funds (which make up the great majority of investment company assets) have increasingly become the critical link for tens of millions of American investors to the securities markets. Today, one in every four households owns mutual fund shares. Accordingly, there is a strong public interest in maintaining strict regulatory oversight over mutual funds to ensure that they are operated in the interest of fund shareholders.

The Commission's diligent and effective regulation of the investment company industry has contributed to a high level of investor confidence in the industry. Nevertheless, funding for the Commission (and the Division of Investment Management in particular) should be increased in order to assure that this regulatory excellence continues.

While the number of investment companies increased by 133% and their assets under management increased by 344% between 1982 and 1992, the Division's staff grew by only 74% over the same period. In large part due to the rapid growth of mutual funds, the Commission currently focuses its inspections on the 100 largest investment company complexes, even though factors other than size may better indicate risk. As the SEC recently testified, this increase in the number and size of mutual funds necessitates an increase in the staff of the Division of Investment Management.²

Dramatic technological and other changes also have increased the demands on Commis-

sion programs other than investment company regulation, such as maintaining the integrity of the markets generally, monitoring the quality of disclosures made by corporate issuers, and overseeing self-regulatory organizations. For example, new, more sophisticated financing and trading techniques and increased internationalization have complicated the Commission's ability to oversee the securities markets.

The most effective means to assure that the Commission continues to have adequate resources to meet its statutory responsibilities is to allow the Commission to recover its expenses from the fees that it collects. Ironically, while the Commission's resources are limited, it collects transaction and filing fees that far exceed its needs. Yet those fees go directly to the Treasury as revenues and the agency gets no credit for or use of those monies.

For example, in 1992, investment companies paid registration fees to the Commission totaling approximately \$80.9 million. Nevertheless, the Commission was able to devote only approximately \$18.4 million, less than 23% of the amount paid, to investment company regulation. (Moreover, the Administration has proposed an increase in the rate of registration fees paid by investment companies and other issuers, from $\frac{1}{32}$ to $\frac{1}{24}$ of one percent of the amount offered.) Thus, mutual fund shareholders are being short-changed, since they are paying far more in fees than they receive in terms of regulation. A higher percentage of the fees paid by investment companies should be available to the Commission's investment company regulatory program in order to assure that the excellence of this program can continue.

Given current budgetary constraints, the provisions in H.R. 2239 that would authorize the Commission to dedicate a portion of its fee collections to its expenses is a step in the right direction. The bill would make it more likely that the Commission will continue to have the resources it needs to regulate investment companies and other market participants, to maintain the integrity of the securities market participants, to maintain the integrity of the securities markets, and to enforce vigorously the federal securities laws. For these reasons, the Institute is pleased to express its strong support for H.R. 2239.

Sincerely,

MATTHEW P. FINK.

SECURITIES AND EXCHANGE COMMISSION,
Washington, DC, May 13, 1993.

Hon. JOHN D. DINGELL,
House of Representatives,
Washington, DC.

DEAR CHAIRMAN DINGELL: At the end of my term as Chairman, I want to bring to your attention a matter that represents one of the areas of greatest concern for the future of our capital markets and the interests of investors. This matter is the growing inadequacy of resources of the SEC for the examination and oversight of mutual funds and other investment companies. This problem is becoming more significant every day with the explosive growth of public investment in mutual funds.

At least one-quarter of all American households have used their savings and retirement dollars to purchase interests in investment companies. Over \$2.1 trillion in assets are now held in more than 77 million accounts. Net sales or equity and debt mutual funds during 1992 were over \$200 billion. However, despite this vast size and rapid growth, the SEC's current budget funds the equivalent

of only 130 full-time examiners for the direct inspection of investment companies.

The investment company industry generally has a very good track record for operating in a lawful and ethical manner, especially when compared with the scandals and illegal activities that have plagued other areas of our financial markets. At least in part as a result, investors have entrusted their savings to entities that operate without deposit insurance or any other form of government subsidy or government guarantee.¹ Independent boards of directors, daily mark-to-market accounting and a strong industry consensus in favor of good business ethics have also helped prevent problems from occurring. Finally, the Investment Company Act of 1940, with very strict prohibitions against self-dealing and conflicts of interest, has also proven effective in preventing financial abuse.

It is axiomatic, however, that a law can only be as good as compliance with it. Here the examination and inspection program of the SEC is the only on-site means for oversight of fund activities. Unlike the case of broker-dealers, there are not any self-regulatory organization inspections to form the first line of detection for problems. With investment companies (as with investment advisers), the SEC inspection force is not only the first line of official oversight, it is also the last line of official oversight.

With over 3,500 investment companies as of March 1993 and 19,000 separate investment portfolios, the current level of examiners is stretched very thin. Indeed, during my tenure the number of investment companies rose by roughly 25%, and their aggregate assets rose by 77%. Though the SEC has increased its inspection resources during this time, that increase has lagged far behind industry growth. Indeed, each full-time examiner of the SEC is today theoretically responsible for inspecting over 592,000 investor accounts holding in excess of \$16 billion in assets.

To stretch examination resources, the staff has cut back on the frequency and the scope of examinations. Today every money market fund is inspected annually, along with at least one fund out of each of the 100 largest fund complexes. Those examinations only cover a portion of the fund's activities, however. In addition, many medium-sized and smaller fund complexes have not been inspected for several years. Even more disturbing is the fact that some newer fund complexes have never been inspected.

The oversight of mutual funds could easily be improved, but that will require more examiners. Especially if current rates of growth continue, the SEC should be adding 150-450 new examiners over a period of 2-3 years, not fighting to add 5 or 10 examiners each year. Indeed, under the proposed budget for FY 1994, the only way I could expand the number of fund examiners was to lay off staff in other areas. This should not be the case, because investors already pay more than enough in fees to fund a first-class inspection program.

Last year, investment companies (and indirectly their investors) paid \$80 million in fees to fund the oversight program. This amount would be enough to field roughly 1,000 examiners, if actually spent for that purpose.² However, our budget only allows

¹The Investment Company Institute is the national association of the American investment company industry. Its membership includes 4116 open-end investment companies ("mutual funds"), 336 closed-end investment companies and 13 sponsors of unit investment trusts. Its mutual fund members have assets of about \$1.665 trillion, accounting for approximately 95% of total industry assets, and have over 38 million individual shareholders.

²Testimony of Richard C. Breeden, Chairman, U.S. Securities and Exchange Commission, Concerning Appropriations for Fiscal Year 1994, before the Subcommittee on Commerce, Justice, and State, the Judiciary, and Related Agencies of the House Committee on Appropriations, at 9-10 (March 23, 1993).

¹Indeed, the shift of funds into investment companies has greatly benefited the U.S. taxpayer by reducing the contingent liabilities of the deposit insurance system. With mutual fund investors, not the FDIC, assume the market and credit risks of these portfolios.

²This is greater than the number needed, but gives an idea of the magnitude of the diversion.

the SEC to spend \$18 million on investment company oversight. The surplus is not saved for future mutual fund oversight, but rather is diverted to pay for wholly unrelated federal spending. This budgetary sleight of hand might better be known as "The Great Mutual Fund Fee Robbery."

The total cost of adding 300 new fund examiners, for example, would be around \$25.6 million per year. Thus, a top-notch examination program could be fully funded without any need to increase the current fee rate, and there would still be a significant surplus in the program. In this area investors have already paid the needed fees. We just need to spend the money on the purposes for which it was collected.

This area is a prime example of the importance of establishing some form of trust fund for fees (though not for fines) collected by the SEC. Fees not spent in any year for SEC oversight programs should be saved for the future or returned to investors, not simply spent on every other government program.

The growth of the investment company industry has been spectacular, and this sector of our capital market is now one of the most important sources of financing for the U.S. economy. It has provided an efficient and safe means for investors to participate in our market, in the process providing capital for business growth without any need for government subsidy or even a single dollar of government underwriting.

The safety of this enormous pool of funds can be enhanced by improving the frequency and comprehensiveness of inspections. This would reduce the chances that illegal activity could someday result in a shock to public confidence in the integrity of funds. Public confidence in this area is very important, and we should do everything reasonable to strengthen the justification for that confidence.

Sincerely,

RICHARD C. BREEDEN,
Chairman.

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

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

The SPEAKER pro tempore (Mr. McNULTY). The question is on the motion offered by the gentleman from Massachusetts [Mr. MARKEY] that the House suspend the rules and pass the bill, H.R. 2239, 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.

GENERAL LEAVE

Mr. MARKEY: Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 2239, the bill just passed.

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

There was no objection.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON HOUSE ADMINISTRATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on House Administration:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES, COM-
MITTEE ON HOUSE ADMINISTRATION.

Washington, DC, July 19, 1993.

Hon. THOMAS S. FOLEY,
Speaker, U.S. House of Representatives, Wash-
ington, DC.

DEAR MR. SPEAKER: This is to inform you pursuant to Rule L (50) of the Rules of the House that two employees of the Committee on House Administration have been served with deposition subpoenas issued as part of a civil case pending in the Court of the Common Pleas of Cuyahoga County, Ohio.

After consultation with the General Council I will make the consultations required by the Rule.

With my very best wishes,
Sincerely,

CHARLIE ROSE,
Chairman.

REGISTRATION AS CONFEREE AND APPOINTMENT OF CONFEREE ON H.R. 2264, OMNIBUS BUDGET RECONCILIATION ACT OF 1993

The SPEAKER pro tempore laid before the House the following resignation as a conferee:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 20, 1993.

Hon. THOMAS S. FOLEY,
Speaker, U.S. House of Representatives, Wash-
ington, DC.

DEAR MR. SPEAKER: I have been named as a conferee to the Budget Reconciliation bill, H.R. 2264, due to my position on the House Natural Resources Committee. Due to unexpected time constraints in my other positions, Armed Services and Intelligence, I respectfully request that I be allowed to withdraw as a conferee.

Thank you for your attention to this matter and if you have any question please feel free to call me.

Sincerely,

JAMES V. HANSEN,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER pro tempore. Without objection, the gentleman from Wyoming [Mr. THOMAS] is appointed to replace the gentleman from Utah [Mr. HANSEN] as a member of the Committee of Conference on the bill (H.R. 2264) to provide for reconciliation pursuant to section 7 of the concurrent resolution on the budget for fiscal year 1994.

There was no objection.

The SPEAKER pro tempore. The Clerk will notify the Senate of the change in conferees.

MODIFICATIONS IN APPOINTMENT OF CONFEREES ON H.R. 2264, OMNIBUS BUDGET RECONCILIATION ACT OF 1993

The SPEAKER pro tempore. Without objection, the Chair announces the following modifications in the appointment of conferees on H.R. 2264:

As additional conferees from the Committee on Government Operations, for consideration of those portions of section 5181 which add new sections 2158(b)(3)(B) and 2161(b) to the Public Health Service Act, of the House bill, and modifications committed to conference:

Messrs. CONYERS, SPRATT, TOWNS, SYNAR, PAYNE of New Jersey, CLINGER, MCCANDLESS, and HASTERT.

In the panel appointed from the Committee on Public Works and Transportation, Mr. BORSKI is appointed in lieu of Mr. DE LUGO.

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COMPLETE LIST OF CONFEREES ON H.R. 2264, OMNIBUS BUDGET RECONCILIATION ACT OF 1993

The SPEAKER pro tempore (Mr. McNULTY). On behalf of the Speaker and without objection, the Chair will insert into the CONGRESSIONAL RECORD a complete listing of the House conferees on H.R. 2264. This combines and replaces the appointments of July 14 and 15 and makes a variety of other technical and conforming changes in the previous appointments.

The complete list is as follows:

From the Committee on the Budget, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

Messrs. Sabo, Gephardt and Kasich.

As additional conferees from the Committee on the Budget, for consideration of title I and section 9005(a)-(c) and (f) of the House bill, and title I and section 5001, 5002(a), (b) and (d), and 5003 of the Senate amendment, and modifications committed to conference:

Messrs. Stenholm, Pomeroy, Kildee, Smith of Texas and Allard.

As additional conferees from the Committee on the Budget, for consideration of title II and section 12009 of the House bill, and title II and section 13003 of the Senate amendment, and modifications committed to conference:

Ms. Slaughter, and Messrs. Mollohan, Gordon, and Shays, and Ms. Snowe.

As additional conferees from the Committee on the Budget, for consideration of title III of the House bill, and title III (except section 3003(b)) of the Senate amendment, and modifications committed to conference:

Mr. Frank of Massachusetts, Mr. Blackwell, Ms. Woolsey, Mr. Lazio, and Mr. Hoke.

As additional conferees from the Committee on the Budget, for consideration of title IV and sections 5117, 13233, 13263, 13270, 13420, and 14402(d) of the House bill, and sections 7904, 12001-50, 12061, 12071, 12101, and 12301-02 of the Senate amendment, and modifications committed to conference:

Mr. Kildee, Mr. Price of North Carolina, Mrs. Kennelly, Mr. Miller of Florida, and Mr. Smith of Michigan.

As additional conferees from the Committee on the Budget, for consideration of sections 5000-187, 13234, 13242, 13264,

Mr. Bellenson, Ms. Slaughtner, and Messrs. Johnston of Florida, McMillan, and Hobson.

As additional conferees from the Committee on the Budget, for consideration of sections 5200-44, 5301, 9006-07 of the House bill, and sections 4001-11 and 6001 of the Senate amendment, and modifications committed to conference:

Messrs. Bryant, Coyne, Costello, McMillan, and Hobson.

As additional conferees from the Committee on the Budget, for consideration of title VII and that portion of section 4002 which adds a new section 455(j) to the Higher Education Act, section 4025(7) and that portion of section 5203 which adds a new section 309(j)(8) to the Communications Act of 1934, and section 5187(b) of the House bill, and title XI, section 4008(c), that portion of section 12011 which adds a new section 455(j) to the Higher Education Act, 12045(7), 12047(a) and 12105 of the Senate amendment, and modifications committed to conference:

Mr. Andrews of Texas, Mr. Mollohan, Ms. Woolsey, Mr. Smith of Texas, and Mr. Inglis of South Carolina.

As additional conferees from the Committee on the Budget, for consideration of title VIII and section 9004 of the House bill, and section 4051 of the Senate amendment, and modifications committed to conference:

Mrs. Kennelly, Mr. Costello, Mrs. Mink, Ms. Snowe, and Mr. Franks of New Jersey.

As additional conferees from the Committee on the Budget, for consideration of title IX and sections 1402, 5301, and 11002 of the House bill, and titles V and VI and section 1503 of the Senate amendment, and modifications committed to conference:

Mr. Bryant, Mrs. Mink, and Messrs. Blackwell, Kolbe, and Allard.

As additional conferees from the Committee on the Budget, for consideration of titles VI and X and sections 13702 and 13704 of the House bill, and titles IX and X and sections 12103-04 of the Senate amendment, and modifications committed to conference:

Messrs. Berman, Andrews of Texas, Gordon, Kolbe, and Miller of Florida.

Provided, that for consideration of title VI and sections 10001 and 10002 of the House bill, and title IX of the Senate amendment, Mr. Pomeroy is appointed in lieu of Mr. Berman; Messrs. Cox and Smith of Michigan are appointed in lieu of Mr. Kolbe and Mr. Miller of Florida.

As additional conferees from the Committee on the Budget, for consideration of title XI and section 8002 and 9005(a) of the House bill, and sections 5002(a) and 6002 of the Senate amendment, and modifications committed to conference:

Messrs. Wise, Costello, Berman, Lazio, and Franks of New Jersey.

As additional conferees from the Committee on the Budget, for consideration of title XII of the House bill, and title XIII (except section 13008(b)) and section 7901 (b) and (c) of the Senate amendment, and modifications committed to conference:

Messrs. Price of North Carolina, Coyne, Johnston of Florida, Herger, and Inglis of South Carolina.

As additional conferees from the Committee on the Budget, for consideration of sections 4032, 4033(3), 8002, 9004, 11001, 12004(b), 13001-20, 13201-84, 13601-02, and 13604-705 of the House bill, and sections 1106, 1403, 1504, 3003(b), 7433, 7601-03, 7701-02, 7901 (a) and (c), 7902-03, 7950-54, that portion of section 12011 which adds a new section 457 to the Higher

Education Act, 12055, 12203(d), 12025, 13008(b), 15001, and 15002 of the Senate amendment, and modifications committed to conference:

Messrs. Coyne, Beilenson, and Herger.

Provided, Mr. Bunning is appointed in lieu of Mr. Kasich for the provisions specified for this panel, except for sections 13001-20 of the House bill where Mr. Kasich will be the conferee.

As additional conferees from the Committee on the Budget, for consideration of titles XV and XVI, sections 1405(c) of the House bill, those portions of section 4002 which add new sections 453(a)(3) and 456(a)(2) to the Higher Education Act, 4029, those portions of section 5181 which add new sections 2158(b)(3)(B) and 2161(b) to the Public Health Service Act, 9008, and 13560 of the House bill, and title XIV, that portion of section 1201 which adds a new section 305(c)(4) to the Rural Electrification Act, those portions of section 12011 which add new sections 453(a)(4) and 456(a)(2) to the Higher Education Act of the Senate amendment, and modifications committed to conference:

Messrs. Stenholm, Wise, Frank of Massachusetts, Shays, and Cox.

As additional conferees from the Committee on Agriculture, for consideration of title I and section 9005(a)-(c) and (f) of the House bill, and title I and section 5001, 5002(a), (b) and (d), and 5003 of the Senate amendment, and modifications committed to conference:

Messrs. de la Garza, Rose, Glickman, Volkmmer, Penny, Roberts, Emerson, and Gundersen.

As additional conferees from the Committee on Armed Services, for consideration of title II and section 12009 of the House bill, and title II and section 13003 of the Senate amendment, and modifications committed to conference:

Mr. Dellums, Mr. Montgomery, Mrs. Schroeder, and Messrs. Hutto, Skelton, Spence, Stump, and Kyl.

Provided, for consideration of section 12009 of the House bill, and section 13003 of the Senate amendment, Mr. McCurdy is appointed in lieu of Mr. Montgomery, and Mr. Hunter is appointed in lieu of Mr. Stump.

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of title III of the House bill, and title III (except section 3003(b)) of the Senate amendment, and modifications committed to conference:

Messrs. Gonzalez, Neal of North Carolina, LaFalce, Vento, Schumer, Leach, and McCollum, and Mrs. Roukema.

As additional conferees from the Committee on Education and Labor, for consideration of title IV and sections 5117, 13233, 13263-64, 13270, 13420, and 14402(d) of the House bill, and sections 7904, 12001-50, 12061, 12071, 12101, and 12301-02 of the Senate amendment, and modifications committed to conference:

Messrs. Ford of Michigan, Clay, Miller of California, Murphy, Goodling, and Petri, and Mrs. Roukema, and Mr. Williams.

As additional conferees from the Committee on Energy and Commerce, for consideration [communications] of sections 5200-44 of the House bill, and sections 4001-11 of the Senate amendment, and modifications committed to conference:

Messrs. Dingell, Markey, Tauzin, and Mantel, Ms. Schenk, and Messrs. Moorhead, Fields of Texas, and Oxley.

As additional conferees from the Committee on Energy and Commerce, for consideration [health] of sections 5000-5091, 5100-87, 13010(a) and (c), 13413(e), 13234, 13242, 13264, and 13431-13571, 14411 of the House bill, and

sections 1105(b), 7000, 7201-7501, 7601(c), 7801, 7802(b) and (c), 7904, 7951, 12101-12205, and 12321 of the Senate amendment, and modifications committed to conference:

Messrs. Dingell, Waxman, Wyden, Towns, Slattery, Moorhead, Bliley, and Billirakis.

As additional conferees from the Committee on Energy and Commerce, for consideration [energy] sections 5301 and 9006-07 of the House bill, and section 6001 of the Senate amendment, and modifications committed to conference:

Messrs. Dingell, Sharp, Washington, Kreidler, Swift, Moorhead, Billirakis, and Barton of Texas.

As additional conferees from the Committee on Foreign Affairs, for consideration of title VI and sections 10001 and 10002 of the House bill, and title IX of the Senate amendment, and modifications committed to conference:

Messrs. Hamilton, Berman, Faleomavaega, Martinez, Andrews of New Jersey, and Gilman, Ms. Snowe, and Mr. Hyde.

As additional conferees from the Committee on Government Operations, for consideration of sections 1405(c) of the House bill, and that portion of section 1201 which adds a new section 305(c)(4) to the Rural Electrification Act, of the Senate amendment, and modifications committed to conference:

Messrs. Conyers,

As additional conferees from the Committee on Government Operations, for consideration of those portions of section 4002 which add new sections 453(a)(3) and 456(a)(2) to the Higher Education Act, 4029 and 13560 of the House bill, and those portions of section 12011 which add new section 453(a)(4) and 456(a)(2) to the Higher Education Act, of the Senate amendment, and modifications committed to conference:

Mr. Conyers, Mrs. Collins of Illinois, and Messrs. Towns, Waxman, Spratt, Clinger, McCandless, and Hastert.

As additional conferees from the Committee on Government Operations, for consideration of those portions of section 5181 which add new sections 2158(b)(3)(B) and 2161(b) to the Public Health Service Act of the House bill, and modifications committed to conference:

Messrs. Conyers, Spratt, Towns, Synar, Payne of New Jersey, Clinger, McCandless, and Hastert.

As additional conferees from the Committee on Government Operations, for consideration of section 9008 of the House bill, and modifications committed to conference:

Mr. Conyers, Mrs. Collins of Illinois, and Messrs. Spratt, Synar, Washington, Clinger, McCandless, and Hastert.

As additional conferees from the Committee on Government Operations, for consideration of title XVI and sections 15001-111, 15206, and 15301 of the House bill, and title XIV of the Senate amendment, and modifications committed to conference:

Messrs. Conyers, Spratt, and Waxman, Mrs. Collins of Illinois, and Messrs. Synar, Clinger, McCandless, and Hastert.

As additional conferees from the Committee on the Judiciary, for consideration of title VII of the House bill, and title XI and section 12047(a) of the Senate amendment, and modifications committed to conference:

Messrs. Brooks,

As additional conferees from the Committee on the Judiciary, for consideration of that portion of section 4002 which adds a new section 455(j) to the Higher Education Act, section 4025(7) and that portion of section 5203 which adds a new section 309(j)(8) to the Communications Act of 1934, of the House

bill, and section 4008(c), that portion of section 12011 which adds a new section 455(j) to the Higher Education Act, 12045(7), of the Senate amendment, and modifications committed to conference:

Messrs. Brooks, Conyers, and Synar, Mrs. Schroeder, and Messrs. Berman, Fish, Gallegly, and Moorhead.

As additional conferees from the Committee on the Judiciary, for consideration of section 5187(b) of the House bill, and section 12105 of the Senate amendment, and modifications committed to conference:

Messrs. Brooks, Bryant, Glickman, Frank of Massachusetts, Berman, Gekas, Ramstad, and Fish.

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of title VIII and section 9004 of the House bill, and section 4051 of the Senate amendment, and modifications committed to conference:

Messrs. Studds, Tauzin, Lipinski, Ortiz, Manton, Fields of Texas, and Bateman.

Provided, for consideration of title VIII of the House bill, and section 4051 of the Senate amendment, Mr. Inhofe is appointed; for consideration of section 9004 of the House bill, Mr. Saxton is appointed.

As additional conferees from the Committee on Natural Resources, for consideration of title IX and sections 1402, 5301, 11002, of the House bill, and titles V and VI and section 1503 of the Senate amendment, and modifications committed to conference:

Messrs. Miller of California, Vento, de Lugo, Lehman, Richardson, Young of Alaska, and Thomas of Wyoming, and Mrs. Vucanovich.

As additional conferees from the Committee on Post Office and Civil Service, for consideration of title X and sections 13702 and 13704 of the House bill, and titles IX and X and sections 12103-04 of the Senate amendment, and modifications committed to conference:

Mr. Clay, Mrs. Schroeder, Mr. McCloskey, Ms. Norton, Miss Collins of Michigan, Mr. Myers of Indiana, Mr. Burton of Indiana, and Mrs. Morella.

As additional conferees from the Committee on Public Works and Transportation, for consideration of title XI and sections 8002, 9005(a) of the House bill, and sections 5002(a) and 6002 of the Senate amendment, and modifications committed to conference:

Messrs. Mineta, Oberstar, Applegate, Rahall, Borski, Shuster, Clinger, and Boehlert.

As additional conferees from the Committee on Rules, for consideration of title XVI and sections 13560, 13605, 15201-15212, of the House bill, and title XIV of the Senate amendment, and modifications committed to conference:

Messrs. Moakley, Derrick, Bellenson, Frost, Bonior, Solomon, Quillen, and Goss.

As additional conferees from the Committee on Veterans Affairs, for consideration of title XII of the House bill, and title XIII (except section 13008(b)) and section 7901 (b) and (c) of the Senate amendment, and modifications committed to conference:

Messrs. Montgomery, Evans, Rowland, Slatery, Sangmeister, Stump, Smith of New Jersey, and Burton of Indiana.

As additional conferees from the Committee on Ways and Means, for consideration of title XIV (except sections 14402(d) and 14411) and section 13603 of the House bill, and title VIII of the Senate amendment, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Pickle, Rangel, Archer, and Crane.

As additional conferees from the Committee on Ways and Means, for consideration of

sections 13001-20 of the House bill, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Pickle, Jacobs, Archer, and Bunning.

As additional conferees from the Committee on Ways and Means, for consideration of sections 13201-84 of the House bill, and sections 7601-03 and 7802 of the Senate amendment, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Pickle, Ford of Tennessee, Archer, and Santorum.

As additional conferees from the Committee on Ways and Means, for consideration of title XVI of the House bill, and modifications committed to conference:

Messrs. Rostenkowski, Stark, and Thomas of California.

As additional conferees from the Committee on Ways and Means, for consideration of sections 4032, 4033(3), 5000-91, 5117, those portions of section 5181 which add new sections 2161 and 2173(b) to the Public Health Service Act, 5181(b), 8002, 9004, 11001, 12004(b), 13400-571, 14402(d), 14411, and 15301 of the House bill, and sections 1106, 1403, 1504, 3003(b), 7000-305, 7433, 7701-02, 7901 (a) and (c), 7902-04, 7950-54, that portion of section 12011 which adds a new section 457 to the Higher Education Act, 12055, 12101-02, that portion of section 12202 which adds a new section 2148(b) to the Public Health Service Act, 12203(d), 12025, 13008(b), 15001, and 15002 of the Senate amendment, and modifications committed to conference:

Messrs. Rostenkowski, Gibbons, Pickle, Rangel, Stark, Archer, Crane, and Thomas of California.

There was no objection.

CHINA MFN STATUS

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

Mr. INHOFE. Mr. Speaker, who in this body would ever admit that he has changed his mind because if he admits that, he is admitting he is wrong. Correct? No, very wrong. I have changed my mind, Mr. Speaker. A position can be right in the beginning and then become wrong when circumstances change. And that is exactly what has happened with this issue of MFN for China.

In years past I argued on the floor with the same passion and enthusiasm, though admittedly not the eloquence, as the gentleman from New York, Mr. SOLOMON. The difference between years past and this year is that I have been to China and have seen the boat that we are about to miss.

There was a time Communist mainland China was dominated by that evil totalitarian doctrine that enslaved its citizens and forever precluded them from opportunity and freedom. I remember a book I once read, "Modernizing China," by Anthony Kubek. It compared the hope and opportunities of free Taiwan with Communist mainland China. The culture was the same, the people were the same, the geography was the same, but Taiwan was rich and the People's Republic of China was enslaved and poor.

Anthony Kubek's contrast was accurate. The per capita income in mainland China was \$300 compared to \$5,000 on Taiwan. On mainland China there was one refrigerator for every 250 families while 96 percent of the Taiwan families had refrigerators. But that book was written in 1987 and China's situation has changed.

A renaissance has taken place just as profound and impressive as that in East Berlin. I remember, Mr. Speaker, when Erich Honecker, former Chairman of the German Democratic Republic, was going to make his speech in East Berlin. The citizens had heard about all the wealth and opportunities that went with freedom and they were not going to be suppressed any longer. But Honecker was going to make one more last ditch effort to keep communism alive.

I went to Andrews Air Force Base and hopped a troop transport over to Berlin to witness the event. Some thought it might be another Tiananmen Square. I remember so well going across Checkpoint Charlie. The thousands of people standing on the free side shouted chants of hope to their families and loved ones. I went to the Soviet sector and was approached by two Soviet soldiers. They tried to get us to let them in our car trunk to smuggle them to freedom in the West, knowing full well that if they were caught at the border they would be executed. They had no way of knowing that only weeks later the wall would come tumbling down.

Now, Mr. Speaker, the East Berlin I saw that day was supposed to be the garden spot of communism. If you were a good Communist all of your life your reward was a week in East Berlin. Garden spot? It was the most depraved slum I have ever seen. A shoe store had eight pairs of shoes and they were all on display in their storefront window. A liquor store had an inventory of three bottles of something, probably vodka. But whatever it was, it was oozing out of the top of the bottles.

Eighteen months later I returned to East Berlin. I could not believe it was the same city. It was vibrant, bustling, and full of activity and commerce. It was indescribable what 18 months of freedom had done. A transformation had taken place.

Mr. Speaker, a comparable transformation has taken place in China. I traveled from Hong Kong up through the southern Province of Guangdong. Everywhere I looked there was activity and commerce. The infrastructure had not kept up with commercial growth. It reminded me of the early part of the industrial revolution of the United States. In Guangdong Province alone there were 7,000 factories. Not too long ago, there were virtually none. They were importing goods from almost every country. I witnessed what is becoming the largest market in the world.

Upon returning to Oklahoma, I found out that my State is supplying many of their imports. The largest industry in my district is transportation, specifically aerospace and aviation. China is the largest potential market for the aerospace industry. Upon checking with the chamber of commerce and numerous business leaders in the community I was shocked and pleased to learn how many firms, large and small, in my district were exporting to China, both in the areas of aerospace and products produced for oil field related activities. Some of those companies are Rockwell International, Flight Safety International, McDonnell Douglas Corp., Nordam, Burttek, and EG&G Chandler Engineering, just to name a few.

We can continue the growth of this great export market. All we have to do is treat them like everybody else. We shouldn't be calling our relationship most favored nation status. That is a misnomer. What we are discussing today is the question, "Should we single out China from all our other trading partners so that we can discriminate against them?" We share MFN status with Spain, France, Germany, the United Kingdom, Ireland, Sweden, Finland, Denmark, Poland, Egypt, Morocco, Mali, Algeria, Saudi Arabia, and most other countries. So, if we deny MFN status to China, we are telling the fastest growing market in the world that we don't want to do business with them.

And Mr. Speaker, what does this have to do with human rights which seems to dominate the MFN issue? Very little. In fact we shouldn't be debating both issues at the same time, or on the same day. We have everything to lose and nothing to gain. Are we so arrogant to think that we are the only market for China's booming economy? Right now the Chinese are buying 76 percent of their airlines from McDonnell Douglas and Boeing. Do we somehow believe that they aren't going to buy from Airbus? Sure they are, and that means hundreds of jobs in Tulsa, OK, and I suspect in all the rest of the districts represented here today.

Do we not believe that China will retaliate against us if we try to tie the two issues of trade and human rights together? You bet they will. In 1992 New China Air deliberately dropped a deal with Airbus after France agreed to sell Taiwan 50 Mirage fighters.

Am I somehow self-serving on this issue? Sure. McDonnell Douglas is estimating 175 sales to China over the next few years. A lot of them will be made in Tulsa. Boeing has signed a deal with China for 22 737's, 1 757, and 6 777's. And Boeing buys its control surfaces, skin, and many other components from Rockwell in Tulsa.

Mr. Speaker, you might say that I have changed my position of tying together trade and human rights. In

years passed I have consistently tied the two together. I have tried to believe that we can force China into submission with MFN status, that we are so important and valuable that China can't get along without us, that we should impose our social and cultural standards upon China before we allow them to become our major export market, that we can tell a country that represents a third of the world that we don't have to do business with them and somehow come out ahead. I really tried to believe that.

But when I return to Oklahoma as I do each weekend and see the layoffs, the struggling companies and industries trying to survive, a sober reality sets in. Maybe, just maybe we need China more than China needs us.

No one in this institution abhors human rights violations more than I do. I have fought against such violations all the way from Nicaragua to Siberia and will continue to do so. But what about the human rights of our workers here in the United States? The right to be gainfully employed and export our products all over the world, the right to have jobs and feed our families.

I speak today to those of you who, like I, have previously sided with Mr. SOLOMON and Mrs. PELOSI in this debate. There's nothing wrong with changing your position when the circumstances change, and clearly they have. Don't cut off what can become our largest trading partner, the partner that can create more U.S. jobs than any other. This is not a social issue we are deciding today, it's a jobs issue. Vote to continue our MFN status with China unconditionally, not for them, but for us.

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Mr. GEKAS. Madam Speaker, will the gentleman yield?

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

Mr. GEKAS. Madam Speaker, the gentleman has presented a very thoughtful expression of the details that we must consider when we ponder how we are going to act and react to the China issue. I want to thank the gentleman for reemphasizing that many of us from the very beginning, from President Reagan's original feel for the matter, and then President Bush, who felt that the best way to tame the human rights tiger, as it were, that we so feared in China is to do business with them, to have more interaction, to send more of our people there, to expand trade, to trade ambassadors, to trade students, to get movement going between our civilizations and between our societies, so that they will learn from our experiences and we from theirs, and thus treat human rights at the same time as we are treating the trade issues.

So I thank the gentleman, and hope that more will be convinced that in-

deed that is the way to travel into China.

Mr. INHOFE. Madam Speaker, I thank the gentleman. I must admit until I went to Guangdong and saw the potential there for my district and your district and all over the United States, I did not change my mind. But that did it.

NED WORKS FOR OUR NATIONAL INTEREST

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

Mr. BEREUTER. Madam Speaker, the fall of communism around the world is indeed cause for great hope for the future of the global community. Yet, we should not let the political successes blind us to the realities we all face during this post-cold-war era.

The world has entered a new era. Regrettably, it is not necessarily the peaceful and harmonious era that we perhaps hoped would evolve from the collapse of the Warsaw Pact. Instead, we are encountering a world that increasingly is marked by growing nationalism, extreme fundamentalism, violence and fragmentation. This is inevitable, perhaps given the necessary transition period from authoritarian regimes to more open government and free market systems.

Mr. Speaker, experience thus far has suggested that the course of change to more democratic models is often quite difficult, and fraught with unforeseen pitfalls. The people in the countries of Eastern Europe and the former Soviet Union are unfamiliar with, or have never been exposed to, the fundamental elements of democracy. Furthermore, they lack the institutional structure to support the principles of democracies societies. Decades of totalitarian rule have robbed these people of a practical understanding of how democracy works, or how truly independent labor unions function. They have no rule of law or constitutions to frame the political and social structure.

The sea change of an entire social organization and culture is, by its nature, vulnerable to failure or attack from any number of sources. We have seen rule by cult of personality emerge in some countries—for example, Serbia and Georgia. In other countries, we have seen the Communists reemerge as the democratic forces flail helplessly—for example, Lithuania.

Mr. Speaker, if Eastern and Central Europe fall back into totalitarian dictatorship, the United States will once again be faced with a very real national security threat. And, if these nations turn their backs on democracy and free markets, we will have lost a tremendous opportunity to bring these changes to the citizens of the former Warsaw Pact countries. In short, it is

in the U.S. national interest to promote democracy and free markets in Eastern and Central Europe. For ideological, humanitarian, and economic reasons the Congress and America should support the democratic transitions of these nations, and assist their efforts to develop democratic institutions.

Recently this Member had the good fortune to travel to Albania and Hungary with the Speaker's task force on interparliamentary cooperation. This task force was ably led by the distinguished gentleman from Texas [Mr. FROST] and the distinguished ranking Member, the gentleman from New York [Mr. SOLOMON]. We were able to meet with the newly elected top governmental and political leadership in these fledgling democracies. Our experience in Albania was particularly dramatic, and underscored the great need for civic education, political party and election organization, and exposure to the kinds of institutions necessary to support participatory governments.

These are common activities for the average American, but the people in the newly emerging democracies are pioneers, struggling to forge entirely new societies based on new philosophies. Clearly, Mr. Speaker, this transition is at a precarious stage because these countries do not have a history of, or the investment in, democracy as a way of life. And this makes the future vulnerable to opposing pressures. We have a prime opportunity, and in fact a clear American responsibility to assist these countries with the establishment of democratic systems. We have the capability to do this and they usually look first to our nation as the oldest continuing democracy for their assistance and guide to democracy. The National Endowment for Democracy was established in 1983 with just these kinds of missions in mind. The rationale for its existence is even more important and more credible today as we seek a new equilibrium in the world.

Seeing the dynamics of countries undergoing such significant changes makes one appreciate the kind of work and training being pursued by the National Endowment for Democracy. NED exists to promote and provide tangible support for the elements of democracy. As a nongovernmental organization they can quickly disperse funding and respond to needs within each country. Through their grantees they have greater access and can work at the grassroots level to support the democratic movements. In Albania for example, both the National Democratic Institute and the International Republican Institute have programs for political party training and local organizing efforts to support their newly elected government. NED grants help to support these hands-on efforts. And, in preparation for the recent Albanian election in March, poll watchers were

trained. A national system to tabulate the votes was put into place. This is the type of tangible assistance that NED provides that have long term benefits.

During a briefing with the United States Ambassador to Albania, he was specifically noted the significant contribution that these NED-funded programs were making in the country. The Albanians welcomed this United States assistance. Indeed both the top Albanian leadership and our Ambassador to Albania credited the NED-financed programs as having played a crucial role in bringing democracy to Albania. It was said by the Albanian leaders to have truly played a decisive role in the parliamentary elections which brought a democratically elected and democracy-oriented parliament to life in Albania through free and fair elections. Incidentally, this Member would cite that NED funded efforts were also crucial to restoring democracy in Chile.

In Southeast Asia, NED funding was instrumental to educating and training Cambodians in the fundamentals of democratic elections and political party development. NED funds helped to send experienced American campaign organizers to Cambodia where they worked with Cambodian political parties to assist them in preparing for the U.N.-administered elections completed in May. In an impressive 5-month effort these individuals provided training programs to even the most remote areas in the country. It was largely due to the specific hands-on work that Cambodia was able to hold these critical elections. Now, the focus in Cambodia will shift to support the tasks facing the newly elected Constituent Assembly.

With these observations in mind, this Member would voice his grave concern with this body's recent decision to eliminate all funding for the National Endowment for Democracy. This action, driven though it was by the understandable desire to reduce U.S. spending on foreign aid, is misguided and misdirected. This Member would tell this body that this Member also supports reducing our foreign aid budget, and acknowledges that there is indeed far too much waste and abuse in our foreign aid program. But this Member would remind his colleagues that the National Endowment for Democracy is not a wasteful program. Quite the contrary, NED provides excellent value for our investment.

Mr. Speaker, many noted columnists in recent days have expressed similar disbelief that the House would choose to dissolve such a valuable asset for promoting global stability. The achievements of NED extend around the world and recipients of their moral and program support are quick to express their gratitude. As an example, Mr. Rosenthal of the New York Times

lists Iraqis fighting Saddam, Chinese dissidents and veterans of Polish Solidarity and the Czech freedom movement as grounds assisted by NED.

George Will in the column "Exporting Prunes, But Not Democracy," makes a valid point that Congress succumbs to funding domestic special interest programs, yet eliminates a program that will serve broader U.S. interests by helping democracy put down roots in stony social sod. Establishing priorities is not always clearcut. But in this case of funding NED projects to nurture democratic forms of government, we all win.

Mr. Speaker, the fundamental issue in this debate on the funding of the National Endowment for Democracy is the role of the United States in the formation of the new world order. As a leading democracy, we must not, indeed, we cannot adopt the isolationist attitude that was so prevalent after the First World War. We must not simply assume that the world is safe for democracy. This led us into World War II, as David Broder points out in an insightful July 4, 1993, editorial entitled "No Good Deed Unpunished." Such diffidence cannot be allowed to prevail. This body must reverse the shortsightedness of our recent vote, and continue American support for organizations that are actively working to solidify the democratic revolutions around the world.

Mr. Speaker, enclosed are relevant excerpts from the recent articles of these three columnists.

[From the Washington Post, July 4, 1993]

NO GOOD DEED UNPUNISHED

(By David S. Broder)

The members of Congress are home for the July 4 holiday, and many of them will mark the greatest of our patriotic celebrations by quoting once again the stirring words of the Declaration of Independence.

They cannot be heard too often: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness—that to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

That is the basic credo of democracy, as vital today as it was when first proclaimed 217 years ago. Unfortunately, 243 House members cast some doubt on their understanding of the enduring importance of that message when they voted last month to kill the National Endowment for Democracy, the small, government-financed agency that for the past decade has fostered grass-roots democratic movements all around the world.

NED is a tiny operation. It employs 46 people and has a payroll of less than \$2 million. The bulk of its money—\$48 million was the amount the House killed—goes to small, struggling organizations such as the Democratic Development Center in Latvia, which supports politicians, journalists and citizens sniffing the first breaths of freedom.

Rather than channel the grants through a big government bureaucracy, NED operates through specially created international arms

of four organizations that know a lot about Main Street capitalism and grass-roots democracy—the Republican and Democratic parties, the Chamber of Commerce of the United States and the AFL-CIO.

The man who led the fight against NED in the House is Rep. Paul E. Kanjorski (D-Pa.), who has been after its scalp almost from the time he arrived in 1985. Kanjorski tells me he was offended by the attitude a senior NED official took when the congressman first began inquiring into its operations. His passion on the subject is clear, but his reasoning is not always easy to follow.

In his floor speech, Kanjorski said it was "an insult to the Constitution" to "give taxpayers' money to a private organization to carry on the foreign affairs of the United States." No one in the State Department has ever charged such an act of usurpation, and three presidents have supported increasing levels of funding for NED.

Kanjorski is deeply suspicious of the participation of the Republicans, Democrats, business and labor. He spoke of "an unholy alliance" and, in a wonderful non sequitur, said, "NED puts together so many unfriendly parties in the bed together that it makes us wonder whether we in fact have not come together in a unicameral legislature."

When I asked him what exactly bothered him about the participation of groups that differ on many issues—but not on their commitment to democracy—he replied with another remarkable bit of logic. "They're all operating under the same flag," he said. "That's contrary to our system of checks and balances."

Yet Kanjorski was able to prevail on the House floor against the combined opposition of the president of the United States, the leadership of both parties and the ranking Democrats and Republicans on the House Foreign Affairs Committee. In pure political terms, it was quite a feat for an unheralded member with no claim to jurisdiction or special expertise in this area.

The 243 to 181 roll call on June 22 was a peculiar vote. Freshmen Democrats voted 40 to 23 to kill NED; more senior Democrats, 96 to 90 to save it. Despite the fact that NED was created in the Reagan years and several of the House's most prominent conservatives endorsed it strongly in the debate, Republicans voted 112 to 62 against it. As with the Democrats, the freshmen led the revolt.

One theory is that the freshmen of both parties were spooked by an ABC-TV news piece the night before the vote—a piece in which Kanjorski was the only member of Congress quoted and in which the supposedly neutral correspondent said, "Communism may be dead in much of the world, but the endorsement is still costing you \$30 million a year [last year's appropriation] to support foreign labor unions, small businesses and political activists."

Another, less kindly theory, which might be pondered by proponents of term limits, is that many of the freshmen may lack historical appreciation of the effort it has taken to cultivate democratic movements such as Poland's Solidarity—an early recipient of NED help—and its counterparts around the world.

Backers of NED point out that the Cold War may be over, but the triumph of democracy in larger parts of Asia, Africa and Eastern Europe is far from ensured. All sorts of hostile elements are ready to strangle democracy in the crib. When Americans turned inward after World War I, thinking the world had been "made safe for democracy," what we got was World War II.

NED programs—from legal assistance to political prisoners in China to the teaching

of mediation techniques in South Africa to technical aid and training for privatizers in Bulgaria and union organizers in Albania—do not deserve to be sacrificed to Mr. Kanjorski's conspiracy theories.

The Senate next month has a chance to undo the damage and keep the United States on the side of building democracy in the world.

CAN IT BE HAPPENING?

(By A.M. Rosenthal)

Iraqis fighting Saddam Hussein say one American organization in particular helps keep alive their hopes that democracy has a chance in their country. China's dissidents, at home or in exile, know and bless its name—the National Endowment for Democracy.

So do veterans of Polish Solidarity and the Czech freedom movement. They are emotional in their thanks for past aid and passionate in their hope that other freedom fighters facing their own make-or-break years will get the help they did.

What they got was a little money and a lot of political comradeship. The money went for things like presses, books and pamphlets to spread about in lands parched for information and free thought, new political groups for labor and women, observers to watch out for election fraud—basic sustenance. The comradeship came in visits to America, to talk with working people and intellectuals like them, and in the knowledge that they would be remembered not just at time of crisis, but all the time.

From its beginning in 1983 the N.E.D. had the support of the President in office—Reagan, Bush, Clinton. Both major political parties are strong for it, as are the A.F.L.-C.I.O. and the U.S. Chamber of Commerce.

The Clinton Administration even asked for an increase in its budget—from about \$30 million to \$50 million. The Administration, and the leaders of both parties, figured that in tight times the N.E.D. was one of the best political and ethical margins in the budget.

So in response to the achievements of the organization, the sweeping political bipartisanship, the backing of labor and business, the gratitude and hope of freedom fighters past and present, the House of Representatives voted to wipe out the whole thing.

When I heard that I thought there must be some mistake—not the N.E.D., for Heaven's sake. But there it is in the Congressional Record for June 22—all N.E.D. money eliminated by a vote of 243 to 181 on a motion by Representative Paul E. Kanjorski, Democrat of Pennsylvania.

Mr. Kanjorski got right to the heart of it. What else could it mean but conspiracy, an "unholy alliance," when so many important groups, Democratic and Republican, labor and management, support the same organization?

The statesman-sleuth figured it out. Instead of having to go through the Federal bureaucracy, the N.E.D. is allowed by law to distribute its money through allied American foundations and directly to foreign democrats—openly, audited by the U.S. Government all along the line. Ah, cries Mr. Kanjorski, the political, business and labor big shots love the N.E.D. because they help decide how the money is spent.

Anyway, he wants to know, who needs it with the Berlin wall fallen? Mr. Kanjorski wanted to kill the N.E.D. before the wall even cracked but I can't find that in his speech.

The story has meaning, and danger, beyond even the fate of the N.E.D. Mr. Kanjorski

won with the help of first-term members—the majority of freshmen Democrats and Republicans.

In the Senate the N.E.D. will have a chance to get its budget restored. If that fails, the loss will be to America and to millions of people who still believe we care for their freedom at least enough to maintain one of the smallest publicly funded organizations in Washington.

Letters are coming in from the endangered species of democrats—from Burmese suffering under a military junta, from Kurds, from the Caribbean and Africa, from an Iraqi writer, from Serbian democrats, from the former President of Lithuania, from Chinese in exile. All say what the N.E.D. means to people like them, and plead it be saved.

This is my own letter, to my Senators, Please write or phone yours now. Otherwise, we are Kanjorskis.

[From the Washington Post, July 11, 1993]

EXPORTING PRUNES, BUT NOT DEMOCRACY

(By George F. Will)

These are salad days for those conservatives whose philosophy is confirmed by, and whose agenda is advanced by, bad behavior of government.

Recently, for example, the House of Representatives, home of the most entrenched portion of the political class, voted to continue spending taxpayers' dollars to subsidize, for large corporations and wealthy trade associations, the overseas marketing of fruit juice and candy bars, whiskey and prunes, and many other profitable commodities. And the House did this after voting to terminate a less expensive program that helps export democracy.

The Agriculture Department's Market promotion program, begun in 1985, will, like the honey subsidy and the wool subsidy and much else, live forever. But the political class is currently insisting that the budget "crisis" requires the taxpayers to turn over more money to the political class. So that class is grudgingly making cosmetic cuts in some particularly egregious programs.

So the House did trim the MPR from \$147 million to \$127 million. That is government "austerity": a 13.8 percent cut in a program that is 100-percent indefensible. The MPP's survival says much about the ersatz "crisis" currently being used to justify tax increases.

The MPP funds both generic and brand-name advertising abroad for American agricultural products. This is yet another example of the government's solicitousness on behalf of the strong. Of the 200 U.S. corporations with the largest advertising budgets 13 last year got a total of \$9 million from the MPP, an average of \$700,000 each. But the advertising budgets of those corporations range from \$45 million to \$538 million, so the taxpayers contributions can hardly be said to represent the difference between competitive success and failure.

Defenders of those welfare payments to corporations say: Other nations do it for their companies. (Translation: We have a duty to be as foolish as foreigners are.) And defenders rely on the post hoc, ergo propter hoc fallacy (the rooster crows and the sun rises, therefore the crowing causes the sunrise). That is, defenders argue—actually, they just assert—that any increase in the exports of any commodity that is the subject of subsidized advertising must be caused by that advertising. Never mind the effects of many other variables, such as the export-assisting fall in the value of the dollar since 1985.

Defenders of the MPP declare that if "creates" 38,000 American jobs. Amazing, is it

not, the precision of the political class? It knows—simply knows—that without subsidized advertising (such as the \$394,000 recently given to the National Association of Animal Breeders to market bull semen), demand for American products would sag and drag down 38,000—not 27,000 not 43,000—jobs.

But let us assume that the \$450,000 given to the Campbell Soup Co. to entice Japanese, Koreans, Argentinians and Taiwanese to drink V-8 juice "worked." And that the \$6.2 million given to the Blue Diamond company stimulated foreign desires for American almonds. When making such assumptions, defenders of the subsidies face the unanswerable challenge that always confounds "industrial policy" and other forms of socialism: When defenders argue that the subsidy dollars are profitably invested, they must also argue that for some reason private investors would not make these remunerative investments. So, government is wiser than the private market? Please.

On June 29 the House voted to pour this \$127 million (with hundreds of millions more to come as the years roll by) into the private coffers of people who, thus subsidized, will have more resources freed up to use as campaign contributions. But seven days earlier the House had a moment of parsimony. It did not just make a 13.6 percent nick in the National Endowment for Democracy, it voted to kill it. If the NED helped the export of prunes instead of democracy, it, too, could be immortal.

The NED helps democracy by means of small but life-giving grants for trade unions, student groups, publications, legal assistance for the persecuted, and other measures. It has a record of success in helping democracy put down roots in stony social sod. By voting to stop this cost-effective work, the House voted to save \$50 million, less than half what it is eager to spend on handouts to corporations.

Those two votes illustrate what most congressmen most care about. What is the salient difference between the MPP and the NED? The former can, and the latter cannot, serve the dominant desire of most House members. That desire is to protect their incumbency by enlarging the ranks of grateful recipients of government money.

The political class, confronted with a rising tide of public contempt, comforts itself with condescension. The public says the political class, just does not understand what we do. Actually, that class is fortunate that the public is too busy to read the Congressional Record. As understanding of contemporary government increases, so does disdain for it.

U.S. DUAL RECOGNITION POLICY REGARDING CHINA AND TAIWAN

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

Mr. DEUTSCH. Madam Speaker, today we commemorate the day in which the first nation in the free world announced that it would maintain diplomatic relations with both the Beijing Government of China as well as the Taipei Government of Taiwan in what was coined a dual recognition. Reviewing the history of this momentous occasion we note the period of civil war which took place on mainland China between 1945 and 1948 ending with the

Communist regime's expansion onto Taiwan. Despite this, Taiwan has been a politically and economically independent entity ever since 1949.

Presently, Taiwan's KMT Government and China's Communist Government force nations around the world to choose between maintaining mutually exclusive diplomatic relations with either Taipei or Beijing. In spite of this forced choice, Taiwan has flourished as a nation over the last 40 years. As a substantial force in the international community Taiwan is home to the world's largest foreign currency reserve. Taiwan is the United States' 5th largest trading partner as well as the world's 13th largest trading partner.

Taiwan has recently made strides toward democratization. These reforms include the lifting of martial law and the release of political prisoners. These changing tides affirm Taiwan's commitment to a freer society. Despite this, Taiwan has not been the beneficiary of representation in either the United Nations or any other international organizations. This gross lack of international recognition has left 20 million Taiwan voices unheard in world affairs.

Today, 3 years after the first nation announced its position supporting dual recognition, I rise to urge consideration of a United States dual recognition policy as a way to foster and encourage peaceful coexistence between Taiwan and China. Such dual recognition is a model for those nations which seek to align both governments in a mutual co-existing relationship. Moreover, dual recognition is a concept which applies to those in Taiwan which aspire to join the United Nations as well as all other international organizations. On this commemorative occasion we note the people of Taiwan and their movement towards self-determination.

□ 1930

ORDER OF BUSINESS

Ms. DELAURO. Madam Speaker, I ask unanimous consent to switch my time with the gentleman from Florida [Mr. BILIRAKIS].

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

There was no objection.

GENERAL LEAVE

Mr. BILIRAKIS. Madam Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of my special order.

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

There was no objection.

CYPRUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. BILIRAKIS] is recognized for 60 minutes.

Mr. BILIRAKIS. Madam Speaker, today is the 19th year of the occupation and division of the Island of Cyprus. July 20, today's date, is a date of both sadness and embitterment for the Cypriot people. Yet, it also marks their valor and courage during and after the invasion, as well as their role for the Allied forces during World War II.

Madam Speaker, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Madam Speaker, I thank the gentleman for yielding to me. I commend my colleague, the gentleman from Florida [Mr. BILIRAKIS], a long time advocate of Cyprus for arranging this Special Order this evening on the commemoration of the tragic and unwarranted Turkish invasion of Cyprus in 1974 and their continued military occupation. That unconscionable event continues to take a sad human toll to this very day with Cypriot families having been expelled from their ancestral homes and divided from their friends and loved ones.

Following that invasion, thousands of Greek-Cypriot citizens were taken from their homes and interrogated by the invading forces. Of that group, to this day approximately one-third, some 1,619 individuals, have not been seen or heard from. Five American citizens are included among those missing. But nationality is not at issue here—this is a significant human rights issue—one concerning basic human dignity, and the internationally recognized right of everyone to know the whereabouts of their loved ones.

A United Nations commission, which includes representatives from both the Greek and Turkish communities on Cyprus, has been continually meeting since 1981, yet not a single case of the missing has been resolved. In the interest of basic decency I urge any party or the occupying forces with knowledge of the whereabouts or the destinies of those missing to come forward. Even if the news may be bad, it would at least afford the relatives of the missing an answer to the tearing questions of where is their husband, their father, their missing family members?

Representatives of the missing Cypriots are holding a candlelight vigil tomorrow night at Lafayette Park, here in Washington, across the street from the White House. I hope my colleagues will be present, at least in spirit, with these dedicated people who seek only an answer to these frustrating questions. I invite my colleagues to support their quest and salute their persistence and courage.

The ongoing Cyprus negotiations under the auspices of the United Nations between the two communities on Cyprus have dragged on far too long. Let us all hope and pray that this issue can be resolved without further delay so that all the people of Cyprus can be reunited and be able to get on with their lives in a spirit of peace and harmony.

Mr. BILIRAKIS. Madam Speaker, I certainly thank the gentleman for his contribution to this special order. It is part of a contribution over many, many years for the cause of Cyprus, for the cause of Greece, and for the cause of human rights.

I think it is even more important than anything else. I very much appreciate the gentleman who is the ranking member of the Committee on Foreign Affairs for his participation. Thank you very much, BEN.

Madam Speaker, I rise, as I said earlier, to extol the steadfast national spirit of the Cypriots, a national spirit that sadly has been strained for more than half of the 30 years since Cyprus has known independence. So on this day, I stand with my colleagues in calling for peace and resolution of this crisis.

I yield to the gentlewoman from New York [Mrs. MALONEY], a Member who has very much been involved in this issue and the cause of the Greeks and Cyprus.

Mrs. MALONEY. Madam Speaker, I thank the gentleman for yielding to me, and I commend my colleague for organizing this special order.

Madam Speaker, I rise to join my colleagues in calling for immediate, decisive action to end human rights violations in Cyprus.

In 1974, Turkey invaded Cyprus and has unjustly occupied it for the past 19 years. Tonight marks the 19th anniversary of that illegal invasion.

Turkish occupation brought the disappearance of 1,619 people, including five Americans, all of whom were subjected to enforced disappearance—or worse.

There is hard evidence that some of those people are still alive, and are being held in brutal Turkish prisons.

Several months ago the Greek newspaper, *Ethnos*, reported that a truck driver coming from Turkey to Greece was told to relay a message from a Greek Cypriot in a Turkish prison to his family in Cyprus.

He wanted them to know that he was still alive, but in a wheelchair. He asked "why have you forgotten me?"

Since 1974, the Turkish Government has continued a policy of what the New York Times called "Ethnic Cleansing, Cypriot Style."

In Turkey and in Cyprus, the Turkish Government has persecuted Kurds and Greeks in an effort to drive them out, or wipe them off the face of the Earth.

But last year, the United States sent \$450 million in aid to a Turkish mili-

tary that is conducting ethnic cleansing, as well as \$68 million in economic aid.

In Bosnia, we denounce ethnic cleansing.

In Cyprus, we underwrite it.

Mr. Speaker, the hypocrisy of our policy speaks for itself.

We must withhold all aid to the Turkish Government until it accounts for the 1,619 people who have been missing since 1974.

That total includes Andrew Kassapis, an American citizen last seen being dragged off by Turkish Cypriot soldiers with a U.S. passport in hand.

I met today with his father who is still fighting to learn the fate of his son.

Andreas Anastasiou, from my own district in Astoria, NY, does not know what happened to his brother George, who disappeared in 1974. The last his family heard of him was a message received from him 6 months after his capture.

For all we know, Andrew and Andreas are still Turkish hostages.

So until we know their fate and that of many others, we should hold hostage military and economic aid to Turkey.

Mr. Speaker, fair is fair, and the Turkish Government is not playing fair.

It's time for us to put our foot down.

□ 1940

Mr. BILIRAKIS. Madam Speaker, I thank the gentlewoman for her wonderful leadership on this issue, and in all of the causes of Greece.

I yield to the gentleman from Pennsylvania [Mr. GEKAS], my fellow Helene.

Mr. GEKAS. Madam Speaker, I thank the gentleman for yielding to me. I, too, add to the commendation that my colleagues have accorded the gentleman for presenting this special order.

Madam Speaker, it is clear from the statements already made and from the sentiments that have been expressed over the years now that this issue must be resolved. Cyprus has suffered too long. While the world contemplates the wounds that are being inflicted on its body politic in Bosnia and Somalia and other freshly engendered wounds, we cannot forget that the wound that was thrust into the side of the Cypriots 19 years ago is still hurting, is still bleeding, is still crying out for cure and for help.

In this juncture it is important for us to reiterate to the American public that what the United States was able to do in amassing a tremendous coalition force to deal with the Kuwait-Iraqi situation, pursuant to a new world order that President Bush saw so vividly on the horizon, and which prompted him to see the United Nations resolutions that made possible the backbone of a concerted action to

oust Saddam Hussein from Kuwait, we all marveled at that. I must confess to the gentleman from Florida that that gave me special inspiration and hope to be able to say to many people in our country who espouse the Cypriot cause that "Now we see the framework for a possible solution to the Cypriot question."

If indeed the world was able to join together and to form this coalition to obey and enforce a United Nations resolution for the ousting of Saddam Hussein from Kuwait, isn't it now time to enforce one of the hundreds of resolutions that have been offered and passed by the United Nations, one resolution to ameliorate the Cypriot situation?

Can we not amass the will that we did for the Kuwaiti situation and transpose it to Cyprus, that is the key question. We are hopeful that the ongoing U.N. forum is going to present an eventual solution, but every day that goes by exacerbates that wound, enlarges that wound, and that wound can lead to death of a republic itself if we do not act as the body politic that the world owes to that stricken island.

I rise in sympathy with the cause and in renewed pledge that this will not pass without our commentary, without our action, without our cajoling the United Nations, insisting on resolution of the issue, on justice for Cyprus.

As the gentlewoman who preceded me so forcefully said, it is time to end the fiasco of supplying arms to a NATO ally who turns them inwardly and uses those arms to perpetuate this fiasco of a subjugation.

We stand with you, I say to the gentleman from Florida, in pursuit of justice for Cyprus.

Mr. BILIRAKIS. Madam Speaker, I thank the gentleman. His words are very wise and certainly to the point. I

Madam Speaker, I yield to a cosponsor of this special order, a person to whom we look often for leadership on these particular issues, and a person who is very much concerned, not only for Greek and Cypriot causes, but also particularly human rights, the ranking Republican on the Human Rights Task Force, the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Madam Speaker, I come to the floor today, on July 20, as I have many times before, to commemorate the anniversary of the tragic separation of Cyprus by Turkish troops. I thank my good friend, the gentleman from Florida, for calling this special order and inviting the many Members of the House who support a unified Cyprus to speak or submit their remarks in writing about this issue on the floor.

I would also like to recognize three members of the Committee of Parents and Relatives of Missing Persons—Rev. Ekonomos Christophoros, the chairman; Nicos Sergides, and Andreas Vlamis.

This year is, as has already been mentioned, the 19th anniversary of the separation of Cyprus, a beautiful island in the Mediterranean Sea. On July 20, 1974, 6,000 Turkish troops and 40 tanks landed on the north coast of Cyprus and heavy fighting is reported to have taken place between them and the Cypriot National Guard. Turkish reinforcements arrived and the Turks pressed on to the capital city of Nicosia, where heavy street fighting took place with Cypriot National Guardsmen and Cypriot irregulars. Throughout the battles, the Turkish Air Force supported the land forces, bombing and strafing Greek-Cypriot positions and attacking the Nicosia airport. By the time a cease-fire had been arranged on August 16, Turkish forces had taken about one-third of the territory of the island.

Throughout the battles and subsequent occupation, tales of atrocities, abductions, rapes, and executions were heard. It was only as some of those abducted or taken prisoner of war began to filter back to their homes after the cease-fire that it became apparent that hundreds were missing.

In May 1992, the Congressional Human Rights Caucus held a hearing on this issue. We heard heart wrenching testimony of violations and subsequent coverups by the Turks and Madam Speaker, the coverup continues to this day.

Today, 19 years later, 1,619 have yet to return. Twenty-six of these were below the age of 16 when they were taken; 112 are women, and 5 are Americans. Andreas Kassapis, a United States citizen, was 17 years old when he was taken from his home by Turkish soldiers on August 20, 1974. In a desperate attempt to protect his son from the Turks, Kostas Kassapis—who is present today—gave Andreas his U.S. passport to take with him as he was taken away. But the Turks did not respect his United States citizenship and Mr. Kassapis still awaits word of his son's fate.

There are no doubts that the Turkish Army abducted the five Americans missing, including Andreas, or that the Turkish Government is responsible for accounting for them. Today 35,000 Turkish troops occupy the island of Cyprus and maintain the code of silence about their fates.

Unfortunately, Turkey and the Turkish-Cypriots have stonewalled at every turn on the issue of the missing. In 1980 and 1982, the United Nations acted to create a Commission on the Missing in Cyprus. The Commission relies on the Turks and Greeks and Turkish-Cypriots and Greek Cypriots to provide information about missing individuals. To date, the Turks have provided the Commission with no useful information about the people they abducted and not a single case has been resolved.

This conduct, Madam Speaker, is outrageous and unacceptable. As Co-

chairman of the Congressional Human Rights Caucus, I view the return of these detainees or their remains as a purely humanitarian issue. Any government that would keep thousands of the families in agony wondering about the fate of individuals missing for nearly 20 years, and which may be planning to use the missing as a bargaining chip, clearly does not share the values on which our Nation is founded. Nevertheless, this year the United States is going to provide Turkey with \$450 million in military loans and \$125 million in grant economic assistance. This is over half a billion dollars for a nation that does not have the compassion and decency to restore the peace of mind for these tormented families. I believe that United States assistance to Turkey should be directly linked to progress on the missing and reunification of Cyprus and other human rights concerns.

To highlight these issues and focus attention on the missing in Cyprus, my colleague ELIOT ENGEL of New York and I have formed the U.S. Committee on the Missing in Cyprus. We are joined on the Commission by our able colleagues CAROLYN MALONEY of New York and MARTIN HOKE of Ohio; Ed Derwinski, former Member of the House from Illinois and Secretary of Veterans Affairs; Ed Feighan, former Member of the House from Ohio, and strong supporter of Cypriot unity; and Maynard Wishner, chairman of the Jewish Community Relations Council and an American who has always put human rights for all people high on his personal agenda. Other members will include members of key House and Senate committees and subcommittees, former members, and members of the Celebrities for Cyprus group.

Recently, Mr. Denktash, the Turkish-Cypriot leader, again undermined the negotiating process in New York through his intransigence. The Turks invaded the island, they are the only nation that recognizes the so-called government in the north, they provide economic assistance to the north, have sent tens of thousands of settlers to the north, and they have an occupying force of 35,000 troops stationed on the island. Nevertheless, they have found it beyond their capabilities to exert any pressure on Mr. Denktash to end the division of the island. This, too, is outrageous and unacceptable. The United States should stop being played for a fool by the Turks and demand that these matters be sincerely and honestly addressed and resolved.

This year, the Appropriations Committee adopted report language that I offered on the Foreign Operations bill that expressed support for a fair, lasting and democratic solution to the separation of Cyprus and indicated that it would carefully monitor the progress of the Cyprus issue. If it becomes evident that there is obstruction by one side

that imperils a successful outcome, security assistance in that part of the world must be brought into question next fiscal year. I intend to carefully

Representative ENGEL and I are working on legislation that would call on the President, in cooperation with an appropriate international agency such as the Red Cross or the United Nations, to undertake an investigation of U.S. foreign-aid recipient to determine the whereabouts of the five missing Americans and seek to have them, or their remains, returned to their families.

Madam Speaker, the division of Cyprus simply has gone on too long. My wife, Kathryn, and I first traveled to Cyprus in 1981 and have returned a number of times. It is an incredibly beautiful island with wonderful, warm people and a rich history that is evidenced by a wealth of important archaeological sites and a exquisite legacy of art and architecture. Unfortunately, as you walk down the winding streets of Nicosia or drive through the Cypriot countryside, you are constantly reminded of the 35,000 Turkish troops that loom just beyond the horizon, beyond the U.N. peacekeeping troops, beyond the Green Line that slices Cyprus in two.

I urge the representatives of the two communities on Cyprus to come together for the sake of their people and the future of their country and reach a compromise. A generation has grown up on Cyprus not knowing peace and unity. I am concerned that the bond of shared experience between the two communities forged as a consequence of their living together for centuries will dissolve if they are not reunified soon.

I thank my good friend, Mr. BILIRAKIS, for calling this special order to draw attention to the ongoing situation on Cyprus and focusing attention on the missing. His commitment to Cyprus has been unwavering and his leadership has been instrumental in raising awareness of the Cyprus issue here in Congress. I also want to remind Members of a candlelight vigil that will be held in Lafayette Park across from the White House tomorrow, Wednesday, night starting at 8:30 p.m. I hope that Members will be able to attend.

□ 1950

Mr. BILIRAKIS. I thank the gentleman for his beautiful remarks and leadership on this issue and so many other important issues.

Madam Speaker, I yield to the gentlewoman from New York, Mrs. LOWEY.

Mrs. LOWEY. Madam Speaker, I thank the gentleman for yielding and want to thank my colleague from Florida for his leadership on this issue.

Madam Speaker, It is difficult to believe that 19 years have passed since the Turkish invasion of Cyprus. Nineteen years and the occupation continues. Nineteen years since, in the words

of the New York Times, "Turkey's armed intervention and a brutal population exchange displaced 160,000 Greek Cypriots and 45,000 Turkish Cypriots." Nineteen years and the world seems neither to remember nor to care.

That is why I am pleased that we have this opportunity today. Today, we recall what happened in Cyprus 19 years ago and we pledge both to fight to end the occupation and to discover after 19 long years, what became of 1,614 missing Greek Cypriots, and five Americans.

In the 19 years since the Turkish invasion, we have seen dramatic changes in the world. In the last decade alone, we witnessed the collapse of Communism. We watched as the Berlin Wall fell. And we now wait anxiously as the Arabs and Israelis sit down together at the negotiating table. We have seen miracles happen. We have seen peace and hope develop across the globe—but not in Cyprus.

On July 20, 1974, 19 years ago today, Turkey invaded the island of Cyprus. Tens of thousands of Cypriots were uprooted from their homes, their property lost and their dreams decimated. More than 160,000 Greeks became refugees living in an exile which continues 19 years later. The losses to the community in property and assets was in the billions. The damage done to ancient relics and historical sites—some dating back to 500 B.C.—is immeasurable and can never be fully restored.

The systematic destruction of Cypriot culture is evident to us in the Turkish attempt to strip the region of its Greek heritage. As a September 5, 1992 editorial in the New York Times stated: "Ethnic cleansing * * * occurred in Cyprus long before Bosnia."

The invasion also leaves us with questions about 1,619 individuals who disappeared without a trace—five of them U.S. citizens. What happened to these people? Although they were known to be under control of the Turks after the invasion, we have been told nothing of their whereabouts. One such tragic case is that of a 17-year-old boy on vacation. He was taken before his father's eyes, U.S. passport in hand, He has not been heard from, and many have given up hope.

To this day, Turkish troops occupy 37 percent of that nation's land—land which holds approximately 70 percent of the island's economic potential. More than 30,000 Turkish troops are still in Cyprus guarding these holdings. The country remains divided—quite literally—by a barbed wire fence, the Green Line. This line divides thousands of people from their homes and dreams they once knew. This line separates a people from the history and culture they once possessed. This line is destroying a nation. The occupation of Cyprus must end.

Mr. BILIRAKIS. I thank the gentlewoman for her fine remarks.

Madam Speaker, I yield to the gentlewoman from California, Ms. PELOSI.

Ms. PELOSI. Madam Speaker, I too commend the gentleman from Florida for calling this special order. In the interests of time, I will submit my statement for the RECORD.

I do want to just say though that it is appropriate today for us to reiterate our commitment to a resolution of the Cypriot situation and to commend Greek-Cypriots for their dedication to a peaceful settlement of the island's armed conflict.

Madam Speaker, I join with my colleagues in calling for a long-awaited, just reunification of the island of Cyprus.

Madam Speaker, I rise today to mark the 19th anniversary of the occupation and division of the Republic of Cyprus. I thank my colleagues, Mr. BILIRAKIS, Ms. MALONEY, and Mr. PORTER for calling this special order.

This is not a happy occasion, Madam Speaker, but it is one which serves to remind us of the continuing strife that the people of Cyprus have faced day-in and day-out for nearly two decades.

In 1974, Turkey invaded the republic of Cyprus, using United States military equipment to kill 4,000 Greek Cypriots and capture over 1,600 Greek Cypriots and 5 United States citizens, who are all still missing. The Turkish invasion also resulted in the tragic displacement of 160,000 Greek Cypriots and 45,000 Turkish Cypriots. Since that time, Turkey has illegally maintained and financed troops on the island while U.N. guards have patrolled the nebulous border of the unrecognized Turkish-Cypriot regime.

Turkey's occupation of Cyprus violates 54 United Nations resolutions and over 25 congressional expressions of opposition. A September 1992 New York Times editorial characterizes Cyprus as " * * * a cruelly divided economic slum." Madam Speaker, 19 years is far too long for any peoples to wait for political stability and justice. The Turks repeatedly refuse to negotiate a settlement, even when the settlement offers the 18 percent Turkish-Cypriot minority community more than double its share of political representation and land.

It is appropriate today for us to reiterate our commitment to a resolution of the Cypriot situation and to commend Greek-Cypriots for their dedication to a peaceful settlement of the island's armed conflict. Madam Speaker, I join my colleagues in their call for a long-awaited, just reunification of the island of Cyprus.

Mr. BILIRAKIS. I thank the gentlewoman. I would say to her that we really have it within our power, it is in our hands to do what we know needs to be done, and we are not doing it. There is an awful lot of rhetoric, is there not, but we do not really see the action that is so very necessary.

But with the fine leadership of the gentlewoman from California and the fine leadership of others, we are going to get this accomplished. Thank you, Nancy.

Madam Speaker, as has been said by so many others, in the summer of 1974, Turkish forces occupied what is the

northern part of Cyprus. As a result of this illegal military invasion, 1,619 people have never been seen again. Mr. Speaker I would stress that in that number of 1,619, 5 are U.S. citizens.

Last year, I had the opportunity to chair a congressional human rights caucus hearing which dealt with the missing individuals in Cyprus as a result to the 1974 illegal Turkish military invasion. What I heard was heart wrenching. We had the opportunity to have a small informal briefing with Costas Kassapis. Costas Kassapis is an American citizen from the State of Michigan. He and his family, who are American citizens as well were in Cyprus at the time of the occupation. His son Andrew, who was only 17 years old, is among the missing. Andrew Kassapis was dragged off by Turkish soldiers with American passport in hand. Andrew has not been seen or heard from since.

Costas Kassapis made a heart-warming plea to us in that briefing. He made sure to tell us that he hates no one. All he wants, Mr. Speaker, is his boy Andrew. Costas Kassapis' words are these:

If he is alive, I want him back. If he is not, I need a concrete answer as to what has happened. I need help finding out. My family and I have suffered very much these past 18 years wondering where Andrew is. Our thoughts and prayers are with him every single day wondering if he is hungry or fed. If he is rotting in a Turkish prison.

Mr. Speaker, why is it that five American citizens are still missing as a result of the illegal Turkish invasion of Cyprus in 1974? Turkey is considered by the United States and this administration as an ally, and yet they have not told us what has happened to these people. Has our government truly, strongly inquired? I am disappointed to say, I think not.

For years we've not know what really happened to these people. All we have is the word of Mr. Denktash (Dank-Tash), the leader of the Turkish-Cypriots, that these people are dead. Mr. Speaker, that is not enough. We must find out what has happened to the five Americans in 1974 and the rest of the missing Greek-Cypriots. If we are ever to find peace in that part of the world we must have concrete evidence on what has happened.

In 1974 Turkish television and newsreels produced photographs of prisoners of war that were taken during the occupation. They show Greek Cypriot soldiers on their knees with their hands above their heads. These prisoners of war that have been identified in these photographs and newsreels are still listed as missing. If these defenseless soldiers are dead, as Mr. Denktash told us, then we have a direct and flagrant disregard for the Geneva Convention.

Recently, there have been talks held under the auspices of the United Nations—as proposed by the U.N. Secretary-General. However, these talks

are now at a complete standstill due to the unwillingness of Mr. Denktash to negotiate with the Greek-Cypriots.

It is surely in Turkey's best interest to resolve this problem expeditiously. In fact, Turkey's intransigence is one more stumbling block keeping her from becoming an accepted part of the European Community. While Turkey has other problems to solve in this regard, the European Community has made it clear that membership is contingent upon resolution of the Cyprus problem.

Mr. Speaker, 200,000 men, women and children were forcibly expelled from occupied Cyprus. They are now refugees—a people without a home. These refugees have been living through a 19-year darkness.

Turkey continues its illegal occupation of northern Cyprus—one recognized by no other government on earth. Turkey continues to station more than 30,000 troops there and to maintain some 65,000 settlers on Cyprus. Frequent incidents and disputes scar the populace.

Cyprus is the only, let me repeat the only, country in Europe with 37 percent of its land under the occupation of an invading force. Furthermore, Turkey continues to change the demography of Cyprus by transplanting Turkish settlers there. In the near future, the settlers and the occupying troops will outnumber the indigenous Turkish-Cypriot population—and with each passing day the tension on the island grows.

Greece and Turkey both can be valued and valuable U.S. allies and trading partners in a region of growing significance. Is resolution of the Cyprus problem too much to ask to bring an end to long, bitter and sometimes hostile conflict, and to secure peace and stability in the region? I say no, Mr. Speaker.

Cyprus has seen a rape of its culture; a pillaging of its antiquities. Churches have been plundered and ransacked. Beautiful frescos have been stripped off the walls of these religious institutions—including the famous church of Antiphonitis. Other churches have been converted into mosques, a still more have been turned into cinemas and recreational centers. What Cypriots have witnessed is the intentional destruction and pillaging of their cultural heritage.

Many archeological sites have been plundered and irreplaceable artifacts have been either destroyed or sold off. Foreign markets have been flooded with important artifacts since the invasion. Historical sites, some dating back to 500 B.C., were damaged during the invasion and hostilities that followed. While important historical buildings often are the unintended casualties of war, I understand that some sites were bombed needlessly. Still other sites were vandalized by Turkish forces.

Mr. Speaker, we must end the occupation of this island-nation before all traces of Cypriot culture and history are trampled underfoot.

We in the Congress have a responsibility to use our influence to see Cyprus made whole again, to rescue the thousands of Greek-Cypriots who have become refugees in the land of their birth. Like those faithful Cypriots in my district and elsewhere, we must do our utmost in this cause.

Mr. ENGEL. Madam Speaker, today we remember a very sad anniversary. Nineteen years ago Turkish troops invaded the northern part of Cyprus. In the aftermath of this invasion the population of Cyprus was widely dispersed. Over 2,000 individuals were arrested or disappeared. Among them were five U.S. citizens. We still have no knowledge of their whereabouts. Nobody has ever heard again of Andrew Kassapis, Christos Libertos, Kyriacos Leontiou, Socrates Kapsouris, and Jack Sofocleus.

I am cochair of the newly formed Committee on the Missing Americans in Cyprus. Today we heard the passionate and moving report of Costas Kassapis—for the past two decades he has been searching for his son Andrew. In 1974 Andrew Kassapis was 17 years old and was holding a U.S. passport in his hands when he was captured by Turkish troops. Since then, his father as well as the families of the many other missing have tried relentlessly to find traces of their beloved ones.

Turkey—our NATO ally, a major recipient of American foreign aid—more than half a billion—and an aspirant for European Community membership—has so far declined to answer the important questions posed by these families, the United States, and the international community.

After 20 years it is time to bring light to this most tragic and inhuman aspect of the Turkish occupation of Cyprus. To this end I will soon be introducing legislation that calls upon the President to investigate the issue of the missing people in Cyprus.

The long suffering of the families of the missing cannot be ignored. Their questions cannot remain unanswered. They long for the truth, and they deserve a full and honest account of what happened to their beloved ones.

I will work with Congress, with the Committee on Missing Americans in Cyprus, and the administration to urge all parties concerned to provide the basic facts on the fate of the missing people, and to finally bring peace to the hearts of their suffering families.

Thank you, Madam Speaker.

Ms. SNOWE. Madam Speaker, I would like to commend my colleagues, Mr. BILIRAKIS, Mrs. MALONEY, and Mr. PORTER, for calling this special order to mark the 19 years of illegal Turkish occupation of northern Cyprus.

On this date in 1974, Turkish forces invaded Cyprus on the preposterous pretext that it needed to protect Turkish Cypriots from alleged Greek Cypriot aggression. This brutal invasion by Turkey drove more than 200,000 Cypriots from their homes and reduced them to the status of refugees in their own land. More than 2,000 people are still missing.

The Turkish Army seized 40 percent of the land mass of Cyprus, representing 70 percent

of the economic wealth of the country. Today there are almost 30,000 Turkish troops enforcing the illegal division of the island. Barbed wire stretches across the country like an ugly snare, and armed check points dot the Green Line.

Keeping the Turks at bay is a U.N. peacekeeping force of just 1,500 soldiers. But dark clouds are beginning to gather over this U.N. force. The participating countries are starting to question whether their troops are still making a worthwhile contribution. Canada will withdraw its 575 troops by September, and Finland will withdraw its contingent by the end of the year. In a time when the United Nations is taking on greater peacekeeping responsibilities, it cannot allow the gradual erosion of the existing peacekeeping force on Cyprus.

Despite the diplomatic efforts of the United Nations, actively supported by the United States, a political solution to the tragedy on Cyprus still eludes us. The Turkish side continued to undermine the U.N. effort to achieve progress toward a settlement.

Last year's negotiations broke down because of the continued intransigence of Turkish Cypriot leader Denktash. U.N. Security Council Resolution 789 laid responsibility for the failure squarely at Mr. Denktash's feet.

Earlier this month, U.N. Secretary General Boutros Boutros Ghali again severely criticized Mr. Denktash in a report to the Security Council. Mr. Denktash had failed to honor an agreement to return to New York and continue negotiations with Cyprus President Clerides on a package of confidence-building measures proposed by the Secretary General.

The message that emerges from the Secretary General's report is clear to all—Turkish intransigence is the single biggest obstacle to a negotiated settlement of the illegal division of Cyprus. Their obstructionism prolongs the agony of Cyprus. Only strong and sustained diplomatic pressure on the Turks will force them to negotiate in good faith.

Much of the world's attention is focused on the human tragedies unfolding in places like the Balkans and Somalia. These places deserve our compassion and aid, but the ongoing suffering of Cyprus should not be forgotten either.

It is therefore incumbent on us, as Members of Congress, to use occasions such as this to speak out on the outrageous violations of human rights and international law that are still being inflicted by Turkey on the people of Cyprus. We must remain vigilant and determined in our struggle to restore freedom and justice throughout Cyprus. Until then, we shall need the active help of freedom-loving people everywhere and we must continue to speak out against this terrible oppression.

Mr. BONIOR. Madam Speaker, I'd like to thank my distinguished colleagues Representatives MICHAEL BILIRAKIS, CAROLYN B. MALONEY, and JOHN PORTER for holding this special order to mark the 19th anniversary of the Turkish invasion of Cyprus.

A few years ago, my friend Colman McCarthy wrote, that of the planet's wars, Cyprus "is potentially among the most easily solved diplomatically." Thus it is with considerable frustration that I join my colleagues today while 35,000 Turkish troops remain on Cyprus.

On July 20, 1974, Turkish troops invaded Cyprus. They now occupy a portion of the island twice as large as the Turkish-Cypriot population. In a chilling reminder of the Berlin Wall, a barbed wire fence known as the Green Line cuts across Cyprus separating thousands of Greek-Cypriots from the towns and communities that their families lived in for generations.

Thousands of people have been killed as a result of the invasion. The fate of 1,619 more remains unknown—including 5 Americans. One of the missing is Andrew Kassapis from Michigan who was taken captive by Turkish soldiers while he was vacationing in Cyprus with his parents. Andrew, who was 17 years old in 1974, was taken even though he had his U.S. passport with him.

Andrew's father, Costas Kassapis, has had to struggle all these years without knowing the fate of his son. The Turkish Government has stated that all 1,619 people are dead, without providing any solid evidence on their whereabouts. The families and friends of those missing deserve to know the fate of their loved ones.

Madam Speaker, the last few years have marked phenomenal advances of freedom and democracy around the world. Yet Cyprus remains divided. In the same column, Colman McCarthy asked, "If a touch of peace can't descend on one of the world's most beautiful islands—where can it?"

Certainly a solution in Cyprus is within our grasp if we have the will to find it. It is my deep hope that next year I will be joining my colleagues to mark the first anniversary of a unified Cyprus.

Mr. WAXMAN. Madam Speaker, I rise today in strong support of the special order marking the 19th anniversary of Turkey's invasion of Cyprus.

Sadly, the small island of Cyprus remains divided 19 years after the Turkish invasion. Turkish troops continue to occupy close to 40 percent of Cyprus and thousands of Cypriots have been separated from their homes and property. Despite the dramatic changes of the past few years that have fundamentally transformed the world map, Cyprus remains in a state of potentially dangerous conflict. The time is ripe for a resolution of this problem, one which would help improve relations between Turkey and the entire European Community.

Any just settlement must acknowledge both the entitlement of Greek-Cypriots—who compose 80 percent of the population—to the fruits of majority rule. At the same time, a just settlement must also guarantee Turkish Cypriots all the safeguards of mandated minority rights.

With a renewed commitment on the part of the United States and the United Nations, the Cyprus problem can be resolved. The resolution of the Cyprus problem will reduce tensions between Greece and Turkey while helping to stabilize the already volatile situation in the eastern Mediterranean.

Madam Speaker, the United States must make a concerted effort to bring the Cyprus issue to the forefront of foreign policy concerns by encouraging participation in a conference between all legitimate parties and helping to bring peace and democracy to the people of Cyprus.

Mr. GALLO. Madam Speaker, I join my colleagues in supporting this special order regarding the oppression of the Cypriot people, and, in requiring Turkey to abide by international mandates to restore Cyprus to its independent status.

Almost two decades ago, the military invasion of Cyprus resulted in the disappearance of 1,619 people, including 5 American citizens. Their whereabouts are still unknown. Turkey continues to maintain a military force in Cyprus, and has disregarded international requests to vacate the occupied territory. In an era when dozens of countries around the world have gained independence, Cyprus remains controlled. The Cypriot people have endured the occupation of their country long enough.

Turkey's continuing defiance of international mandates deserves our attention. I strongly support the suspension of all military and economic aid to Turkey until it adheres to all international mandates imposed upon it, including the restoration of Cyprus to its independent status.

I urge my colleagues to support efforts to restore justice to Cyprus and its people. Turkey must understand that such actions against innocent neighbors cannot be condoned. It appears that the restriction of aid is the only remaining form of persuasion available to bring an expedient resolution to this situation.

Mr. FAZIO. Madam Speaker, I join my colleagues today—the 19th year of the occupation and division of the Republic of Cyprus—in this special order recognizing this solemn anniversary.

Thirty-three years ago, the island of Cyprus gained its independence from Great Britain; however, for 19 years, the northern part of the island has been under the grip of foreign occupation. When Turkish troops invaded Cyprus, 200,000 Greek Cypriots were driven from their homes, deprived of their possessions, and reduced to refugee status in their own land. Since the invasion, the island has been marked with violence and bloodshed.

When the island was originally divided in 1974, Turkish troops also seized and removed over 1,600 men, women and children. Five of these "Cyprus disappeared" were American citizens, and three were relatives of American citizens. To this day, their families have no idea whether or not they remain in danger. They do not know if they are sick or well, dead or alive.

The Turkish Government has yet to adequately account for any of those who disappeared at that time. Although it maintains that all of them are dead, it has produced no solid evidence of their status. In the meantime, however, families continue to suffer, as they draw their own conclusions about what has happened to their loved ones.

We are challenged with both working toward a free, unified Cyprus, and with focusing our efforts on putting this issue to rest for these victims, as well as for their families and friends. It is time to bring their heartache and torture to a close, once and for all.

For this reason I would like to commend my colleagues, Mr. ENGEL of New York and Mr. PORTER of Illinois, for forming the Committee on the Missing in Cyprus, which will seek to determine the fate of the 5 American citizens

and over 1600 Greek-Cypriots who have been missing since the 1974 Turkish invasion.

I would also like to thank the distinguished gentleman from Florida, Mr. BILIRAKIS; the distinguished gentlewoman from New York and Mrs. MALONEY; and, again, Mr. PORTER for calling this special order and giving us all the opportunity to reaffirm our commitment—to the innocent victims and families of Cyprus' occupation, as well as to an end to the turmoil and conflict under which Cypriots currently live.

Mr. PALLONE. Madam Speaker, it was 19 years ago today that Turkish troops invaded and subsequently occupied over a third of the territory of the Republic of Cyprus, causing the loss of 6,000 lives and the forcible expulsion of 200,000 Greek-Cypriots who became refugees in their own country. Every year at this time, I join with many of my colleagues to commemorate this tragic anniversary, and to remind the Members of this House, the American people and the world that this lovely island in the Mediterranean remains a land divided by barbed wire and bitterness. But this year, we wish to draw special attention to the 1,619 missing persons. This number includes women and young people, as well as soldiers, who disappeared consequent to the Turkish invasion.

Madam Speaker, the missing Greek-Cypriots, whose tragedy we commemorate today, were arrested by the Turkish Army and/or by Turkish-Cypriots under the control and command of Turkey's Armed Forces. Subsequent to their arrest, many were transported to Turkey and kept as prisoners in Turkish jails. Since 1974, despite appeals to the Turkish Government and to other international organizations, Turkey—contrary to international law and human rights conventions—refuses to provide any information about their fate. The Turkish Government—our NATO ally—continues to deny that there are any Greek-Cypriots being held and still goes through the charade of professing no knowledge of the fate of the missing.

Yet, Madam Speaker, the record over the past 19 years raises serious questions about the truthfulness of Turkish denials. Shortly after the cessation of activities, there were eye-witness accounts and sworn testimonies stating that there were widespread arrests carried out by the Turkish Army as well as sightings, both in Turkish-occupied Cyprus and mainland Turkey, of missing persons in the custody of Turkish troops. On one of the few occasions when United Nations and Red Cross officials have made unannounced visits to places where Greek-Cypriots were supposed to be imprisoned, in November 1974, five individuals were found. Turkey's own print media and radio have contributed to the body of evidence with published reports and broadcast interviews with missing persons. The International Red Cross and Amnesty International have lists of names of missing persons compiled during visits to Turkish detention centers.

I can imagine that many of the Members speaking tonight will receive letters from the Turkish Embassy taking us to task for discussing this issue, challenging our facts, and accusing us of spreading Greek propaganda. In fact, the information that we have comes, as I have indicated, from a variety of international

sources, including some Turkish sources. Yet, to its great dishonor, the Turkish Government has stonewalled Amnesty International, the Committee on Missing Persons of the United Nations, and the European Commission on Human Rights.

The youngest of the missing was 5 years old at the time of his arrest. Eight U.S. citizens are among the missing, including a 17-year-old student at the American Academy. The friends, relatives, and supporters of the disappeared have been given absolutely no information or assistance from Turkey or the Turkish-Cypriot leadership. A candlelight vigil will be held for the missing tomorrow evening at 8:30 p.m. in front of the White House. While I salute those participating in the vigil, and my heart and my support goes out to the families and friends, I hope that this will be the last of the vigils.

Madam Speaker, Turkey has been the recipient of large amounts of United States military and economic aid. Turkey is a member of NATO, an organization founded to promote and protect peace and democracy in Europe. Thus, it is especially troubling to see such aggressive and undemocratic behavior by one of our allies. The U.N. Secretary General, Boutros Boutros-Ghali has criticized the Turkish-Cypriot leader, Rauf Denktash, for undermining the talks aimed at reunifying the island. Our State Department has expressed its support for the U.N.'s package of confidence building measures, and has urged Turkey to play a helpful role in convincing the Turkish-Cypriot leadership to support these steps. Recently, we have read about a new generation of leadership, including the new prime minister Ms. Tansu Ciller coming to power in Turkey. Let us hope that the new leadership will make a break with some of that country's unfortunate past. A good place to start would be by providing a full accounting of the fate of the 1,619 missing people, and the immediate release of all prisoners who have survived these 19 years in captivity.

In closing, Madam Speaker, I would like to bid farewell to the distinguished Ambassador of Cyprus to the United States, Mr. Michael E. Sherifis. In his 4 years in Washington, Ambassador Sherifis has done great work in building better United States-Cypriot ties and in drawing our attention to the tragedy of his divided land. As he returns home to the Foreign Ministry in Nicosia, I am sure he will continue to be a leader in the struggle for a just and lasting solution to the tragedy of this beautiful land.

Mr. MANTON. Madam Speaker, I rise today to join my colleagues in this important special order marking the 19th anniversary of Turkey's invasion of Cyprus. At the outset, I want to thank my colleagues Mr. BILIRAKIS, Mrs. MALONEY and Mr. PORTER for organizing this important special order to commemorate this anniversary.

The division of Cyprus has the distinction of being one of the most intractable in the world today. Since Turkey first invaded Cyprus in 1974, 1,619 people including 8 Americans last seen alive in the occupied areas of Cyprus have never been accounted for. We must not let the passage of years weaken our resolve to pressure the Turkish Government to provide answers to the families of the missing. We cannot forget their suffering continues.

Madam Speaker, last year, when marking this solemn anniversary, many of us felt hopeful that this conflict would soon be resolved peacefully through the auspices of the United Nations. Today, while I applaud the efforts of the United Nations to resolve the issue of the continuing division of Cyprus, I am very frustrated by Turkish leader Rauf Denktash's stubborn resistance to meaningful negotiations. It is not just Greek-Cypriots and their supporters who think Denktash has been unreasonable. Earlier this month in a statement to the Security Council, U.N. Secretary General Boutros-Boutros Ghali criticized Denktash because he failed to honor the agreement to return to New York and negotiate with Cyprus President Glafcos Clerides on the Secretary General's preliminary proposals. Furthermore, the Security Council President David Hannay expressed the disappointment of that body that Mr. Denktash has not honored his commitment and asked the Secretary General to report back to that body his progress and if required, his recommendations for action by the Security Council.

Madam Speaker, I want to take this opportunity to commend the Secretary General for his tireless efforts to resolve this issue. I also want to recognize the Greek-Cypriot people for their valiant commitment to resolving this conflict, despite the seemingly bad faith shown by the Turkish side. It is my hope that this will be the last year Members must join to discuss the longstanding problems of the people of Cyprus, that next year we may join to celebrate the end to this conflict. Until that happens, the Turkish Government must know we in the United States will continue to mark this anniversary and speak out for rights of the missing.

Mr. KENNEDY. Madam Speaker, news wires report that earlier today air raid sirens wailed, flag flew at half mast, and church bells tolled as Greek-Cypriots observed the 19th anniversary of the Turkish invasion that divided their homeland.

I want to thank Mr. BILIRAKIS for organizing this special order. It is important for us to mark our remembrance of the brutal invasion and division of Cyprus. It is time for renewed commitment to bringing this tragedy to an end.

Turkey remains an important ally of the United States. They receive hundreds of millions of dollars in U.S. economic and military assistance. Some are hesitant to bring pressure to bear on the Turkish Government on human rights issues and the occupation of northern Cyprus. I think that is a mistake.

Earlier today, groups representing 180,000 Greek-Cypriot refugees from the north visited the Embassies in Nicosia of the 5 permanent members of the United Nations Security Council. They demanded implementation of U.N. resolutions designed to end the tragedy of a divided Cyprus. U.N. talks between Cyprus and Turkish-Cypriot authorities were scheduled to resume in June, but were postponed.

The Turkish military occupation of northern Cyprus continues, after 19 difficult years. The introduction of Turkish settlers moves ahead. There are still more than 1,000 people, including 5 U.S. citizens, unaccounted for since the time of the Turkish invasion. As long as this is the case, it must be the obligation of the United States, and the international community as

a whole, to stand firmly behind U.N. resolutions that would end the occupation and division of Cyprus. The courageous people of the Republic of Cyprus deserve no less from us.

Mr. MARTINEZ. Madam Speaker, I rise today to join my colleagues in commemorating the 19th anniversary of the invasion and division of Cyprus. On July 20, 1974, Turkey invaded northern Cyprus and has occupied the territory ever since. For 19 years Turkey has imposed its will on northern Cyprus while flouting, with impunity, international law. There are still as of today nearly 30,000 Turkish troops occupying Cypriot soil.

President Glafcos Clerides of the Republic of Cyprus has, since his election to office last February, been working with the United Nations to reach a viable and just solution to his country's problem. However, the Turkish-Cypriot leader, Rauf Denktash, continues to throw obstacles before the U.N.-sponsored confidence building measures aimed at resolving the Cypriot political impasse.

In an effort to encourage gradual steps toward reconciliation between Greek- and Turkish-Cypriots, the United Nations has proposed placing part of the uninhabited, Turkish-occupied town of Varosha under U.N. control. The United Nations has also proposed reopening the abandoned Nicosia International Airport which would be made available to both communal groups. The United Nations mediating approach is a serious effort to break the political stalemate which has, thus far, proven intractable.

I fully endorse the President Clinton's recent pledge to exert United States sizable influence toward promoting a peaceful settlement of the Cyprus issue. For far too long the people of this island nation has harvested the bitter fruit of communal strife and ethnic suspicion. After 19 years of partition and acrimony, it is high time for all Cypriots, ethnic Greeks, and ethnic Turks alike, to begin the process of reconciliation. The United States can and must play a more active role in helping the Cypriot people broach the political and territorial divide that has torn this island apart.

Mr. CARDIN. Mr. Speaker, I rise today to join my colleagues, Representative MICHAEL BILIRAKIS, Representative CAROLYN MALONEY, and Representative JOHN PORTER, in remembering the 19th anniversary of the Turkish invasion of Cyprus. I wanted to join my colleagues in this special order in order to highlight the need for finding a peaceful solution to this sad and difficult situation.

The eastern Mediterranean island of Cyprus has been divided since the Turks invaded Cyprus in 1974. United Nations peacekeeping forces currently patrol a line separating about 170,000 Turkish Cypriots in the north and 650,000 Greek Cypriots in the south.

Just last month, the U.N. Peacekeeping Force in Cyprus was renewed for an additional 6 months. In so doing, the U.N. Security Council called for the "parties to carry forward expeditiously and in a constructive manner the intercommunal talks under the auspices of the Secretary-General."

The people of Cyprus, both Turkish and Greek, deserve to be free from the hostilities that have plagued their island for the last 19 years. The status quo—a divided nation—is untenable.

The time has long passed for the Turkish occupation forces to be withdrawn. The world community, particularly the United States, must press for a peaceful resolution of the Cyprus problem. Greek and Turkish Cypriots should be permitted to return to their homes and to determine for themselves the future direction of Cyprus.

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1993 BUDGET RECONCILIATION ACT: SMALL BUSINESS CONCERNS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 60 minutes.

Ms. DELAURO. Madam Speaker, last November, Americans all across the country expressed their desire for change. They said they wanted Congress and a new President to act on health care, on the economy, and on jobs. Both Houses of Congress have passed budget reconciliation legislation, and the Conference Committee began its work last week. In the next 3 weeks, Congress will fashion a compromise budget plan which will reduce our budget deficits, thereby building a strong foundation for long-term economic growth and job creation. We will have to make some tough choices. Change after 12 years of economic mismanagement does not come without a price. But we cannot, in good conscience, do anything less.

Tonight, I want to talk about how this economic plan will help small businesses. The budget reconciliation bill passed by the House takes an important step in putting our Nation back on the road to fiscal responsibility and it provides very real help to small businesses. I urge our conferees to fight hard to hold to the provisions passed by the House of Representatives that are vital to our small businesses and to job creation.

Small business is the main engine of job creation and economic prosperity. However, as we can see in Chart 1, businesses have gone into bankruptcy at a faster rate during the last decade than at any time since the Great Depression. The increase in business failures during 1991 was comparable with that during the 1981-1982 recession. And when the most recent recession took hold the small business job engine ground to a halt.

The economic policies of the past 12 years have been bad for small business. Let's remember those who now jump to criticize the President's plan killed business for a decade and created almost no private sector jobs. Small businesses in Connecticut, like small businesses elsewhere, are desperately looking for help after years of struggle.

The House plan answers their plea. It extends the kind of investment that will make a real difference for small businesses. It offers incentives for busi-

nesses that reinvest in themselves, cuts the capital gains rate for small business investments, and provides health deductions for the self-employed. And 96 percent of small businesses are exempted from any new income tax increase. They will see no change in their individual or corporate tax rates. The 4 percent of small businesses who will pay higher income taxes are not mom-and-pop businesses.

The average affected individual makes \$560,000 per year, and 43 percent of all income of these taxpayers goes to people who make more than \$1 million. Perhaps most importantly, by passing the tough deficit reduction plan submitted by President Clinton, small businesses will benefit from continued low interest rates—the lowest long-term interest rates in 16 years—6.54 percent. That is the lowest level since 1977.

Madam Speaker, let's talk about some of the specifics in the Clinton Economic Plan.

Tax rates. As I mentioned earlier, 96 percent of small businesses that file individual returns will not be affected by the increase in individual rates. Ninety-six percent of those who file as proprietorships, partnerships, or subchapter S corporations will not be affected by the increases in individual rates. Why is this so? Because individual rate increases in the plan apply only to those businesses that will make more than \$140,000 a year in profits—for those filing jointly—after deductions are taken for paying employees and making new investments to expand. Keep in mind that 98 percent of American

As you can see by this chart—chart 2—the Treasury Department estimates that only 4.2 percent of all small businesses that file as proprietorships, partnerships, or subchapter S corporations will be above this threshold.

In addition, 100 percent of small businesses that file corporate returns will not be affected by the increase in corporate rates. The increased corporate rate for businesses that file as corporations does not even apply to small businesses—it affects only corporations with taxable income in excess of \$10 million a year.

Rewards for investment. In chart 3 we can see the decline in business investment over the past 10 years. That decline has cost this country jobs and productivity.

Under the plan, those small businesses that put money back into their businesses for economic growth and expansion will be able to take advantage of tax incentives like increased expensing provisions and the capital gains exclusion for investments in small businesses.

The President proposed more than doubling from \$10,000 the investments that small businesses will be able to expense immediately, freeing up cash

flow and allowing new investments in training and equipment to create new jobs. The plan also gives investors generous tax incentives to provide equity capital to productive small businesses, thus encouraging risk-taking and innovation. Under this plan, half the long-term capital gains made from investment in small businesses would be excluded from taxes.

Super-expensing in empowerment zones. The plan increases from \$10,000 to \$75,000 the amount that small businesses located in 10 empowerment zones may expense, and provides other incentives for small businesses located in our Nation's most distressed communities.

Research and experimentation tax credit extension. The plan fosters economic growth, technological development, and international competitiveness permanently by extending the research and experimentation tax credit. It extends a 20-percent credit for qualified research expenditures, and includes a new rule relating to startup companies that will make it easier for them to qualify for the credit by simplifying and rationalizing the rules for computing research eligible for the credit.

Health care costs. The plan includes a retroactive extension of the 25-percent deduction for health insurance premiums of the self-employed.

Tax-exempt bonds. The plan also includes a retroactive extension of the ability of State and local governments to issue tax-exempt bonds for small businesses. In addition, the plan extends a current provision allowing local jurisdictions to issue tax-exempt qualified small-issue bonds when they are used to help finance manufacturing facilities.

Lower borrowing costs. Markets have already responded to the President's deficit reduction plan. Long-term interest rates have dropped 1 whole point to 6.54 percent as I said earlier, and mortgage rates—now at 7.16 percent for a 30-year fixed mortgage—are at a 20-year low.

These key small business elements of the plan will spur job growth. During the last 4 years, only 1 million private sector jobs were created—just 20,000 a month. But largely because the President has shown the commitment and courage to cut the deficit—and has submitted a concrete plan, job creation is now up.

In the first 5 months of the Clinton administration, 740,000 private sector jobs have been created—over 140,000 jobs per month—more than 7 times the rate of the last administration. Several independent analysts have projected that growth in the economy under the Clinton plan will create over 8 million jobs in the next 4 years. Furthermore,

studies by the Joint Economic Committee and the National Venture Capital Association show that the President's capital gains cut for small businesses and his expensing provision will create at least 200,000 more jobs in small businesses.

Critics of the plan have claimed that it hurts small business, when, in fact, the vast majority of small businesses won't be affected and all income tax increases will fall only on the wealthiest 1.2 percent of Americans. Some of the same architects of the policies that led to the worst private sector jobs growth since the Great Depression want to return to the policies of the past—under the argument that raising taxes on the top 1.2 percent of individuals will hurt the economy and keep small businesses from creating jobs. In a June 25 article the Wall Street Journal stated: "Having been battered in last year's Presidential campaign as defenders of the wealthy, Republicans hardly want to oppose the President's proposed income tax increases head on and bemoan the burden on the nation's richest 1.2 percent of the population. So they're playing up the plight of small businesses. * * * But many of the Republican arguments are specious. Despite GOP claims that most of the burden of the higher rates would fall on small business owners, Joint Tax Committee data show otherwise." Keep in mind this is the Wall Street Journal talking.

And in another article just today, the Wall Street Journal found that "most corner grocery stores and neighborhood car washes * * * don't earn nearly enough to be affected" by the President's plan. Yet the Republicans continue to rail against the impact of this plan on small businesses—politicizing the issue instead of trying to meet the needs of small business.

The most vocal group opposing the small business portions of the President's plan is Citizens for a Sound Economy—headed by President Reagan's budget director. Afraid to look like they are protecting the rich, the Republicans attacked the plan on behalf of small business. But as the Journal, the New York Times, and the Washington Post have all pointed out, the Republican arguments are empty.

And although the Republicans would have us believe that small business is against the President's proposal, the small business men and women in my own State of Connecticut that I have spoken to like the President's plan. They believe it brings real help to their effort to start to move forward again and start creating new jobs.

Let me give you an example. Michael O'Mally is about to start a new business that will employ 4 people by September and he hopes 15 or more within a couple of years. Mr. O'Mally's dream of starting his own business and creating new jobs almost didn't happen. What made the difference was an SBA guaranteed loan. A guaranteed loan

Mr. O'Mally's new business will provide business data and information to other service and manufacturing businesses. Mr. O'Mally is providing a service vital to the future of our small Connecticut businesses—access to the information, tools and training they need to compete and succeed.

Much of Mr. O'Mally's initial capital is going to be used to invest in the equipment his business needs to operate—computers, data processing terminals, scanners, equipment to access on line services with information of value to his customers. You know what Mr. O'Mally said about what the expensing provisions in the President's plan mean for him: jobs. For Mr. O'Mally, and thousands of new and small businesses like his, the expensing provisions translate directly into additional available capital—the very life blood of a small business. For Mr. O'Mally the provision would mean up to an additional \$5,000 that he will use, in his own words, "to pay people."

For Mr. O'Mally what the expensing provisions also mean is a change in how quickly he can expand and create more new jobs. The expensing provisions will give him more capital to invest in the equipment he will need a year from now to help his business grow and expand into new areas and go from employing 4 to 15 people.

The speed with which Mr. O'Mally will be able to create jobs is also helped by the Research and Experimentation tax credit provisions. His business, like hundreds of other small high technology businesses across Connecticut, has to invest heavily in research and development to continue to keep ahead.

For Mr. O'Mally the R&D provision means something very simple: he will be able to accelerate the timeline for his R&D because the credit will allow him to free up more funds to develop new ways of presenting information to his clients—of packaging his product in ways to reach new markets and employ more people.

Nick Perna, a local economist and the vice president of one of Connecticut's largest banks said the plan will have a very positive effect on helping Connecticut's depressed economy recover and will help small businesses start to grow again. Over 40 percent of small businesses and subchapter S corporation owners will either be eligible for a tax cut through increased expensing, targeted capital gains tax cuts, or the extension of the 25 percent health insurance deduction for the self-employed. He saw the expensing provisions as a "major change for the better." He voiced confidence that the expensing, capital gains reductions and research and experimentation provisions would make a real difference for small business. They would create real incentives for small businesses to invest and help generate the capital to do

it. For our unemployed this is good news because as businesses expand and invest they create jobs.

It's not only the investment incentives that Mr. Perna and Mr. O'Mally feel make this bill good for small business. It's also the fact that interest rates will remain low because of the real cuts in the deficit that this bill makes. For Mr. O'Mally that means the money he has to borrow to get his business running will cost less.

To Mr. Perna, these low interest rates translate into higher values for real estate—including the commercial property owned by businesses. What that meant to him was simple: his bank will be able to make more loans for greater amounts to help meet the credit needs of business. That translates into more jobs now.

In addition, the National Federation of Independent Business [NFIB] gave testimony before the House Ways and Means Committee on March 16 of this year that underscored the importance of the key provisions of the plan. Testifying on the need for deficit reduction, the NFIB vice president stated,

Our members feel that there is very little the government can do right now to bring us out of the recession in the short-term and would focus on the deficit rather than cutting taxes.

In fact, the Clinton plan is the largest deficit reduction plan in history—\$500 billion in deficit reduction over 5 years.

The NFIB also testified that:

In the area of investment incentives, let me simply say that we're consistent. Simplicity is the key for the small business community. We prefer above all other things an increase in direct expensing.

Madam Speaker, if we pass this plan, the 1998 deficit will be \$160 billion less than if we take no action. According to noted economists Robert Solow and James Tobin,

That would make room, in a fully employed economy, for a 40 percent increase in spending on capital equipment, financed by private saving that would otherwise be absorbed by Government securities. Small businesses are ready to start investing again in new jobs. Let us give them the boost they need to succeed.

We cannot turn this economy around without a serious attempt at deficit reduction. And we cannot create new jobs without the help of the thousands of small businesses that provide the innovation, enterprise and growth that have historically driven our economy. This bill cuts the deficit. It gives small businesses the help they need to grow and succeed. And it will give our economy renewed strength.

And now, I want to recognize some of my colleagues who have joined me here tonight to talk about how this bill will affect the men and women who run the businesses in their districts.

□ 2020

Madam Speaker, I yield to the gentleman from Michigan [Mr. BONIOR], the Majority Whip.

Mr. BONIOR. Madam Speaker, I thank my colleague for yielding to me. I would like to congratulate the gentlewoman for taking the time this evening to talk about this plan.

I would like to commend my colleague, Congresswoman DELAURO for organizing this special order.

It is time for our country to put its economic house in order.

That is what the President's economic plan does.

It provides for the largest deficit reduction in American history; \$500 billion in deficit reduction.

Over 200 specific spending cuts.

And it finally asks the wealthy of this country to pay their fair share. 70 percent of the new revenue raised in this bill will come from those making over \$200,000 a year.

This bill is a good deal for middle class families. And a good deal for America.

No one making less than \$180,000 a year will see any increase in their income tax. Only the wealthiest 1 percent of Americans will pay additional income tax.

Middle class Americans may be asked to pay additional energy tax of \$10 to \$20 a month. But for middle class families this will be offset by impact of lower interest rates.

Lower interest on home mortgages, lower interest on car loans, lower interest on student loans, lower interest on credit cards. These will represent real savings in the pockets of middle income families. As much as \$175 a month, if you refinance your home.

This package of deficit reduction represents real dollars back into the pockets of middle class families.

Why do we see so much opposition from my colleagues on the other side of the aisle?

I cannot help but think it is because they are trying to protect their old friends, the wealthiest Americans. The same people who got all the breaks in the 1980s are still trying to skip out on paying the bill now.

The same Republican Party who year after year for 12 long years gave us record breaking deficits has tried to undermine this real attempt at deficit reduction.

They have tried to delay, derail, and distort this package. But what is their alternative?

More of the same. Let the wealthy off the hook, and make senior citizens pay. And in the end, they do nothing to stop the deficit.

The President's plan is the only game in town.

It is a tough package. It is not easy to make all these cuts. It is not easy to go to the wealthy and powerful people in this country and say—it is time to

do your part. But that is what President Clinton has done.

And he deserves our support.

The President's plan has already had positive economic results.

Interest rates have remained low.

Mortgage rates are at a record low.

The bond market has rallied.

And most important of all—new jobs have been created.

In the first 5 months of the Clinton administration 740,000 new jobs. That's nearly 150,000 jobs a month. Seven times the rate of job creation during the Bush administration.

When the program is fully implemented, according to independent economic projections, the Clinton economic plan will create 8 million new jobs. Eight million new jobs in 4 years.

That is what this is really all about—when all is said and done.

Jobs.

Getting our economy moving.

Encouraging investment.

The President's plan provides important investment incentives for small business, for empowerment zones, for job training, for education, and for job creation.

It is time for the nay sayers and the cynics to step aside. This is a positive plan for America, for America's working families, and for jobs.

It is not just tough choices—it is a promising future.

Ms. DELAURO. Madam Speaker, I want to thank the majority whip for entering into this special order tonight and taking time to talk about his thoughts on this.

Madam Speaker, I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Madam Speaker, I want to thank the gentlewoman from Connecticut for yielding me this time and taking out this special order so that we can discuss the President's program for reviving the economy of this country that he inherited that was in a state of doldrums with people losing their jobs and economic investment on the incline.

As the President quite correctly pointed out when he came to this Chamber in the Joint Session, he inherited an economy that was in very serious trouble, an economy that over the last 10 years was causing average American families to lose their earning power, even though they were working harder every day and every year, an economy that was not reinvesting in itself, that as the gentlewoman pointed out, by the time President Clinton came into office was investing less than 3 percent, and we knew that was incapable of generating new jobs in this economy, an economy that was seeing the disparities between rich and poor grow ever wider so that among the developed nations of the world, we have one of the greatest disparities between rich and poor that exists in the world today, and recognizing that

something had to be done, but it could not be done without some sacrifice. It could not be done without some discipline and it could not be done without keeping our eye on the future.

This President was bold enough and courageous enough to come into this Chamber, to look us in the eye and to look the American people in the eye and say that if we had the courage of our convictions, if we would do what we told the American people for the last 12 years we wanted to do, and that is to get government out of the way so that small businesses and entrepreneurs can thrive, that we would have the possibility of reviving this economy.

Now, for 12 years Presidents of this country have been telling this country that they would put an economy in place to allow that to happen, but that did not happen because, as we now so clearly can see, the largest tax decrease in history was given to the wealthy on the theory that they would invest in America, in its economy, in its people, in its capabilities, and that would revive the economy.

□ 2030

They did not do that. They speculated, they leveraged, they absorbed countries, they merged companies, they leveraged buyouts, they ruined savings and loans, and they left us a huge, huge deficit. He said that in fact, if we provided that tax cut, the deficit would get smaller, and, of course, as we know, it did not. We tripled the debt of this country in those 12 years.

So, President Clinton has decided to take another path. He has decided to ask this country to make the kinds of decisions, along with this Congress, to get us out of the way of the growth of this country by proposing the largest deficit decrease in the history of this country, by getting the Government out of those credit markets for day-to-day borrowing, for borrowing that is far beyond our means to pay for and make room for American businesses, make room for American entrepreneurs, make room for America's families.

Since he has put that proposal on the floor of this Congress, and since the markets and the American people have seen that he is serious, we have started to see a revival of this economy. As was pointed out by the two previous speakers, we have started to see job creation on a monthly basis, far in excess of what we saw over the last 4 years. We are starting to see people return to work. We are starting to see small business formation again. We are starting to see people being rehired.

Why? Because of what the President announced in this Chamber, and what this House passed, and what the Senate has passed. People are understanding that the cost of doing business and living in America is starting to come

down. As interest rates lower, people are able to refinance their debt, to refinance their houses.

Mind you, we all lived beyond our means in the 1980's, but now we have a chance to make that debt manageable and to make some room for the needs of today. Corporations are able to refinance the debt of 12, 13, 14, 18 percent, that they incurred on their debt in the 1980's. Individuals are able to refinance their credit card debt. Home owners are able to refinance their homes. First-time home buyers have a possibility of entering a market, a possibility for the first time in many years, when the discussions in the Congress and in the country and in our communities was that our children would not be eligible to own their homes because of the costs of money, the interest rates, and yet we now see the first-time home buyers are coming back to the American economy, which means that a carpenter, an architect, an engineer, a cement mason, and a laborer all get a chance to go back to work. We are seeing new business formation. We are seeing venture capital coming to the forefront again because those ideas that were not feasible when the prime interest rate was 10 and 11 and 12 percent today are feasible. It is 5 and 6 percent.

So, Madam Speaker, what we are seeing is, by removing the Government from those credit markets by this

How has the President done this? He has done this with a series of budget cuts, specific, enumerated budget cuts, some 250 billion dollars' worth of budget cuts. He ventured into the area where no Congress had the courage to go, no President had the courage to go, and that is to entitlements, understanding that this was a matter of national sacrifice and commitment for the future of this country.

So, he put in those budget cuts, and then he also recognized that we were going to have to raise revenues either through an energy tax or some increases on the wealthiest people in this country. It is not that he is taxing the wealthiest people in this country because he does not like them, but the simple fact is, the simple fact is, that for the middle class in this country wages went down 17 percent. But, if you were in the top 30 percent of income earners, real wages have gone up by 9 percent. So, we are starting to see that the wealthiest 1 percent of people in this country have garnered more wealth and more assets than any time in our history. We think they should contribute to this national effort to revive America's economy.

Finally, Madam Speaker, let me say this, that this is really very short-term medicine for the long-term growth of this country. We talk about sacrifice, and we talk about budget cuts. But, if we are willing to make these decisions in the next 3 weeks and present to this

President a bill that he can sign, we will, in fact, see that not only the actions that we have seen take place between the first of the year and now on the anticipation of this bill being signed, but, once it is signed into law, we will see the confidence of people, we will see a road map that will tell them that the Government is going to reduce its participation in the credit markets, and then they can look forward over a long period of time to reduced interest rates, and that will cause additional economic activity.

So, Madam Speaker, the question is really this:

Should we now make some tough, short-term decisions with respect to our immediate future so that our children, and our families and our businesses can prosper over the long term?

We should. We cannot continue to live beyond our means, either as families, or as a government, or as businesses.

This President, my colleagues, has given us an opportunity to get the books back into balance, to stop that overdependence on foreign capital, foreign investment,

I can appreciate that the Republicans do not like this. They must feel terrible envy for this President because this is what their President kept saying they were going to do. They never quite did it. They did not have the courage to come in here and to level with the American people, to rally the American people, to recognize, just as we see people filling sandbags on the Mississippi River day in and day out, 24 hours a day, people who do not live on that river, but they are willing to sacrifice their current job, their vacation, their time away from school, to help their neighbor, to help their economy, to help this country.

My colleagues, we need to put a few sandbags in place. This President has given us the opportunity. We should do it now and get control of our economic future.

Madam Speaker, I want to thank my colleague, the gentlewoman from Connecticut [Ms. DELAURO] for making this time available, and I again would beseech the Members of this Congress on both sides of the aisle to support this President's plan to revive the American economy.

Ms. DELAURO. Madam Speaker, I want to thank the gentleman from California [Mr. MILLER] for an eloquent statement and for, particularly, highlighting the whole issue of deficit reduction, bringing interest rates down and the family's ability to be able to refinance a home, what that will mean in terms of their future economy.

I would now like to yield time to the gentlewoman from California [Ms. ESHOO].

Ms. ESHOO. Madam Speaker, I would like to thank my distinguished colleague, effective colleague, most

highly regarded colleague, the gentlewoman from Connecticut [Ms. DELAURO] for bringing us together to have a conversation with the American people on what is a watershed moment both for our Nation and for this, the 103d Congress, as we approach the approval of the economic package, the budget package, that the President of the United States has moved forward and has presented to the Representatives of Congress that will speak on behalf of those that they are privileged to represent. We not only have the opportunity to reduce our Federal deficit by record levels, a half a trillion dollars, the largest deficit reduction plan in the history of our Nation, but we have the opportunity to invest in the engine that drives our economy, namely small businesses.

I am the daughter of a small businessman. My father is 89 years old. He retired at 82, and he was a watch maker and a jeweler all of his life. I grew up in that business. I was educated as a result of the benefits of that business. I saw other people in our community employed in that business.

Unfortunately, Madam Speaker, in the last decade the Federal Government could have done a much better job in supporting this critical segment of our economy where 85 percent of all new jobs are created. Indeed, during the last administration only 1 million private sector jobs were created. One of the chief reasons, in my view, behind the small number was the lack of attention to small business and the lack of support for growth incentives.

□ 2040

We have the opportunity now to change this. I am privileged to represent California's 14th Congressional District, the home of Silicon Valley, where fledgling startup companies are the backbone of our local economy. These companies are responsible for making the United States unbeatable in cutting edge high technology, including electronics, computers, and biotechnology. And many of these small companies have grown into some of the larger and more successful companies of our Nation. Hewlett-Packard, Apple, and Genentech are just a few that come to mind. These companies employ thousands of Americans and generate billions, with a "B" of dollars of revenue each year.

But the other myriad small businesses in Silicon Valley employ thousands and contain within them the potential to grow and increase our Nation's competitiveness. Indeed, Silicon Valley has been an incubator of small business ventures. But we are in tough economic times, and the companies in my district need the kind of incentives incorporated in the plan that President Clinton has presented to the Congress. They need this not just to succeed, but they need it to survive.

This should concern everyone, because it is the brilliant minds behind these small companies that create the ideas and products that revolutionize our society and boost our international competitiveness.

Key to the success of entrepreneurship and small business is its ability to attract capital and obtain credit and loans. President Clinton's plan will increase a company's ability to expense capital investments. It includes a targeted capital gains tax, which will produce the outcome we are looking for, job creation. It will also produce something for investors in small businesses, and it will result in lower borrowing costs.

The President's plan also includes provisions that are critical for small businesses, including a retroactive extension of the 25 percent deduction for health insurance premiums of the self-employed; a retroactive extension of the ability of State and local governments to issue tax-exempt bonds for small business. And I would like to add here that I came from local government. I have regard for what they try to do, and we need to be better partners with them. This part of the President's plan speaks to that.

Also a retroactive extension of targeted jobs tax credit, and relief from the alternative minimum tax for capital investments.

Where did we come up with these ideas? These ideas were hammered out and brought forward to the Congress as a result of a young person who went across this country with Senator GORE campaigning. And people across this Nation, especially small business owners, said "Governor Clinton, this is what we need." It is now contained in the plan that the President has presented to us.

These provisions are not only important to the high tech industry, they are important for all small businesses. In my district, like Robert Cevasco, who runs a nursery out on my coast side, Whole Foods Market that is next door to my district office in Palo Alto, CA, and Spiral's, a gift center. And contrary to opponents' arguments, the higher tax rate embodied in the Clinton reconciliation bill will not adversely affect small business. Ninety-six percent of small businesses are exempt from new taxes. I want to repeat that, because there are so many people that are reading and being misled by so much of the rhetoric. This

As we attempt to get our economic base in order, it is most critical to reduce our deficit. But we also have the opportunity to recommit ourselves to the creation of jobs and enterprise. President's Clinton's economic plan does this.

I urge my colleagues in both Houses to take a second look, if that is in fact what they need to, at the attacks coming from those opposing the President's

plan. In my view, this plan is a hands-down winner, not only for the people of my district, the small businesses there, the high technology companies, those companies that are still waiting to be born, but also for all of America and for those that are looking for prosperity and a return to a time when Main Street is really doing well.

Ms. DELAURO. Madam Speaker, I would like to thank the gentlewoman from California both for her personal experience as a daughter of a small businessman and her experience representing the Silicon Valley and in what the value of the research and development tax credit might be.

I would now like to recognize the gentlewoman from New York [Mrs. LOWEY]. If my colleague does not mind, I would like to really begin by just asking her a question. We have had the benefit of a Republican-crafted budget plan. With your perusal of it and review of it, have you found in the Republican plan any of the House-passed measures that would help to assist small businesses, expand small businesses, or help to create jobs?

Mrs. LOWEY. Absolutely not. And that is why I am so pleased that you called this special order tonight.

I have had the opportunity to work with my outstanding, effective colleague, the gentlewoman from Connecticut [Ms. DELAURO]. And whether we are working on the Estuary Restoration Act or programs to help small business, the bottom line has been jobs. And I think it is important that you called this special order tonight to set the record straight.

We are working to set the record straight tonight, because I think the American people have to know, and we have to be here to refute some of the specious arguments being made about how the President's economic plan will impact small business.

Small businesses are hurting. Whether I am in White Plains, or New Rochelle, in Yonkers, in Rego Park, in

They come into our office and they talk about the mortgages, they talk about the lack of customers. We have got to get things moving. And that is why this special order tonight is so very important.

Now, what they tell me about is they just cannot get credit. They cannot afford to make needed investments in new technology. They cannot attract outside capital. They need to expand and hire new workers.

As I travel through my district, the evidence of Government neglect for the problems of small business is very clear. I see family stores closing.

Just recently I was in a part of my district where there were two or three stores that were vibrant a couple of years ago. They are all closing, laying off their employees, and falling into bankruptcies. These businesses need help, and they need it now. They can-

not deal with the rhetoric that we hear from some of my colleagues. They are tired of talk. And that is why the public is so disillusioned. It is time for action. We have to provide real help so they can raise the level of their sales, so they can hire workers, so they can help other families pay mortgages and get their youngsters the best education they can.

We know that the national debt has been drying up the credit which would otherwise have been available for small business expansion and investment. Without this capital, small business investment has withered, and the collapse of many small companies has had a ripple effect throughout the area. Because if one store closes, then the luncheonette that served those employees closes, and then when they want to go out and buy some goods, they do not have the resources to do it.

I was in a local fish store just this weekend and one of the customers said to me, "You shop, too?" They forget that we have to feed a family. And the owner of the fish store said to me he could not replace a piece of equipment that is frying fish because his sales of fish have gone down.

So, you see, it is not just the fish store that is not doing well, but then the manufacturer of the equipment that the owner of the fish store has to fry the fish in. And you see this multiplier effect everywhere.

The plan we have before us addresses many of the problems of small businesses. And contrary to what some have been saying, it will begin to help small business in our communities around our Nation.

Now, finally we have a plan that urgently takes on the problems affecting our economy, and small business in particular. The plan will lay the necessary groundwork for revitalizing hard hit areas and spurring economic growth and job creation.

□ 2050

First and foremost, the plan contains the largest deficit reduction in history. This measure will eliminate \$500 billion debt that would otherwise crowd out needed investments in our economy. Without such a drain on the economy, small business will be able to borrow again, allowing for expansion and job creation.

The Clinton plan also helps small businesses by doubling the amount that can be expensed to \$20,000. This is a move that has been championed by small business advocacy groups as a way of stimulating new investments in new, more efficient machinery, even for that small business in the fish store I was talking about before. We must change the status quo, when small businesses cannot afford to modernize and upgrade equipment. Failure to do so will only weaken our economy further.

The plan also contains a carefully targeted capital gains tax cut for new investments in small business. This will help entrepreneurs bring in outside capital and enhance the ability of small business men and women to invest in their companies' growth, creating hundreds of thousands of jobs.

Just recently, I talked to a group of women who were trying to get the capital to invest in their own businesses. We know, and in my district, and it is in other Members' districts, companies like IBM are laying off workers, NYNEX, other large companies. One thing a woman has learned in raising her children and raising a family, they learned how to be the boss. So we are seeing a lot of women who are being laid off from large companies starting their own businesses, because those are the skills that they have learned. But what they really need is the ability to get credit so they can make that investment so they can help that small business which is now just an idea in their mind, help that small business come alive so that they can hire workers, so that they can expand and create real investments.

The plan also contains a carefully targeted capital gains tax cut for new investments.

Other provisions that come to the aid of small business include retroactive extension of the 25-percent deduction for health insurance premiums of the self-employed and retroactive extension of the ability of State and local governments to issue tax-exempt bonds for small businesses.

We know how important health care insurance is for all small businesses so that, in particular, is an important provision. Another small meeting I had in my district, we heard from people over and over again about this credit crunch, the inability to make needed investment and to attract outside capital.

Before another small business permanently closes its doors and files for Chapter 11, we can and must take action. We can tell the millions of American families that own their own businesses that we understand, and—more importantly—that we are taking action.

So many of our communities are experiencing a co-called jobless economic recovery. We owe it to our constituents who are struggling to find work, to help small business—our single greatest source of job creation.

What is the alternative?

The alternative is to fall prey to partisan bickering and rhetoric. I think we have had enough of that. That is why people are so disillusioned. They are tired of hearing us talk. They are tired of seeing all the gridlock in this body.

We can go ahead and talk, and we can go ahead and debate. And we are getting our salaries. But it is these small

business people that cannot wait any longer. They are the ones that are going to suffer.

I want to tell you again how important it is that you called this special order, because it is important that the American people understand that what this plan will do is take action, end the deadlock, end the rhetoric, help all those men and women who want to establish their small businesses so they can take care of their families. Thank you again. It is a pleasure to be here with you this evening.

Ms. DELAURO. Madam Speaker, I want to thank my colleague from New York for the points that she raised.

I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Madam Speaker, I thank the gentlewoman from Connecticut [Ms. DELAURO] for her leadership in calling this special order tonight. Every chance I get, I want to thank the people of the Third Congressional District of Connecticut, especially in the New Haven area, for sending ROSA DELAURO to the Congress of the United States.

So respected is she in the House that tonight on her special order she will be having the majority leader of the House participate in the debate. For that reason, I will make my remarks brief.

Madam Speaker, I think what people out there who have small businesses or who want to start small businesses should know is that the Clinton administration and the Democrats in the House of Representatives are their friends and are on their side. I myself think that anyone who is starting a small business is about as optimistic and American as they come. I cannot think of anything, short of getting married, that calls for more optimism than starting a new business. That is why I am particularly pleased that Congresswoman DELAURO focused her special order tonight on small business, because small business and promoting small business is the center of the Clinton economic plan.

My colleagues have referenced some of the aspects of the President's economic plan. I will just briefly mention that the plan is pro small business in that it more than doubles the small business expensing incentives, new small business capital gains exclusion. It has reducing the cost of health insurance premiums for self-employed, extending a 25 percent deduction for health insurance premiums.

The plan includes tax-exempt financing for small business, small issue manufacturing and farmers bonds, superexpensing and empowerment zones.

Madam Speaker, this is very important. Hopefully, our conferees will keep the empowerment zones in the President's reconciliation package.

I also want to mention the extension of the research and experimentation

tax credit, important to economic growth and technological development.

The Clinton plan includes several provisions to create and grow small businesses, because it recognizes small business as the creator of jobs and the creator of capital for our country.

President Clinton would truly help small businesses who have been neglected these past years, help these businesses expand, hire more workers. President Clinton knows that small businesses are the engine of growth.

I would like to talk about some examples in my community of San Francisco. I will submit it for the RECORD.

I will say, though, Congresswoman DELAURO, that the Clinton plan over 4 years will produce 2 million more jobs for California, 10 times the number of jobs than in the last 4 years.

I hope that small businesses will take part in the Clinton plan, will take time to read it, because there is much in it, if you are, as I say, a small business person or want to open a small business. Help is at hand. Encourage your Representative and your Senator in Congress to support the Clinton reconciliation package which will reduce the deficit, therefore, reduce the cost of capital and help you create jobs.

With that, I want to again commend the gentlewoman from Connecticut for her leadership on this issue.

In addition to calling this special order, she has been a strong whip and advocate for this reconciliation plan in the Congress.

Ms. DELAURO. Madam Speaker, I want to thank my colleague from California for her comments. What is critical is how jobs are going to be created through this plan.

It now gives me great pleasure to yield to the majority leader of the House of Representatives, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Madam Speaker, I thank the gentlewoman for yielding to me. I especially thank her for calling this special order this evening so that many of us can express our thoughts about this very important debate that is already beginning.

It has, frankly, been going on for the last 3 months in our country or longer, about the Clinton economic program. I appreciate the time that she has taken, because it gives some of us a chance to expand further and with greater intensity on some of the important issues that are involved in this program.

I have been concerned over the last days because the program has been discussed in terms of the spending cuts, which are important, or the revenue increases, which are also part of the plan. A lot of talk about deficit reduction and the need for deficit reduction, all of those discussions are important. But what has been lacking is what the program is for.

Deficit reduction in and of itself is interesting.

□ 2100

It is, to some, positive. It, however, is a means to an end. It is not the end.

I am not interested in this program because we can say we reduced the deficit. So what? People do not care. My constituents do not care. Your constituents do not care. What they care about, what they are worried about, what they are rightly concerned about, is jobs and standard of living. That is what they care about. That is the great concern in the country.

That is the reason President Clinton put this program out there, so we could do it, discuss it, and then do it. The reason for it is to get all the good economic impacts that come from deficit reduction as a means to creating good jobs, as a means to creating good jobs.

Let me cite one fact that has already happened from the Clinton economic program, without it even being passed yet. That is that interest rates have gone down from the expectation that we would reduce the deficit. Listen to this fact. Twenty-six billion dollars have been put into the hands, this year, of the American people because of lowered interest rates, because of the expectation that this plan would pass. People in my area and in all the country have renegotiated their home mortgages to get the effect of the lower interest rate, which has yielded lower monthly payments for them, which they are able to then save or put into the education of their children or into health care or into buying a new car or whatever it is they want to do.

Some people have available \$100 a month now that they did not have before President Clinton was elected, because of the effect of the program.

Let us be more specific about the issue of jobs. In the last few months there have been more jobs created. Since January there have been as many jobs created as were created in the whole Presidency of George Bush; the whole Presidency, the whole 4 years, we have created as many jobs since January, about 1 million jobs.

The monthly average, let us just look at the monthly average of jobs created during the time President Clinton has been President. We have had 148,000 jobs, new jobs, net new jobs, created a month. The average when George Bush was President was 21,000 jobs a month. We are beating that by 120,000 jobs a month. The program has not even passed. Imagine what can happen if the program were to be passed, which we want it to be.

The President's goal is to create 8 million new jobs over the next 4 years. Without the program even being passed we have already reached that goal in the first 6 months. We have had 1 million jobs created in this country. Again, it is primarily because interest rates are down because of the expectation that the program would be passed. That is real progress. That is why we

are doing the program. That is why we are having the debate. That is why we are having the discussion. That is why we are having the vote. We want jobs created, good jobs, good paying jobs.

We want to put money in the hands of the American people. We want to help this economy get up off its feet. It has been on the ground for 4 years. It has been stuck in neutral, moving backwards. We want to get it to go forward. This program will do it.

Some people say, It will hurt small business. I have heard that criticism. I do not understand it. Surely the people that are saying this program would hurt small business have not read the program, and do not understand it.

Only 4 percent of small business people would have their taxes increased with this program. Guess what their average annual income is? It is \$560,000 a year; \$560,000 a year. We are asking them to pay a little more revenue, so their fair share is paid to help the country operate. I do not think that is too much to ask. These are the folks that had the largest tax decrease in the last 12 years. We are asking them to pay their fair share.

Let me go further. Ninety percent of small businesses will have a tax cut from this program because of capital gains treatment, because of investment expensing that is allowed under this program, and a number of other features that directly help small business.

So a small fraction that, frankly, can afford it has a little bit more to pay, and 90 percent have a tax cut. How does that hurt small business? I think it helps small business.

The last point, I have heard a lot about taxes and not enough about spending cuts.

1993 BUDGET RECONCILIATION ACT: SMALL BUSINESS CONCERNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. GEPHARDT] is recognized for 60 minutes.

Mr. GEPHARDT. Madam Speaker, I will continue on here for a moment, and recognize some other speakers who are here.

Madam Speaker, when our time ran out, I was talking about the complaints that are made about this Clinton economic program. One is that there are no spending cuts. I hear people say to me at home, "There are no spending cuts," or they will say, "I do not think Congress will cut spending." I do not understand—I guess I do not understand why people would say that. Maybe they think that the cuts are not real, or that we have had trouble doing this in the past.

Let me just say a couple of things. One, in 1990, I was here for the budget summit. We cut a lot of spending. People say, "Why didn't the deficit go down?" There are good reasons the def-

icit did not go down. We have been in a 3-year recession. People were not paying taxes. If you are out of work, you cannot pay taxes. That is why the deficit did not go down.

We had the S&L mess. That is over with. We are coming out of the recession. Things are going to get better. We need to do more, and this program has spending cuts.

Half the cut in the deficit is spending cuts. They are tough spending cuts. For the first time in my memory the Congress will not spend one red cent next year more than we spend this year in all the programs we have discretion over: defense programs, domestic programs. If we lump them all together, we are not going to spend one penny more than we spent last year. This year we already had tough fights over what would be spent, because we were under tough caps.

The third year we are going to spend the same amount we are going to spend this year. The fourth year we are going to spend the same amount we spent this year. The fifth year we are going to spend the same amount we spent this year, not one cent more.

Never in the history of the country have we had an absolute rock-hard blizzard freeze on spending for 5 years. That is what this budget does. That is the spending cut that is in this budget: \$250 billion in spending cuts over 5 years, cuts in Medicare, cuts in programs like veterans and others that are tough to do. You bet this has cuts.

Finally, people talk to me about taxes. I hate taxes. I wish we did not have to have any tax, but everybody understands that what we want to do has to be paid for; no more borrow and spend. Yes, let us cut spending as much as we possibly, logically, sensibly can, but let us get the books in order as well. Let us ask everybody to do their part.

Seventy percent of the taxes raised in the Clinton economic program come from people who earn \$200,000 a year or above. We are simply asking that those who have done the best pay their fair share. I don't have any problem with it. I congratulate them. I am happy that they are able to make big money.

□ 2110

I hope they make much more money. But I want them to pay their fair share. That is all.

The middle class has done their part. The poor have done their part. Now we are asking the people at the top to do their part.

Second, people earning above \$35,000 a year do have a responsibility in this program. The Clinton program asks them for \$50 a year. It is about \$1 a week. I do not think that is too much to ask of anybody in our country, me included, everybody who is a Member of this body included to do to make this problem go away.

Let me end with what again it is about. It is not about deficit reduction; it is not about some economic theory; it is not about some lecture that we could give in a classroom. It is about jobs and standard of living. That is the only reason to do this. We have to do it. It is our responsibility to do it. It is our mission to do it.

We have got to get this country moving again. We have got to get this economy thriving again. We have got to get people back to work in good jobs.

It has already begun, 148,000 jobs a month as opposed to 21,000 jobs a month for the last 4 years. We have already turned the corner. The future is going to be bright. We can make it happen, and with the votes of enough Members here in about 2 or 3 weeks we are going to pass this Clinton economic program and put this country back on the right economic track.

Madam Speaker, I am happy to yield to my friend, the gentlewoman from Utah [Ms. SHEPHERD].

Ms. SHEPHERD. Madam Speaker, I thank the gentleman for yielding. I am delighted to be here tonight. I want to take this opportunity to thank Ms. DELAURO for arranging this special order and giving us the opportunity to talk to the people of America about what is happening on the 1993 Budget Reconciliation Act.

I have been particularly distressed because of the allegations that have been alleged by the minority party that this act is bad for small business. And I welcome the chance to lay these allegations to rest.

Small business is an issue which is dear to my heart. For 17 years my husband, like his father before him, ran a small business. It struggled, and it grew, and it prospered, and it was a terrific small business.

It was a struggle for me, but for 12 years I ran a small business. We started small, and we grew, and we prospered. And when I sold it, it was a very successful small publishing company that I was enormously proud of. And that experience changed my understanding of how the world works in a very fundamental way.

I believe I understand business. I believe I understand what small business people care about. And I know that this bill is good for America's small business.

It is time to tell the truth, and the truth is that this bill will absolutely help small businesses. First, both the House and Senate bills more than doubled the investment that small businesses can expense from \$10,000 a year to \$20,000. I would have been very grateful to have that additional deduction in my business, and virtually all small businesses will benefit from this policy.

The Small Business Legislative Council estimates that no fewer than 11 million small businesses will take

this depreciation because they are taking it now, and they will get the additional depreciation. Even the National Federation of Independent Businesses has indicated its support for this policy.

Second, capital gains taxes for patent investment in new, high-tech businesses is going to be reduced by 50 percent. These are the very businesses which in Utah alone produce \$5 billion worth of income alone. If we want to support that kind of thoughtful entrepreneurship, those kinds of businesses that will take us into the 21st century, software businesses, biotech businesses, then we can feel comfortable supporting this deficit-reduction plan.

Third, this plan retroactively extends the 25-percent deduction for health insurance premiums for the unemployed. We know as we go to our town meetings from this body that business is very concerned about the premiums it is paying on skyrocketing health care costs. We also know we have to reform health care to fix that, and we will do that. But in the interim, and until comprehensive health care reform is passed, this might be the only opportunity we have to help small businesses meet this challenge.

And how will these businesses affect the real world? Let us set the record straight. The Department of Treasury statistics show that 96 percent of small businesses will be unaffected, that is correct, absolutely unaffected by the higher income tax bracket in this bill. The remaining 4 percent hardly qualify as what we think of as mom and pop businesses. The average affected individual in this affected 4 percent earns an average annual income of \$560,000.

As the Washington Post put it recently, the affected businesses include such affluent professionals as doctors, lawyers and accountants. If they were exempt from the personal rate increase they would have a lower income tax rate than corporate executives and other professionals who receive their income in the form of salaries. Now I ask, is that fair? After a decade of being the ones who benefited from the tax breaks, is it fair that that group of people is not asked to pay their fair share at this point in time? Of course it is not fair. We all have to pay our fair share.

Finally, the so-called S corporations have been the target of particularly misleading political posturing in recent days. Contrary to what has been said, there are no special higher rates for subchapter S corporations, partnerships or sole proprietorships. Under the President's plan, income from these small businesses is treated no differently than salaries, interest or other income. S corporations can continue to deduct both the wages they pay to employees and the new investments that they make to expand. And what is more, a small business owner finding

himself subject to the higher marginal rate can become, with the stroke of a pen, a C corporation and be totally unaffected by this tax increase, unless the net profit exceeds \$10 million.

Here is the bottom line:

First, 90 percent of all small businesses will receive a tax cut from this plan;

Second, according to studies by the Joint Economic Committee and the National Venture Capital Association, investments resulting from the \$500 billion deficit-reduction plan will create 200,000 new jobs in small business.

Equally impressive, by finally making deep cuts in Federal spending to bring down the suffocating Federal deficit, and by keeping interest rates at record lows so that individuals and businesses can refinance their loans, this plan will create 8 million jobs nationwide over the next 4 years and lead to the kind of growth that Representative GEPHARDT has been talking about.

Congress is charting new territory, and we are making the tough choices to control Federal spending and reduce the deficit. And defenders of gridlock on Capitol Hill will stop literally at nothing to undo these changes.

Our Nation's small business owners want us to get the Nation's fiscal house in order. They do not want us to be naysayers. They do not want us to do nothing.

□ 2120

They want us to get the job done. The Wall Street Journal headline that I hold before you really says it best, "Finally The Truth Is Out," and it states, "Foes of Clinton's tax proposal mislead public and firms on small-business aspects." I say that this is not a time to mislead. This is a time to lead. We are doing it. We are helping small business.

This is a good plan, and I encourage my colleagues to vote for it.

I thank the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. I thank the gentlewoman from Utah for her fine statement. It was very refreshing to hear the facts about how small businesses are really affected by this plan as opposed to misperceptions that have been created.

Small businesses, as the gentlewoman knows, have created about 70 percent of the jobs that are being created in America today. The last thing we would ever want to do would be to create a plan that would be injurious in any way. We want it to be supportive of small business, to help small businesses grow and prosper and invest and move in a direction of creating more jobs.

We believe, as you well stated, that this plan does that, does it well, by giving incentives for investment, incentives for depreciation, incentives that will help small-business people grow and prosper.

So I say to the gentlewoman, Well done.

I think it is entirely proper that we get these facts out. I believe we are hoping to do this on many nights this week, tomorrow night, and the next night, and I hope that through the next 3 weeks, through the leadership of the gentlewoman from Connecticut and others who are here, that we will carry this message to the American people through the use of these special orders.

I yield now to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. I thank the gentleman from Missouri for yielding.

Madam Speaker, I just wanted to thank my colleagues for joining me here tonight and the gentleman from Missouri. I think you hit the nail on the head.

What this plan, the recovery plan, is about is jobs. It is the future; it is the hope for people in this Nation. That is what last November was about.

This country elected Bill Clinton, because they felt that he was going to provide change. He has had the courage to put together an economic recovery plan which will provide this Nation with change, and what we need to do here in this body is to show to the American public that we have the courage to step up to the plate, to make the hard choices, in fact, so that we can create jobs and turn this economy around.

I think that we have seen tonight with this information that the engine of growth in this Nation is small business, and this plan provides small business with the opportunity to grow, to expand, and to create jobs to put people back to work again.

We have seen a lot of politicization of the issue in the last several weeks. My view is that the American public is smarter than that. They will see through some of the arguments of the failed past and understand that we have to pass this plan in the next 2 or 3 weeks, that we have to grow the economy and put people back to work again.

I thank the gentleman again for his time this evening and for participating along with myself.

Mr. GEPHARDT. I thank the gentlewoman for the work she did in organizing the group tonight and putting this special order forward.

I would end perhaps with a story from my background and why I think this issue of job creation and standard of living is so important.

I am 52 years old. I grew up in a period right after World War II. I was born in 1941. My dad was a milk-truck driver. My mom was a secretary. Neither of them went through high school.

They worked very hard, and they believed with all their heart that their sons, and I have a brother who is 4 years older, could do better than they had been able to do, could succeed in

this country. Because of their hard work, both of us were able to finish college and graduate school, and we had opportunities unlimited. We grew up in a time in the country when it was right to believe that when your parents told you that if you worked hard you could succeed and do well that that could happen, because the evidence was all around us of people doing that and succeeding.

Success is contagious. When you see others able to do it, then you think you can do it.

What has happened in the last really 15 years in our country is that that growing standard of living, that growing economic pie has stopped growing. As I said a moment ago, in the last 4 years, we created just a million jobs. We need a million jobs every 6 months to keep up with the new people coming into the work force.

So people who were young, who are trying to get ahead, who are working and looking and seeing what was happening around them, like I did in the 1950's and 1960's, were seeing a country that was not succeeding, more importantly people who were not succeeding, and they gave up. They got cynical. They become downcast about their future and the future of the country.

We have got to turn that around. That is what this is about: Hope, opportunity, the feeling that you can succeed no matter who you are, no matter where you start, no matter what your background, no matter how poor you are when you start; you believe with all your heart and all your mind that if you work hard you can succeed. That is America. That is what this is all about, and that is what we are fighting for. That is what President Clinton is fighting for, and I so hope that in the next weeks we can get this information to the American people and we can build a climate of confidence that when this program passes that this country is going to take off, that the economy is going to begin to succeed, that jobs will be created, that the standard of living will go up, and we will create that climate of confidence that I remember as a young person in this great country.

Ms. DELAURO. I know you said you wanted to close. But may I just add one word here?

Mr. GEPHARDT. Surely.

Ms. DELAURO. Because we share a similar experience.

My dad came here as an immigrant and could only dare to dream to see his daughter someday sit in the House of Representatives.

What is the most tragic part of what is happening today and over the last 12 to 13 years in this country is that that American dream is like sand through people's hands. For the first time in this Nation, parents do not believe that their children are going to have the same opportunities that they did, that

they are not going to be able to have those jobs, they are not going to be able to compete.

I view it as my obligation, and I know that you view it as your obligation as representing your constituents in the same way that I do mine, and the others who have participated with us tonight, that we owe this to the people that we represent to turn this economy around, to provide people with the opportunity for jobs and hope so that they can believe once more that this Nation is going to provide their children with the opportunity for success so that they, too, can do what you are doing, what I am doing, and doing what so many others are doing around this Nation.

Thank you. Let us do it.

Mr. GEPHARDT. We are going to do it. I thank the gentlewoman very much.

THE NORTH AMERICAN FREE-TRADE AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 60 minutes.

Mr. DREIER. Madam Speaker, I rise to first congratulate my colleagues, the gentleman from Missouri [Mr. GEPHARDT], the gentlewoman from Connecticut [Ms. DELAURO], and the others who have participated in this special order. I have to say to them that I strongly agree with much of what was said here about our desire to create jobs, opportunity for Americans, expand this economy.

My State of California is suffering greatly and clearly the interest in seeing us create more opportunity and more jobs does, in fact, lie with this Congress.

Now, I am taking this special order this evening to specifically talk about another item which is strongly supported by President Clinton. It would be less than honest for me to stand here and say that I agree with the things that were said by my colleagues on the other side of the aisle. I, in the goals that they have, do share those, but, frankly, I am not a supporter of the program to which they have subscribed.

I will say that I voted against it when we had it considered here, because I happen to believe that bringing about a dramatic tax increase will have a deleterious effect on the entire economy.

My friends were focusing on the issue of small business, and I happen to believe that the small-business sector of the economy will, in fact, be greatly penalized.

One of the things that I would like to point to, and I am going to spend the time this evening not surprisingly to talk about what I think is one of the most job-creating mechanisms for the

United States, and that is implementation of the North American Free-Trade Agreement. But what I would like to do is point to an article that specifically addressed the issue of the economic growth package that my friends on the other side of the aisle were discussing.

□ 2130

It appeared in yesterday's New York Times. I took a 1-minute this morning to talk about this article.

This actually was a bipartisan analysis provided by a wide range of economists, some Republicans, some Democrats, some independents; people who have taken the opportunity to closely scrutinize the package that has come forth.

One of those quoted in this article in fact has been a strong supporter of President Clinton's. I am talking about the economist for C.J. Lawrence, Ed Yardeni, who had been a strong proponent of the Clinton plan early on.

I would like to quote from this New York Times article. He said:

Some economists take an even stronger stand, urging the Administration to forget the current budget package.

What Mr. Yardeni said is:

The best thing they can do for the economy is to figure out a politically acceptable way to walk away from the program even if it meant less deficit reduction.

Now, as we go through, I could read a wide range of these other quotes in this column in that article that was in the New York Times, but suffice it to say there were basically three messages that came forward from the survey of these economists. They said:

First, we should go slow on tax increases; second, we should have tougher spending caps; third, we should proceed with implementation of a North American Free-Trade Agreement; and, fourth, we should go very slowly when we look at this issue of health care reform.

Now, my friends were specifically talking earlier about small business. As we look at the proposed health care reform package that is scheduled to be considered in this House—first it was to be submitted to us in May, then at one point during the summer, now the Congress is hoping to receive the package from Mrs. Clinton's task force sometime in September. That tax, which will be incorporated in that health care reform proposal, based on most independent analyses, including those of the economists here in this New York Times story, indicate that the penalty that will be imposed on the small-business sector of the economy and working Americans will be an overwhelming one.

So I believe we should move forward with those three recommendations going slowly on tax increases, being tougher on spending cuts, and moving very slowly and cautiously on this

issue of health care reform, and proceed as vigorously as possible on implementation of a North American Free-Trade Agreement. I hope my colleagues who are concerned about small business will take the words that are in this New York Times article yesterday to heart.

Madam Speaker, I yield to my friend, the gentlewoman from Connecticut, [Ms. DELAURO].

Ms. DELAURO. I guess it is a question of the battle of the economists or the titans. I would like to quote to my distinguished colleague a quote from Robert Solow and Dr. James Tobin, both of whom are Nobel Laureates, economists and Nobel Laureates.

I would like to read briefly what they have said, and again quoted in the New York Times:

We agree with Mr. Clinton that the country must shift priorities from consumption, private and public, to investment, private and public. Although most of the proposed new taxes and peace dividends are earmarked for defense reduction, the plan before the House allocates small amounts to public investments aimed at a high-tech economy and a high-education workforce. They are, like deficit reduction, justified by their payoffs to future Americans.

Our Group of 7 partners have long been critical of our profligate fiscal policy and tight monetary policy. They are counting on the Administration to engineer a shift to fiscal prudence and lower interest rates. The U.S. in turn is urging fiscal expansion to speed growth in Japan and monetary ease to cut interest rates in Germany and the rest of Europe. That may well be the right brew for the ailing world economy—and for the U.S. trade deficit. But international cooperation might fall apart if Congress balks.

For 12 years, Washington gave the world an object lesson in how divided Government leads to gridlock. Now Congress has an opportunity to show that our Government is not structurally doomed to gridlock. Let the members of both Houses and parties stand up for effective democracy.

So I appreciate the gentleman's comments on the economists, but it is clear that there are economists of stature who are equally on both sides of the issue.

Mr. DREIER. I am happy to say to my friend that she is absolutely right; clearly there are people who are supportive of this plan, there are Members of this House who are obviously strongly supportive of it.

The only point I am making is that as we look at this independent analysis provided through the interviews that the New York Times conducted, it seems to me that they have concluded that the overwhelming thought amongst these economists with whom they spoke was that they wanted to see us move.

And again, remember, I am taking this special order out in order to support one of President Clinton's top priorities. When we finish here, I am going to be talking about one of President Clinton's top priorities which I strongly support.

The fact of the matter is these economists have said they believe that the tax increase package that is in this bill will have a very detrimental effect on the economy. They believe that we should go much more vigorously with spending cuts and they also believe that we should move more cautiously in the area of health care reform and they believe that we need to proceed with implementation of a North American Free-Trade Agreement.

Now, this is what the New York Times describes as the overwhelming message that comes back time and time again as they speak with Democrat, Republican, and independent economists.

Now, I am not going to quarrel with the quote provided by my friend from Connecticut [Ms. DELAURO], but the point I am trying to make is that as we look at the broad cross-section of economic analysis which has been provided to the plan which my friends were discussing, it seems to me there is a lack of support among those people who have completely analyzed it.

Madam Speaker, I again yield to the gentlewoman from Connecticut.

Ms. DELAURO. I will be brief.

Mr. DREIER. Let me interject to say that I would love to have all of the Members remain and discuss this North American Free-Trade Agreement, and that is the reason why I have taken this time out.

Ms. DELAURO. Let me say one further thing, if I may: Again, the gentleman has an article from today's New York Times—

Mr. DREIER. Yesterday's.

Ms. DELAURO. Yesterday's New York Times. I know that there are economists who are supportive. We have two giants in terms of Dr. Solow and Dr. Tobin. Neither of us agrees with every item in the fiscal package, they say, but it represents the most responsible budgeting that has been seen in Washington for a long time.

They mention the reason, the deficit, what would happen with bringing down the Federal debt, what happened with the bond market and with an expectation so that we could go on, ad infinitum, I guess, but I think it is clear that I think we would be able to match economist for economist in this discussion.

Mr. DREIER. Reclaiming my time, the point I am trying to make on this—and, Madam Speaker, I will incorporate this entire article in the RECORD at this point, if I may.

The article referred to is as follows:

[From the New York Times, July 19, 1993]

ECONOMISTS' ADVICE FOR CLINTON

(By Sylvia Nasar)

Bill Clinton's promise to focus on the economy "like a laser beam" created great expectations among the nation's economists. But in the six months since his inauguration, many of them have been sounding increasingly disenchanted with his policies.

Some say the President promised and did not deliver. Others, who thought his can-do approach would bolster confidence and provide the economy with a catalyst, complain that uncertainties, backpedaling and prospects of much higher taxes have sown fear and confusion among business and consumers.

"We've moved from one President who seemed to be out of touch to another President who is also out of touch with what's needed in the economy," said Stephen F. Hiebsch, manager of economic research at the Oklahoma Gas and Electric Company in Oklahoma City, who said he voted for President Clinton because of campaign promises to focus on business investment, education and the nation's roads, bridges and other support systems.

A PROGRAM OFF TRACK?

While some economists defend the budget now on Capitol Hill as a big step toward taming the Federal deficit, many complain that the economic program—from the budget to health care to trade—has veered seriously off track.

To be sure, economists are no less fickle than other Americans. Some of the unhappiness probably reflects disappointment in the President's limited power to get things done: to date, the Administration has found trouble getting its way in Congress. Paul Samuelson of the Massachusetts Institute of Technology, a Nobel laureate in economics and a longtime Democrat, has said, "You've got a President with no influence."

Further, the Administration is stuck with an economy that, while expanding at a modest pace, is struggling to overcome the lingering effects of overbuilt real estate, military cuts and feeble growth in the rest of the world.

Still, said Richard T. Curtin at the University of Michigan, who tracks consumers' moods, "It's the lost opportunity that's frustrating." He acknowledged that the President cannot deliver fast-paced, 1960's-style economic growth, but said there was enough room "to move from a stop-and-go expansion to one that proceeds more steadily."

What do the economists want the President to do? Three themes emerge over and over again: pare or postpone tax increases while pushing for tougher, more enforceable spending caps; go slower on health-care changes, and push harder for the free-trade agreement with Mexico and Canada.

"Hands off would be better," said Alan Sinal, managing director of Lehman Brothers. "Let the economy work out the kinks. We're simply going to have to live with what growth the economy can produce."

Donald Ratajczak, director of the economic forecasting Center at Georgia State University, said, "Most economists don't want the Administration to prime the pump, to just go out and spend."

On the budget, the concern is not only that a big tax increase could hurt economic growth next year, but that it would fail to bring the deficit under control.

Of course, the President's options are limited because the House and Senate have already passed their versions of the budget. But as the differences between the two versions are hammered out, he does have some room to press for smaller tax increases that would take effect at a later date than in the House version of the bill.

CALLING THE WHOLE THING OFF

Some economists take an even stronger stand, urging the Administration to forget the current budget package. "The best thing

they can do for the economy is to figure out a politically acceptable way to walk away from the program even if it meant less deficit reduction," said Ed Yardeni, chief economist at C.J. Lawrence. Raising taxes, said Mr. Yardeni, is likely to weaken the economic recovery without necessarily solving the deficit problem.

Many of the economists in this camp, however, did not buy the original Clinton plan, and remain opposed as much for ideological reasons as for fear that the recovery is unacceptably weak.

Still, few economists are willing to go so far, largely because they fear that interest rates would jump if the Administration failed to get a deal. And because the broad outlines of both bills—higher top income-tax rates and a 35 percent corporate tax—are similar, they urge the Administration to tinker around the edges.

"The most important thing is to get the budget passed, and erase the uncertainty," said Laurence H. Meyer, who runs an economic consulting firm with that name in St. Louis. "You don't turn back."

In fact, he and others said the President's biggest impact on the economy so far has come not from programs themselves, but from the waiting.

"There's no question Clinton confusion is slowing the economy," said Mr. Ratajczak at Georgia State.

Worried that higher corporate taxes will undermine business investment in new plant and equipment, one of the few sources of strength in the economy, several economists want the Administration to minimize increases in the tax burden on smaller businesses.

"Even if it means a little less deficit reduction, the best package may be one that restores some of the growth provisions," said Jerry Jasinowski, an economist who is president of the National Association of Manufacturers. "If you have to make trade-offs at the margin, you are better off not increasing business taxes that will stifle growth and jobs."

Charles Wolf, dean of the Rand Corporation's graduate school and director of economic research at Rand's National Defense Institute in Santa Monica, Calif., said he would favor a bill from the conference committee that "has more of the investment incentives and less of just raising taxes."

At the same time, some economists are pushing for toughening the procedures in the budget for enforcing limits on spending growth. "It will help to have a President who says he supports the concept of spending caps and I'll be faithful to them," Mr. Meyer said. "That would increase dramatically the credibility of the whole thing."

CAUTION ON HEALTH CARE

Many economists say a Clinton health-care program is an even bigger source of uncertainty for most businesses because it may involve higher payroll taxes. There is growing sentiment among economists that the Administration should go slower on the issue—and proceed with far greater care.

"This is too important to do fast," Mr. Meyer said. "We're changing health care. This is one of the most important bills in recent history, and it's only reasonable that it be a consensus solution."

Referring to the Administration's tough talk on health-care changes, Rudolph Penner, an economist at KPMG Peat Marwick and a former director of the Congressional Budget Office, said: "Their first rule should be 'thou shalt do no harm.' People have been particularly careless; they

have not been sensitive to the damage they can cause to businesses with remarks about price controls here and payroll taxes there."

Some economists also spoke of the potentially stimulative effects of increased trade, saying the President should be pressing harder for the North American Free Trade Agreement.

"I would like to see this free-trade agreement pushed real hard," said Mr. Hiebsch of Oklahoma Gas and Electric. "If free trade is good between Texas and New York and between Kansas and Oklahoma, I can't believe free trade wouldn't be good between Mexico, Canada and the U.S."

Diane Swonk, senior regional economist and vice president of the First National Bank of Chicago, agreed. "Nafta is our insurance policy that Mexico doesn't back off from its reforms," she said. "Without it, medium and small exporters get locked out. What we're hearing from our customers is that the uncertainty has already slowed a lot of momentum."

I commend this article to my colleagues.

Madam Speaker, let me read the title of this article: "Economists' Advice for Clinton. Caution Is Urged on Tax Proposals."

And while my friend has discussed two specific economists, this is discussed probably by nearly a dozen economists' proposals in response to the plan.

I am not standing here as a defender of the New York Times. I do not do it every day. But the fact of the matter is I believe this does provide an independent analysis, and I have referred to one person in mine. The one person that I quoted from the article was a supporter of President Clinton's.

He has said that he believes it would be very advantageous to step away from this package because he is concerned that it will have a detrimental effect on the economy.

One of the reasons I mention the article is I am hell-bent to stand here and talk about the fourth item which these economists overwhelmingly support and, as I said, I would love to have any of my colleagues who support or who oppose the North American Free-Trade Agreement here to discuss it for a few minutes with me.

I am going to respond to some specific allegations on the package that was made in a Roll Call article, and then I would be happy to yield to anyone who would want to ask questions of me on NAFTA. You are welcome to speak for it or against it, however you like.

Ms. DELAURO. I thank the gentleman.

Mr. DREIER. Absolutely.

Madam Speaker, I mentioned I wanted to take a few minutes to respond to this specific article. As I said, I agree with my colleagues—job creation right here in the United States is clearly a top priority. It is of great concern to me. I am the Representative from Los Angeles, CA, and it is no secret that the cuts in the defense and aerospace industries have had a very chilling effect on our economy.

□ 2140

There is a great deal of pain in southern California, plus we are suffering from one of the most serious problems which I am happy to say this House has addressed most recently just this afternoon when we were dealing with the Commerce, State, Justice appropriations bill, and that is the flight of illegal immigrants coming across the border into the United States.

What I would like to do is refer specifically to the article that appeared in Roll Call. It was authored by two of my colleagues who are very outspoken opponents of the North American Free-Trade Agreement. I am referring to COLLIN PETERSON and SHERROD BROWN who have been leaders in this newly formed anti-NAFTA caucus.

Roll Call is a Capitol Hill newspaper which circulates throughout Capitol Hill and now gets a great deal of acclaim in other media and is often quoted.

This article that was written by these two Members of Congress specifically states that those of us who are proponents of NAFTA have been ignoring the facts on trade agreement.

Now, this is really quite a charge that has been leveled, considering that it has been those of us who are NAFTA supporters who have repeatedly and consistently called upon NAFTA critics to engage in a debate that is founded on facts. Instead, the special interests have run the organized National Anti-North American Free-Trade Agreement campaign that focused on distortions and fear, designed to sway public opinion.

In general, the facts of this treaty and the opponents of NAFTA have in fact been strangers.

The facts of the treaty and the opponents of NAFTA are really a long way apart, and that is the reason I am standing here to specifically talk about the facts, and I am going to do that.

No. 1, NAFTA is a net job creator, which is what I said at the opening of my remarks and what I continue to believe strongly.

The Peterson and Brown article claims that estimates of job creation by NAFTA are not fair representations of the job impact of NAFTA, because they are gross job numbers, rather than net job numbers. Basically, PETERSON and BROWN claim that the positive job estimates only account for the jobs that are created, but not the jobs that are lost. They claim that the U.S. Trade Representative's estimate of 200,000 new jobs suffers from that problem.

Now, those of us who support free trade, those of us who believe in the ability of the American worker and the American entrepreneur to compete in the international arena, believe that the job creating aspects of free trade are one of the most important reasons to support NAFTA.

As I said, I support NAFTA because it is going to create jobs here in the United States.

By the way, I should say over the past several years, those export-related manufacturing jobs enjoy wages that are 17 percent higher than the wage rate for non-export manufacturing jobs.

Therefore, we do believe that eliminating those Mexican barriers will create jobs right here in the United States of America.

Now, again, President Clinton happens to be a strong proponent of NAFTA. His U.S. Trade Representative estimates that we will enjoy 200,000 more jobs.

The study cited by this Peterson and Brown article that appeared in Roll Call estimates that 316,000 new jobs will be created. In fact, nearly every reputable economic study, and I mentioned earlier that New York Times piece, virtually every one of those economists, and I suspect that even the economists who were mentioned by my colleague, the gentlewoman from Connecticut [Ms. DELAURO] happens to believe that NAFTA will create jobs here in the United States.

PETERSON and BROWN try to claim that these new jobs do not overcome jobs that will be displaced by NAFTA. They say that if you count job gains and job losses, that you get a net jobs figure that is much worse. To back up this assertion, they state that "The Hufbauer and Schott study admits that over the long term, the U.S. could experience a net job loss."

First, I would note that this statement distorts the Hufbauer and Schott study to the point that it is not at all recognizable. Hufbauer and Schott estimate that NAFTA will create as I said, 316,000 jobs, and cause the displacement of 146,000 jobs. Thus, the net jobs figure that PETERSON and BROWN claim to consider as an important fact is actually net increase of 170,000 jobs.

Let me repeat that for clarity. The Hufbauer and Schott study to which they referred in their article has a net increase of 170,000 jobs. That figure for net jobs created in the United States is also not too different than the 200,000 jobs estimated by President Clinton's U.S. Trade Representative.

I would note that the job figure from Hufbauer and Schott, the 170,000 net new jobs, is based on increased American exports. The study estimates that reducing Mexican barriers to competitive American exports will increase our exports by \$16.7 billion. At the same time, American imports from Mexico will increase by \$7.7 billion. Increased exports create good jobs. It is a simple concept, but it lies at the heart of the NAFTA debate.

The second point. Structural adjustments occur without NAFTA.

PETERSON and BROWN then proceed to describe the dilemma of how not as

many jobs are being created in the United States as we would all like. They claim that our economy is undergoing a structural adjustment.

Now, what do they mean by "structural adjustment?" It certainly sounds like a devastating thing, and despite their stated interest in the facts, they do not really explain the concept of structural adjustment in much depth.

What they probably mean, is that during the past few years, many American businesses have struggled to become more efficient. In other words, they are trying to do more with less. Now, economists will tell us that becoming more efficient is the key to economic growth and improving our standard of living. It is not just a good thing, but it is the most important positive development that we have in our economy.

Of course, increased efficiency means that the economy can grow without necessarily creating as many jobs as before in the same places. Thus, IBM, for example, tries to build more computers, and serve more customers, but they try to do it with fewer employees. This is how they stay competitive.

The key across the entire economy is to have the incentives necessary to create new jobs to replace the ones lost as existing companies become more efficient. For example, the 17 million new jobs created from 1982 to 1990 represented 17 million new opportunities for workers.

Structural adjustments will go on as long as American business is trying to be more efficient, more competitive, and more effective. Hopefully, that will be forever. We should try to create every incentive possible to encourage the new investment necessary to create new companies and new jobs, so that there are good job opportunities for every American.

If PETERSON and BROWN mean to try to freeze employment in specific industries as a way of avoiding "structural adjustments", I do not think that is good, sound economic policy.

In fact, it is anathema to everything that the rest of the world is trying to move towards, that being a free economy. For example, today there are fewer people employed on American farms than there were 70 years ago. I do not believe that we lost millions of farm jobs; instead, our farmers became more efficient.

There will always be American industries in the process of reducing employment, while others are growing. Politicians can try to delay those inevitable market-oriented adjustments, but the results will always be economic decay. Instead, we should maximize the opportunity for competitive American industries to thrive and grow for the benefit of the entire economy.

Madam Speaker, I believe that implementation of the North American Free-Trade Agreement is one of the best

things that we can do to further that goal.

□ 2150

Madam Speaker, the third point I would like to make is: How can a Mexican afford to buy American products?

It is ironic that, while PETERSON and BROWN claim that they wanted the NAFTA debate to focus on facts, they try to perpetrate the type of baseless, anti-NAFTA rhetoric that clearly demeans this debate. They attempt to claim, through a ridiculous, rhetorical question, that nobody in Mexico can afford to buy American products because they are too poor. This is the type of scurrilous disinformation that is extraordinarily frustrating for those of us who truly want this debate to stick to the facts. The anti-NAFTA campaign has attempted to portray Mexico as a poverty stricken country that cannot consume anything that Americans produce. They describe Mexico in terms that are more appropriate for a country like Haiti, or Somalia, or the Sudan.

Now Mexico is not a rich nation. I am the first to admit that. They are not an industrialized power like the United States, or Germany, or Japan. They are not developed like Canada or Great Britain, but they are a vibrant, developing country with one of the fastest growing markets in the world. Mexico represents an extraordinary market for many American goods. Right now Mexico is our third largest export market, just behind Canada and Japan. They are not given those American exports as charity. Madam Speaker, they buy them.

Just as important, Mexico has a growing economy. The fastest growing economies in the world are countries like Mexico, Korea, Thailand, Chile. They are the countries that are booming. Even during this worldwide recession, Madam Speaker, Mexico is averaging 4-percent growth per year, which is twice as fast as the growth rate that we have here in the United States. The more we can do to tap into those growth markets, the more our economy will benefit.

Above all other countries, Madam Speaker, Mexico is a great export market for the United States because the Mexican people like buying United States goods. Right now they consume \$380 of products per person in Mexico. That is more than the average Korean, which is at \$360 and just a little less than the average Japanese at \$400. Now that average Japanese person earns ten times as much, so, so much for Mexico being too poor to buy our goods. Mexicans have the highest propensity to buy United States goods of any foreign country, spending approximately 15 cents out of every dollar on United States goods and services. NAFTA will increase economic development in Mexico, increasing the ability of Mexi-

cans to buy our products. To attribute all Mexican exports to a few multimillionaires is to stoop to such a ridiculous level as to embarrass all of us.

Now, Madam Speaker, the fourth point I would like to make is the one I referred to in my opening remarks. That is the North American Free-Trade Agreement as it relates to one of the most pressing problems that those of us who live in southern California face, that of illegal immigration.

Now PETERSON and BROWN close their column by claiming that NAFTA will exacerbate the problem of illegal immigration from Mexico. Those of us from southern California, as I said, know better than most the problems caused by illegal immigration, and I have been working diligently with my colleagues to fight them, and I am happy to say again that we are increasing the Border Patrol so we can deal with that problem right there on the front line.

Brown and Peterson state that, and I quote, even the pro-NAFTA experts predict increased illegal immigration resulting from NAFTA, and they specifically cite again the Hufbauer and Schott study. Again, Madam Speaker, they appear to have misunderstood or clearly misrepresented this study.

On page 25 of the Hufbauer study it states, and I quote, that Mexican immigration is likely to increase in the short run for reasons having nothing to do with NAFTA.

Now let me repeat that. They cite this study, the Hufbauer-Schott study, indicating that illegal immigration is going to increase with the implementation of NAFTA, and yet the study itself on page 25 states that Mexican immigration is likely to increase the short run for reasons having nothing to do with NAFTA. That is a pretty important fact they leave out.

In reality, Madam Speaker, the desire to stem the flow of illegal immigration, illegal immigrants entering our country from Mexico, is clearly one of the most important reasons that I support NAFTA. Emigration from Mexico is primarily driven by poverty. A poor southern neighbor is likely to be a constant source of immigrants for the United States. On the other hand, a prosperous Mexico will pose little threat to the United States and be as good a neighbor as Canada is now.

Let us look at this very important immigration question a little more closely. As I say, why is it that Mexicans illegally cross the border and come into the United States? It is easy. Mexicans illegally emigrate in search of one thing, economic opportunity, whether it is in the form of a job, employment opportunities or the tremendous welfare system that we at the Federal level impose on State and local governments, mandating that they provide health care, welfare, education, criminal justice, a wide range of government services that are not provided in Mexico.

A study by the National Commission for Employment Policy indicates that in the short run, for reasons having nothing to do with NAFTA, immigration from Mexico is likely to increase by four to five million immigrants.

What then will slow Mexican illegal immigration?

Now I remember very well listening to President Salinas de Gortari when he said that our goal is to export products, not people.

The most effective way to fight immigration is to reverse the desire of Mexicans to leave, and again I support strongly this Border Patrol effort to block them at the border. But we need to provide an incentive for them to stay, and the best incentive to keep Mexicans in Mexico would be the availability of the very jobs and opportunities that they seek. The Mexican economy must offer more economic opportunity to the Mexican people. It must grow at a rate fast enough to satisfy the economic needs of their growing population.

Now I strongly support the efforts to increase economic opportunity. I do not support foreign aid to Mexico. I do not believe we should take U.S. taxpayer dollars and funnel them to Mexico. That will not get at the root of the problem. We need to recognize that improving the economy of Mexico through the trade idea is the route for us to take.

One study suggests that a 20-percent increase in the Mexican capital stock, which is Mexican plant facilities and equipment, relative to that of the United States would offset the pressure for increased migration from Mexico that will occur without NAFTA.

Experience from Western European integration indicates that once rising wages in the poorest countries reach 40 percent of those in the richest, illegal immigration dramatically tapers off.

Now, Madam Speaker, we constantly heard this rhetoric about so-called 58-cent-an-hour labor. It is not that. The U.S. Trade Representative has already said the average wage rate for those in the manufacturing industries in Mexico is \$2.35 an hour. If we really believe this market, we are going to see wage rates improve on both sides.

How does NAFTA offer a long-term immigration solution? Quite frankly NAFTA will indisputably contribute to economic growth in Mexico. NAFTA will increase both wage rates and employment in Mexico.

By helping the Mexican economy grow, NAFTA is crucial to the only realistic long-term solution to the illegal immigration problem.

Opponents of NAFTA cannot logically criticize at the same time immigration and the sucking of jobs south: if those millions of jobs did move, then immigration from Mexico would evaporate because all the jobs would be there.

Finally, the most important question that we need to ask is: Will defeating NAFTA solve the Mexican immigration problem or the economic challenges that we face both here at home and in Mexico?

The answer is a resounding no.

Defeating NAFTA will worsen illegal immigration by setting back the pace of Mexican economic development.

□ 2200

Defeat of NAFTA will not solve any problems, including illegal immigration, American plant closings, environmental distress, or drug use. Just as many other problems that NAFTA opponents decry, illegal immigration can only worsen without NAFTA.

Madam Speaker, it seems to me as we look at every single one of these items, we have to ask that question again: is the status quo going to improve the environmental quality in Mexico or at the border? Is the status quo going to ensure that we will not see this flow of illegal immigrants come across the border? Is the status quo going to end the shift of jobs and businesses from the United States to Mexico, businesses which today have to move to Mexico if they want to take advantage of the 88 million consumers who are there? The answer is a resounding no.

Madam Speaker, I will say again that I welcome an exchange from my colleagues. Obviously I do not have any of my other colleagues here in the chamber at this moment. I hope I did not run all of them off. But I will say that as we look at this issue over the next several weeks and months, it is clear to me that we need to do everything that we possibly can to do what my colleagues, Messrs. BROWN and PETERSON said in their Roll Call article: Deal with the facts. Their article did not. We are trying to.

Madam Speaker, I hope very much that the American people, as they listen to much of the rhetoric which has come out on the North American Free Trade Agreement, will in fact join those of us who are proponents of NAFTA and deal specifically with the facts.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MOAKLEY (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of illness in the family.

Mr. FROST (at the request of Mr. GEPHARDT), for today, on account of illness.

Mr. MANN (at the request of Mr. GEPHARDT), for today, on account of personal business.

Mr. TUCKER (at the request of Mr. GEPHARDT), for today, on account of district business.

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. INHOFE) to revise and extend their remarks and include extraneous materials:)

Mr. INHOFE, for 5 minutes today.

Mr. BOEHNER, for 5 minutes today.

Mr. WELDON, for 60 minutes on July 22.

Mr. ARMEY, for 60 minutes each day on July 22, 28, and 29.

(The following Members (at the request of Ms. DELAURO) to revise and extend their remarks and include extraneous materials:)

Mrs. COLLINS of Illinois, for 5 minutes each day, on September 8, 9, 10, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 27, 28, 29, 30 and October 1, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 25, 26, 27, 28, 29, and November 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 15, 16, 17, 18, 19, 22, 23, 24, 25, 26, 29, 30, and December 1, 2, 3, 6, 7, 8, 9, 10, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 27, 28, 29, 30, and 31.

Mr. DEUTSCH, for 5 minutes, today.

Mr. GEPHARDT, for 60 minutes each day, on July 20, 21, 22, 23, 26, 27, 28, 29, 30 and August 2, 3, 4, 5, and 6.

Ms. SHEPHERD, for 60 minutes, on July 22.

Mr. HINCHEY, for 60 minutes, on July 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. INHOFE) and to include extraneous matter:)

Mr. EWING.

Mr. KING in two instances.

Mr. LEWIS of California.

Mr. DUNCAN.

Mr. COBLE.

Mr. LEVY in two instances.

Mr. SAXTON.

Mr. GUNDERSON.

Ms. SNOWE.

Mr. TALENT.

Mr. RAMSTAD.

Mr. SAXTON.

Mr. GOODLING.

Mrs. MORELLA.

Mr. OXLEY.

Mr. SANTORUM.

Mr. THOMAS of Wyoming.

(The following Members (at the request of Ms. DELAURO) and to include extraneous matter:)

Mr. MAZZOLI.

Mr. LANTOS.

Mr. HOYER.

Mr. TRIFICANT in five instances.

Mr. CARR.

Mr. SABO.

Mr. HUGHES.

Mr. HINCHEY.

Mr. DARDEN.

Ms. BYRNE.

Mr. BROWN of California.

Ms. HARMAN.

Mr. KLEIN.

Mr. KREIDLER.

Mr. COPPERSMITH.

Ms. CANTWELL.

Mr. DOOLEY.

Ms. ESHOO in two instances.

Mr. HAYES.

Mr. SERRANO in two instances.

(The following Members (at the request of Mr. DREIER) and to include extraneous matter:)

Mr. GONZALEZ.

Ms. WOOLSEY.

ADJOURNMENT

Mr. DREIER. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 2 minutes p.m.) the House adjourned until tomorrow, Wednesday, July 21, 1993, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1611. A letter from the Assistant Secretary for Communications and Information, Department of Commerce, transmitting a draft of proposed legislation entitled, "Telecommunications and Information Infrastructure and Public Broadcasting Facilities Assistance Act of 1993"; to the Committee on Energy and Commerce.

1612. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed lease of defense articles to Switzerland (Transmittal No. 10-93), pursuant to 22 U.S.C. 2796a(a); to the Committee on Foreign Affairs.

1613. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed lease of defense articles to Saudi Arabia (Transmittal No. 9-93), pursuant to 22 U.S.C. 2796a(a); to the Committee on Foreign Affairs.

1614. A letter from the Director, Defense Security Assistance Agency, transmitting the Price and Availability Report for the quarter ending June 30, 1993, pursuant to Public Law 100-461, section 588(b)(3) (102 Stat. 2268-51); to the Committee on Foreign Affairs.

1615. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting two reports on the control and elimination of chemical and biological weapons, pursuant to Public Law 102-182, section 308(a) (105 Stat. 1257); to the Committee on Foreign Affairs.

1616. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the report of political contributions by Donald J. McConnell, of Ohio, to be Ambassador to Burkina, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1617. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the report of political contributions by Aurelia Erskine Brazeal, of Georgia, to be

Ambassador to the Republic of Kenya; John S. Davison, of Maryland, to be the Ambassador to the Republic of Niger; James R. Jones, of Oklahoma, to be Ambassador to Mexico; Stuart E. Eizenstat, of Maryland, to be the U.S. Representative to the European Communities, with the rank of Ambassador, and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1618. A letter from the Acting Director, Arms Control and Disarmament Agency, transmitting the annual "Report to Congress on Arms Control and Disarmament Studies," pursuant to Public Law 100-213, section 4 (101 Stat. 1445); to the Committee on Foreign Affairs.

1619. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 93-31, with respect to military sales of depleted uranium ammunition to Sweden; to the Committee on Foreign Affairs.

1620. A letter from the Bureau of Reclamation, Department of the Interior, transmitting notification that the Bureau of Reclamation finds it necessary to construct modifications to Bonny Dam, Pick-Sloan Missouri Basin Program, CO, in order to preserve its structural safety; to the Committee on Natural Resources.

1621. A letter from the Director of Defense Research and Engineering, Department of Defense, transmitting a copy of the Strategic Environmental Research and Development Program, Phase II Plan, pursuant to Public Law 101-510, section 1801(a) (104 Stat. 1755); jointly, to the Committees on Armed Services and Science, Space, and Technology.

1622. A letter from the Secretary of Transportation, transmitting the biennial report on compliance with the Marine Plastic Pollution Research and Control Act, pursuant to 33 U.S.C. 1902 note; jointly, to the Committees on Appropriations, Merchant Marine and Fisheries, and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on the Judiciary. House Resolution 198. Resolution requesting the President to furnish to the House of Representatives certain documents concerning the response of the Federal Bureau of Investigation to allegations of criminal conduct in the White House travel office; adversely (Rept. 103-183). Referred to the House Calendar.

Mr. NATCHER: Committee on Appropriations. H.R. 2667. A bill making emergency supplemental appropriations for relief from the major, widespread flooding in the Midwest for the fiscal year ending September 30, 1993, and for other purposes (Rept. 103-184). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEILENSON: Committee on Rules. House Resolution 218. Resolution providing for the consideration of the bill (H.R. 2530) to providing for the consideration of the bill (H.R. 2530) to amend the Federal Land Policy and Management Act of 1976 to authorize appropriations for programs, functions, and activities of the Bureau of Land Management, Department of the Interior, for fiscal year 1994, and for other purposes (Rept. 103-185). Referred to the House Calendar.

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. GONZALEZ (for himself and Mrs. ROUKEMA):

H.R. 2668. A bill to establish a demonstration program to provide affordable rental housing for low-income families, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BUNNING:

H.R. 2669. A bill to authorize the Secretary of Transportation to convey to the city of Warsaw, KY, a vessel in the National Defense Reserve Fleet that is scheduled to be scrapped; to the Committee on Merchant Marine and Fisheries.

By Ms. CANTWELL (for herself and Ms. SNOWE):

H.R. 2670. A bill to amend the Export Administration Act of 1979 to extend indefinitely the current provisions governing the export of certain domestically produced crude oil; to the Committee on Foreign Affairs.

By Mr. DUNCAN:

H.R. 2671. A bill to provide that of amounts available to a designated agency for a fiscal year that are not obligated in the fiscal year, up to 50 percent may be used to pay bonuses to agency personnel and the remainder shall be deposited into the general fund of the Treasury and used exclusively for deficit reduction; to the Committee on Governmental Operations.

H.R. 2672. A bill to amend the Internal Revenue Code of 1986 to retain 80-percent deductibility for meal expenses of drivers of motor vehicles who are subject to Federal restrictions on hours of duty; to the Committee on Ways and Means.

By Mr. ENGEL:

H.R. 2673. A bill to amend title XVIII of the Social Security Act to provide for coverage of expanded nursing facility and in-home services for dependent individuals under the Medicare Program, to provide for coverage of outpatient prescription drugs under part B of such program, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. HOEKSTRA:

H.R. 2674. A bill to provide for a national advisory referendum on an amendment to the Constitution to limit the terms of Representatives and Senators; to the Committee on the Judiciary.

By Mrs. MEEK:

H.R. 2675. A bill to amend title XIX of the Social Security Act to require States to apply the income and resource standard established under the supplemental security income program under title XVI of such act in determining the eligibility of individuals for medical assistance under State Medicaid plans; to the Committee on Energy and Commerce.

H.R. 2676. A bill to amend title XVI of the Social Security Act to reform the supplemental security income program; to the Committee on Ways and Means.

By Mr. MINETA (for himself, Mr. NATCHER, and Mr. MCDADE):

H.R. 2677. A bill to authorize the Board of Regents of the Smithsonian Institution to plan, design, and construct the West Court of the National Museum of Natural History building; jointly, to the Committees on Public Works and Transportation and House Administration.

By Mr. THOMAS of Wyoming (for himself, Mr. RICHARDSON, Mr. YOUNG of Alaska, and Mr. CALVERT):

H.R. 2678. A bill to restrict the implementation of proposals of the Task Force on Bureau of Indian Affairs Reorganization; to the Committee on Natural Resources.

By Mr. TORRICELLI:

H.R. 2679. A bill to amend the Public Health Service Act, part A of title IV of the Social Security Act, and the Food Stamp Act of 1977 with respect to the establishment of a demonstration program to provide inducements to parents to ensure that the children of the parents are properly immunized against vaccine-preventable diseases; jointly, to the Committees on Energy and Commerce, Ways and Means, and Agriculture.

By Mr. TRAFICANT (for himself, Mr. DUNCAN, Mr. MINETA, Mr. SHUSTER, Mr. BORSKI, Ms. NORTON, and Mr. LEWIS of Georgia):

H.R. 2680. A bill to amend the Public Buildings Act of 1959 concerning the calculation of public building transactions; to the Committee on Public Works and Transportation.

By Mr. WYNN:

H.R. 2681. A bill to amend title 18, United States Code, regarding false identification documents; to the Committee on the Judiciary.

By Mr. GLICKMAN:

H.J. Res. 234. Joint resolution designating the week of October 3 through 9, 1993, as "National Customer Service Week"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII,

226. The SPEAKER presented a memorial of the General Assembly of the State of Nevada, relative to urging the national designation of the month of May as United States Armed Forces History Month; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HOEKSTRA introduced a bill (H.R. 2682) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the United States for the vessel *Shiloh*; which was referred to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 14: Mr. KREIDLER.

H.R. 84: Mr. THOMPSON, Mr. DELLUMS, Mr. REYNOLDS, Mrs. UNSOELD, Mr. RANGEL, Mr. HILLIARD, Mr. FROST, Mr. ENGEL, Mr. RAVENEL, Mrs. MINK, Mr. DIXON, Mr. BILBRAY, Mr. CLYBURN, Mr. STARK, Mr. PARKER, Mr. PENNY, Mrs. CLAYTON, Mr. BISHOP, Mr. LEWIS of Georgia, Mr. SCOTT, and Mr. CHAPMAN.

H.R. 214: Mr. PORTER.

H.R. 322: Mr. GONZALEZ, Mr. FOGLIETTA, Mr. BERMAN, and Mr. DELLUMS.

H.R. 406: Mr. WHEAT.

H.R. 468: Mr. BROWN of Ohio, Mr. OLVER, and Ms. BYRNE.

H.R. 563: Mr. PARKER.

H.R. 567: Mr. PAXON.

H.R. 591: Mr. NEAL of Massachusetts.

- H.R. 647: Mr. PICKLE.
 H.R. 649: Mr. STUPAK.
 H.R. 656: Mr. DEFAZIO.
 H.R. 671: Mr. MCCLOSKEY.
 H.R. 672: Mr. HASTINGS and Mr. LAZIO.
 H.R. 702: Mr. CANADY and Ms. LAMBERT.
 H.R. 710: Mr. JOHNSTON of Florida, Mr. MARKEY, Mr. SERRANO, and Mr. WYNN.
 H.R. 773: Mr. POMBO.
 H.R. 786: Mr. MACHTLEY, Mr. LEWIS of Florida, Mr. TEJEDA, Mr. TAYLOR of North Carolina, and Mr. SENSENBRENNER.
 H.R. 789: Mrs. MEEK, Mrs. MALONEY, Mr. DE LUGO, Mr. MARTINEZ, Mr. BARCIA of Michigan, Mr. WILLIAMS, Mr. FORD of Michigan, Mr. HINCHEY, Mr. MENENDEZ, Mr. KLECZKA, Mr. TUCKER, and Mr. RANGEL.
 H.R. 830: Mr. HOBSON, Mr. ROHRBACHER, and Mr. SMITH of Oregon.
 H.R. 840: Mr. FARR and Mr. CLYBURN.
 H.R. 857: Mr. DOOLITTLE.
 H.R. 895: Mr. DOOLITTLE and Mr. PAXON.
 H.R. 896: Mr. DOOLITTLE, Mrs. LLOYD, and Mr. PAXON.
 H.R. 911: Mr. UPTON.
 H.R. 953: Mr. SMITH of New Jersey.
 H.R. 1015: Mr. FRANK of Massachusetts.
 H.R. 1036: Ms. CANTWELL and Mr. SWETT.
 H.R. 1086: Mr. PARKER.
 H.R. 1087: Mr. WHEAT and Mrs. LLOYD.
 H.R. 1126: Mr. PAXON.
 H.R. 1129: Mr. PAXON.
 H.R. 1130: Mr. PAXON.
 H.R. 1133: Mr. SANGMEISTER, Mr. MARTINEZ, Mr. STOKES, Mr. VALENTINE, Mr. PAYNE of New Jersey, Mr. MINGE, Mr. GUNDERSON, Mr. HOLDEN, Mr. GINGRICH, and Mr. GENE GREEN of Texas.
 H.R. 1174: Mr. NADLER, Mr. FRANK of Massachusetts, Mr. PARKER, Mr. WISE, Ms. NORTON, and Mr. HALL of Ohio.
 H.R. 1181: Mr. SCHAEFER, Mr. BROWDER, Mr. HOEKSTRA, Mr. BILBRAY, and Mr. DUNCAN.
 H.R. 1257: Mr. GUTIERREZ.
 H.R. 1295: Mr. KLECZKA, Mr. HUNTER, Mr. BUNNING, Mr. OXLEY, Mr. SCHAEFER, Mr. FARR, and Mr. HASTINGS.
 H.R. 1362: Ms. KAPTUR and Mr. RANGEL.
 H.R. 1389: Mr. SERRANO.
 H.R. 1500: Mr. OWENS and Mr. SPRATT.
 H.R. 1526: Mr. MCDERMOTT.
 H.R. 1534: Mr. DELLUMS.
 H.R. 1542: Mrs. MORELLA and Mr. MCDERMOTT.
 H.R. 1559: Miss COLLINS of Michigan.
 H.R. 1583: Mr. PORTER, Mrs. MORELLA, Mr. FAWELL, and Mr. LEWIS of Florida.
 H.R. 1604: Mr. OXLEY, Mr. BLUTE, Mr. MILLER of Florida, Mr. OWENS, Ms. BYRNE, and Mr. COPPERSMITH.
 H.R. 1608: Mr. APPELEGATE, Mr. CLYBURN, Mr. GEKAS, Mr. GILCHREST, Mr. HANSEN, Mr. JOHNSON of Georgia, Ms. KAPTUR, Mr. LINDER, Mr. MEEHAN, Ms. MOLINARI, Mr. RAMSTAD, Mr. SMITH of Oregon, Mr. YOUNG of Florida, and Mr. YOUNG of Alaska.
 H.R. 1622: Mr. DOOLITTLE.
 H.R. 1697: Mr. TORKILDSEN, Mr. SCHAEFER, Mr. MATSUI, Mr. TUCKER, Ms. ESHOO, Mr. POMBO, Mr. BONILLA, Mr. MANN, and Mr. PAXON.
 H.R. 1797: Ms. BYRNE.
 H.R. 1800: Mr. PAYNE of New Jersey, Mrs. MINK, Mr. FILNER, and Mr. SERRANO.
 H.R. 1801: Ms. NORTON, Mr. WYNN, Mr. SAXTON, and Mr. HUGHES.
 H.R. 1823: Ms. VELÁZQUEZ and Mr. KASICH.
 H.R. 1890: Mr. DEFAZIO.
 H.R. 1897: Mr. RAVENEL and Mrs. VUCANOVICH.
 H.R. 1900: Mr. APPELEGATE, Mr. EVANS, Mr. FINGERHUT, Mr. PALLONE, Mr. PRICE of North Carolina, Ms. LOWEY, Mr. RANGEL, and Mr. DEFAZIO.
 H.R. 1902: Mr. BARLOW.
 H.R. 1957: Mr. BOEHNER.
 H.R. 2062: Mrs. LOWEY.
 H.R. 2076: Mr. ABERCROMBIE, Mr. KREIDLER, and Mrs. MORELLA.
 H.R. 2077: Mr. WASHINGTON.
 H.R. 2107: Mr. FOGLIETTA, Mr. BOUCHER, Mr. WELDON, Mr. BLILEY, Mr. JACOBS, Mr. BILIRAKIS, Ms. BYRNE, Mr. RANGEL, Ms. NORTON, Mr. BARLOW, Mr. BONIOR, and Mrs. MEYERS of Kansas.
 H.R. 2114: Mr. ABERCROMBIE, Mr. DE LUGO, Mr. FALCOMA, and Mr. YOUNG of Alaska.
 H.R. 2115: Mr. SCHAEFER.
 H.R. 2130: Mr. PETRI, Ms. PRYCE of Ohio, and Mr. PARKER.
 H.R. 2135: Mr. ENGEL and Mr. GUTIERREZ.
 H.R. 2140: Mr. OWENS, Mr. LEVY, and Mr. MENENDEZ.
 H.R. 2142: Mr. EVANS and Mr. ENGEL.
 H.R. 2153: Mr. BRYANT, Mr. OLVER, Mrs. MALONEY, Mr. WILSON, Ms. NORTON, Mr. YATES, Ms. WOOLSEY, Mr. WASHINGTON, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. MINETA.
 H.R. 2177: Mr. DE LUGO, Mr. INHOFE, Mr. PETE GEREN of Texas, and Mr. LAUGHLIN.
 H.R. 2276: Mr. FOGLIETTA.
 H.R. 2278: Mr. GRAMS.
 H.R. 2319: Mr. CONDIT, Mr. FAWELL, Mr. FINGERHUT, Mr. FRANKS of Connecticut, and Mr. HUNTER.
 H.R. 2331: Mr. WILSON and Mr. HOCHBRUECKNER.
 H.R. 2346: Mr. PARKER.
 H.R. 2375: Mr. SLATTERY.
 H.R. 2379: Mr. PACKARD.
 H.R. 2414: Mr. BONIOR, Mr. MCCURDY, and Mrs. ROUKEMA.
 H.R. 2417: Mr. PARKER, Mr. BILBRAY, and Mr. BOEHNER.
 H.R. 2434: Ms. MOLINARI.
 H.R. 2462: Mr. BEREUTER.
 H.R. 2481: Mr. WAXMAN, Mr. FILNER, Mr. BARRETT of Wisconsin, Mrs. ROUKEMA, Ms. PELOSI, Mrs. UNSOELD, Mr. HUGHES, and Mr. BILBRAY.
 H.R. 2484: Mr. MINETA, Ms. THURMAN, Mr. TUCKER, Mr. PETERSON of Minnesota, Mr. FROST, and Ms. BYRNE.
 H.R. 2488: Mr. ENGEL and Mr. FLAKE.
 H.R. 2526: Mr. JOHNSON of South Dakota, Mr. PETERSON of Minnesota, Mr. POMEROY, and Mr. BARLOW.
 H.R. 2527: Mr. PETERSON of Minnesota, Mr. EVANS, Mr. BARLOW, Mr. JOHNSON of South Dakota, and Mr. POMEROY.
 H.R. 2535: Mr. SLATTERY.
 H.R. 2543: Ms. NORTON and Mr. VENTO.
 H.R. 2572: Ms. FURSE.
 H.R. 2586: Mr. FRANK of Massachusetts, Mr. PETERSON of Minnesota, and Ms. BYRNE.
 H.R. 2602: Mr. CANADY, Mr. CUNNINGHAM, Mr. BELENSON, and Mr. STARK.
 H.R. 2605: Mr. PARKER and Mr. SCOTT.
 H.R. 2612: Mr. MILLER of California and Mr. BERMAN.
 H.R. 2617: Mr. KYL, Mr. STEARNS, Mr. SAM JOHNSON, Mr. ROHRBACHER, Mr. DELAY, Mr. HANCOCK, Mr. COX, Mr. ZELIFF, Ms. PRYCE of Ohio, and Mr. BOEHNER.
 H.R. 2640: Mr. GREENWOOD and Mr. HOBSON.
 H.R. 2654: Mr. FRANK of Massachusetts.
 H.J. Res. 44: Mr. PAXON.
 H.J. Res. 86: Mr. CLEMENT, Mr. PALLONE, Mr. SISISKY, Mr. TAUZIN, Mr. WILSON, Mr. YOUNG of Alaska, Mr. FAZIO, Mr. MCHUGH, Mrs. LLOYD, Mr. EWING, Mr. RAVENEL, Mr. DARDEN, Mr. BORSKI, Mr. COBLE, Mr. DELLUMS, Mr. DIXON, Mr. DUNCAN, Mr. LEWIS of California, Mr. JEFFERSON, Mr. LIVINGSTON, Ms. LOWEY, Mr. RIDGE, Mr. MATSUI, Mr. NEAL of North Carolina, and Mr. NEAL of Massachusetts.
 H.J. Res. 112: Mr. HASTINGS and Mr. LAZIO.
 H.J. Res. 142: Mr. WALSH, Mr. CAMP, and Mr. CASTLE.
 H.J. Res. 165: Mr. HORN, Mr. MOORHEAD, Mr. MEEHAN, Mr. LEVY, Mr. WYNN, Mr. KINGSTON, Mr. KING, Mr. CLEMENT, Mr. LIVINGSTON, Ms. NORTON, Mr. COYNE, Mr. FRANKS of New Jersey, and Mr. MENENDEZ.
 H.J. Res. 188: Ms. BYRNE, Mr. YOUNG of Florida, Miss COLLINS of Michigan, Mr. BARCA of Wisconsin, Mr. EMERSON, Mr. MCDERMOTT, Mr. WYNN, Mr. JOHNSON of South Dakota, Mr. MORAN, Mr. MOORHEAD, Mr. FRANK of Massachusetts, Mr. NATCHER, Mr. SERRANO, Mr. HANSEN, Mr. OWENS, Mr. LIVINGSTON, Mr. RANGEL, Ms. SLAUGHTER, Mr. SABO, Mrs. LLOYD, Ms. KAPTUR, Mr. DEFAZIO, and Mr. SCOTT.
 H.J. Res. 194: Mr. BILBRAY, Mr. MINETA, Mr. HASTINGS, and Mr. CAMP.
 H.J. Res. 198: Mr. YOUNG of Alaska, Mr. DOOLITTLE, Mr. SMITH of Oregon, Mr. EDWARDS of Texas, Mr. PETERSON of Minnesota, Mr. SPENCE, Mr. SAXTON, Mr. JEFFERSON, Mr. MURPHY, Mr. HEFNER, Mr. LANCASTER, and Mr. HUNTER.
 H.J. Res. 206: Mr. OBERSTAR, Mr. RANGEL, Mr. HUTTO, Mr. FAWELL, Ms. DELAUNO, Mr. FROST, Mr. MCNULTY, Mr. HUGHES, Mr. SARPALIUS, Mr. WISE, Mr. LIPINSKI, Ms. VELAZQUEZ, and Mr. CAMP.
 H.J. Res. 226: Mr. LEVIN, Mr. FAZIO, Mr. MYERS of Indiana, Ms. BYRNE, Ms. NORTON, Ms. MCKINNEY, Mr. WOLF, and Ms. VELAZQUEZ.
 H. Con. Res. 96: Mr. HOAGLAND, Mr. VENTO, Mr. DINGELL, Mr. SERRANO, and Mr. KYL.
 H. Con. Res. 100: Mr. SKAGGS, Mr. SENSENBRENNER, Mr. WYNN, Mr. COLEMAN, Mr. SCOTT, Mr. RANGEL, Mr. REYNOLDS, Ms. CANTWELL, Mr. HOUGHTON, and Mr. BARCA of Wisconsin.
 H. Res. 134: Ms. FOWLER and Mr. SHUSTER.
 H. Res. 148: Mr. RAMSTAD.
 H. Res. 202: Mrs. COLLINS of Illinois, Mr. ROWLAND, Mr. GREENWOOD, Mr. WOLF, and Mrs. LLOYD.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

- H.R. 702: Mr. BELENSON.
 H.R. 2021: Mr. FISH.