

EXTENSIONS OF REMARKS

MEMORANDUM TO BILL CLINTON

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. SOLOMON. Mr. Speaker, I recently came across an editorial in the August 3, 1993 issue of *Financial World* by Mr. S.A. Spencer, principal investor of Holding Capital Group, that poignantly sums up the problem with Clinton economics. I appreciate the privilege of entering this into the CONGRESSIONAL RECORD and urge my colleagues to read this well thought-out article.

MEMORANDUM TO BILL CLINTON

DEAR BILL: I am intensely patriotic and the quintessential small entrepreneur. My group has made hundreds of investments and created thousands of jobs. We work ungodly hours to pay—several dozen times over—the average taxes of our fellow citizens.

A friend writes: "Yesterday, Robert Reich said on national TV that people who earn over \$200,000 per year make out like bandits. I am a 74-year-old bandit who worked 4,000 hours last year helping companies get competitive. My crime: I paid \$197,340.50 in federal income taxes. Had your policies been in effect I'd have long since sat on my butt collecting Social Security."

Even a numbskull manager in industry, Bill, wouldn't deliberately install an incentive plan that penalizes effort and contribution to his own shop and rewards the reverse.

With your system, our companies will pay 40% federal and state income tax. That leaves 60¢ on each dollar earned. In many states I'd pay 50% on all dividends from that remaining 60¢. If the company fails, I lose 100% of my investment. If it succeeds, I lose 70% of my gain. Who in his right mind would invest with odds like that. No casino is worse.

Yes, I can try sub S taxes with their myriad restrictions (including limits on employee ownership), or wait years for capital gains in order to keep 41¢—rather than 30¢—of every dollar earned. Still, all the downside is mine; most of the upside is yours.

And it's not just the technical issue of taxes. It's the broad issue of personal freedom. Bill, I am just not going to work for the state, through taxes, seven to nine months each year of my life. It's not quite the Russia of old, or Cuba today, but you're getting there. The only freedom left is not to work.

Some 200 national economies exist in the world, each with decades of experience. Not counting cities and states. Have you ever checked what works and what doesn't?

The member OECD admires most today is New Zealand. Its finance minister, Ruth Richardson, created a furor in February by calling your tax proposals "unintelligent." She was polite. In New Zealand the maximum tax on income is 33%. No double tax on dividends, no capital gains tax. Where would you rather invest, Bill? Where you keep 67¢ of the dollar earned, or 30¢?

If your approach worked, Cuba would be heaven. Not a hell its people are dying to leave.

And New York City. Highest taxes in the nation. Vastly outspends Chicago, per capita. Paradise? It lost 10.5% of its jobs while the U.S. added millions.

And it's about resource allocation. The Fortune 500 lost two million jobs in the 1980s. Smaller enterprises added 20 million jobs. Obviously, small, free entities are far more effective than big bureaucracies. Especially governments.

Even a numbskull manager, Bill, wouldn't move resources from his most effective people to his least. Have you looked at the progress and condition of the "poor" in Hong Kong and Singapore, where income tax rates are in the teens? That's success, not amateur night.

And by the way, Bill: Hong Kong and Singapore have nothing. No land, oil, gas, big farms, hydroelectric, coal, ore, space, natural resources, or Marshall Plan. They have just one tiny little thing—freedom. Thousands of free, hustling entrepreneurs who don't have to work most of their poor lives for the state. Just what our ancestors tried to find when they came here.

In the last presidential campaign, all three of you monumentally missed the point. In much of the 1980s we had relative entrepreneurial freedom. And an incredible flowering of innovation.

Thus, we were vastly better off than Europe or Canada: better economy, milder recession, faster recovery, far lower unemployment, low inflation, low interest—despite deficits and the task of defending the world.

Yet the European cesspool, with its progressive, productivity-punishing taxes, high labor and social costs and 10%-to-12% unemployment, is precisely the model you've adopted.

Now we will get an immense flowering of tax shelters and investment abroad.

The problem of the 1980s was indeed greed, Government greed. From 1980 to 1992, government revenues were up 95%, spending 137%, deficit up 366%. Attacking revenue producers—not costs—is exactly where the problem is not.

It is truly tragic for America, Bill, that you and your colleagues are utterly blind to basic human motivation—and all economic history—leading us down the path that is failing so spectacularly in Europe.

GOLDEN STATE MUTUAL LIFE
INSURANCE CO.

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. DIXON. Mr. Speaker, I rise today to pay special tribute to Golden State Mutual Life Insurance Co., and to commemorate its 68 years of dedication and service to African-American communities throughout this Nation. Since its inception in 1925, Golden State Mutual has not only provided a valuable service to oftentimes overlooked inner-city communities, but has remained a successful and

model business committed to providing jobs, and actively participating in community service. On Sunday, August 8, 1993, Golden State Mutual Life Insurance Co. will celebrate, along with past and present employees and their families—its 68th anniversary, in Los Angeles, CA. In commemoration of this event, organizers have selected as their theme "Recapturing Our Past and Insuring Our Future."

Golden State Mutual was founded in 1925 by three innovative business pioneers—William Nickerson, Jr., Norman O. Houston, and George A. Beavers—each of whom shared a commitment to ensuring for African-Americans the opportunity to purchase life insurance at reasonable and affordable rates.

Faced with seemingly insurmountable social and economic obstacles, these men set out to create an institution to fill a void in the black community; a void that for far too long had allowed African-Americans to be denied life insurance protection because they were viewed as uninsurable and/or high risks. This endeavor proved to be a formidable task.

The trio's dedication paid off, however, when Mr. Nickerson discovered an old and soon-to-expire California State statute under which the firm could be organized as an assessment company. Working against the clock, Messrs. Nickerson, Houston, and Beavers raced to secure 500 prepaid applications for life insurance, and deposit \$15,000 with the California State Treasurer as a guarantee fund.

The persistence of the founders brought triumphant results and on July 23, 1925—just 12 hours before the expiration of the old assessment law—Nickerson, Houston, and Beavers received a telegram from the California Department of Insurance informing them that a license to operate as the Golden State Guarantee Fund Insurance Co. of Los Angeles had been granted. By the end of 1925, the company had paid its first death claim, established its first branch office, and moved to a large home office. By the end of 1929, the company's assets had grown to \$73,033.00, its annual income to \$188,847.00, and its employee force stood at 126.

While the Great Depression era brought economic ruin to numerous businesses, Golden State Guarantee Fund continued to show proof of its mettle as a solid business enterprise. During this period, the company declared its first dividend payment to policyowners. In 1931, Golden State Guarantee Fund Insurance Co. became Golden State Mutual Life Insurance Co. The company continued to expand throughout California and into Illinois.

By 1941, Golden State Mutual had accumulated sufficient capital through the sale of certificates of advancement to be reclassified as a mutual legal reserve insurer. On January 2, 1942, the conversion was complete. By 1944, the company's out-of-state services had expanded to Founder William Nickerson's native

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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

State of Texas with the opening of a branch office in Dallas; a second office in Houston opened a year later.

For Mr. Nickerson, who served as chief executive officer and president since the company's incorporation, the opening of the Houston office was the realization of a 20-year ambition. Less than 6 months later, he died.

Following Mr. Nickerson's death, cofounder Norman O. Houston assumed the management reins of Golden State Mutual; cofounder George A. Beavers was elected chairman of the board of directors. Together they presided at the dedication in 1949 of Golden State Mutual's new home office building at the corner of Western Avenue and Adams Boulevard in Los Angeles.

Golden State Mutual continued to grow and prosper. By 1956, the company reached the \$100 million mark in insurance in force and was providing services in six States throughout some 50 branch offices and general agencies.

During the 1960's, Golden State Mutual continued to solidify its base in the community. By the end of the decade, its insurance in force had climbed to \$340,227,179.

Major management changes occurred in 1970 as the company continued its unparalleled growth. Norman O. Houston retired from active management after a stellar 25 year career as chief executive officer, but remained as chairman of the board of directors. The company turned to Ivan J. Houston, CLU, FLMI, Golden State Mutual's senior vice president and actuary—and Norman's brother—as its next president and chief executive officer. Under his tutelage, insurance in force surpassed \$2.7 billion and the company expanded to 22 States and the District of Columbia. In 1977, Ivan J. Houston was elected chairman of the board.

During the 1980's, Golden State Mutual continued to rank among the 50 largest mutual life insurance companies in the Nation with over \$4.5 billion of insurance in force. Organizationally, the company elected Larkin Teasley, FSA, as president and chief operating officer, with Ivan J. Houston assuming the title of chairman and chief executive officer.

Today, Golden State Mutual continues to prosper under the very able leadership of Larkin Teasley, who was elected president and chief executive officer in 1990, and Ivan J. Houston who remains as chairman of the board of directors. New products and services are part of an overall company effort to remain rooted in the growth and well-being of the communities Golden State Mutual has served so effectively for almost 70 years.

Standing on the threshold of a new century and empowered by the vision and perseverance which have long served as the company's hallmark, Golden State Mutual continues its prosperous growth as a company dedicated to providing financial security for generations to come.

Mr. Speaker, I am proud to salute the accomplishments of Golden State Mutual Life Insurance Co. on the occasion of its 68th anniversary of service to thousands of policyholders throughout this country. I ask my colleagues to join me in congratulating this company on its exemplary record of service, and in extending to Larkin Teasley, Ivan J. Hous-

ton, and Golden State Mutual's large family of employees continued success and prosperity in the future.

CONGRESS AND SELF-REGULATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 28, 1993, into the CONGRESSIONAL RECORD:

CONGRESS AND SELF-REGULATION

An emerging trend in Congress is the way it is opening up to more outside involvement to reduce conflicts of interest arising when the institution in effect judges and regulates itself. This move away from self-regulation is seen in its handling of a variety of matters ranging from pay raises to perks. Various proposals have been made to expand these efforts even further.

The changes in Congress are part of a broader trend in society. A variety of professions—doctors, lawyers, even the clergy—are being pressured by the public, the media, and academics to move away from systems of self-regulation. Various changes have been made. Some states, including California, Kentucky, and Connecticut, have set up independent ethics commissions to consider charges of misconduct against legislators. Even within the legal profession, which is already subject to significant outside regulation, there are calls for further moves away from self-regulation.

PAST CHANGES

Several steps have been taken by Congress to move away from self-regulation. For example, Congress generally does not judge complaints of improper election tactics made against a candidate for Congress, instead turning such sensitive and politically charged matters over to the Federal Election Commission. Congress has passed numerous laws over the years putting restrictions on the conduct of Members (such as restrictions on office accounts, receipt of gifts, and outside employment) and has given enforcement to the Justice Department and the courts. The politically charged question of congressional pay levels has been handled by having an outside commission recommend an outside commission recommended what they feel should be the proper pay level for Members, and by requiring pay increases to apply only to the next Congress, thus allowing the voters to have a say during the intervening election. Several other changes have also been made recently: the decision of what to do about congressional "perks" has largely been turned over to an independent House administrator; an office of Inspector General has been created for the House to watch out for wrongdoing; and even congressional newsletters such as this one are reviewed by a nonpartisan panel to ensure they are not used for political purposes. In all these cases the basic goal is to ensure a more objective handling of a particular matter, and to avoid getting members bogged down in no-win situations in which no matter what they do their decisions and motives will be questioned.

PROPOSALS

This session Congress is considering additional measures to move further away from

self-regulation. One proposal is to improve the way in which Congress complies with the laws it requires the public to follow, such as employment discrimination or workplace standards. For example, House employees who feel they have been subjected to sexual harassment can only take their complaints to an office overseen by a congressional committee. The idea would be to set up an independent agency within the legislative branch to make sure Congress subjects itself to comparable rules and penalties for laws it writes for others; those who feel their case has not been treated fairly could appeal to the courts. Another proposal is to deal with the innate conflict of interest of having Members judge the ethical misconduct of other Members by involving outsiders in hearing ethics complaints. Panels of distinguished public citizens (including possible former Members or retired judges) would oversee the initial investigatory work and make recommendations of guilt and punishment, which would then be voted on by the full House or Senate. Other proposals include professionalizing the joint administrative functions of the House and Senate and requiring public audits of all legislative branch expenditures.

ASSESSMENT

Several factors lie behind the trend. First, moving away from self-regulation helps eliminate inherent conflicts of interest that naturally arise when one group sets its own pay and benefits or enforces its own rules or judges its own members. These conflicts of interest can be either positive or negative. For example, some may have an interest in protecting a colleague, while others, for partisan or personal reasons, may want to see a colleague embarrassed or wounded politically. Second, turning such tasks over to outsiders can free up time for more important duties—such as Members being able to work on legislative matters rather than sit on time-consuming panels reviewing the management of the House bank or the House post office. Third, such steps could help bolster public confidence in the institution and improve the perception of fairness and impartiality. The public is immediately skeptical when it hears, for example, that far fewer fair employment complaints are considered in Congress than in the comparable agencies. Fourth, congressional proceedings should be as open and inclusive as possible. Private citizens involved in helping Congress oversee itself can bring an added perspective to the proceedings; they can also learn something about the operations of Congress that they can take back to their communities. Fifth, Congress often criticizes the self-regulation efforts of others, such as criticizing network efforts to hold down TV violence, thereby putting on pressures to reform its own self-regulation. Finally, the trend seems to be picking up steam because recent steps away from self-regulation have generally worked well, showing Congress that it could do more.

Certainly there are limits to such reforms. Legitimate separation of powers concerns mean that Congress cannot simply turn over various enforcement questions to the Executive Branch. The Framers of the Constitution were deeply concerned that an overzealous Executive Branch not be allowed to use its prerogative to attack political opponents in Congress. In addition, some proposals, while appealing in theory, could run into a host of practical difficulties. For example, an outside ethics panel faces the challenge of finding former Members without strong ties of collegiality to old friends in the Congress

and finding distinguished private citizens who will not be pressing future legislative interests before Congress. Moreover, as we have seen from past reform efforts of various kinds, reforms can sometimes go too far and create unintended problems of their own. The campaign finance reforms of the 1970s were intended to reduce the impact of special interest money on Congress, but instead led to a proliferation of PACs. Finally, some say that the public skepticism about their leaders is so strong that nothing will be able to turn it around, and that no new procedure will be seen by large segments of the public as anything but a sham or smokescreen.

Congress needs to proceed cautiously and deliberately with further reforms, but my sense is that the general trend away from self-regulation for Congress and other groups is a healthy one, and one that will likely continue. It means more openness in the spirit of good government, and reflects confidence within the institution that it is able to withstand the scrutiny.

DEPARTMENT OF ENERGY
NATIONAL COMPETITIVENESS
TECHNOLOGY PARTNERSHIP ACT
OF 1993

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. RICHARDSON. Mr. Speaker, I rise today to introduce the Department of Energy National Competitiveness Technology Partnership Act of 1993. This legislation, which I am pleased to introduce along with my colleagues STEVE SCHIFF and JOE SKEEN, is nearly identical to S. 473, a Senate bill introduced in March, and reported to the full Senate by the Committee on Energy and Natural Resources in June, by Senators BENNETT JOHNSTON, JEFF BINGAMAN, and PETE DOMENICI.

This legislation would strengthen the linkages between the laboratories of the Department of Energy and the private sector by supporting the development and application of critical technologies by the laboratories. At a time of challenges to U.S. competitiveness from foreign competition and the vagaries of world economic markets, this legislation will enhance the Department of Energy's [DOE] role in a national effort to improve the competitive position of U.S. industry and stimulate U.S. economic growth.

My legislation will enhance the DOE's present efforts to work with U.S. industry to utilize the significant science and engineering assets of the national laboratories to address the needs of the domestic economy. The DOE has already entered into 350 cooperative research and development agreements [CRADA's] with a total value of more than \$600 million with businesses and corporations around the country. This bill will facilitate the expansion of these efforts and ensure that the future of the laboratories is not tied solely to weapons production and nuclear research, but is instead rooted in the multidisciplinary capabilities of the labs in a wide variety of applications.

The DOE, as the largest employer of scientists and engineers in the Federal Government, owns the Nation's foremost laboratories

and basic science facilities. This laboratory system includes 10 multiprogram national laboratories, 11 large single-program laboratories, and 9 smaller laboratories. This system employs more than 23,000 researchers with advanced degrees in science and technology; more than 8,500 of these researchers have doctoral degrees.

U.S. competitiveness has benefited greatly from the Department's laboratories. In fact, the Nation's Federal research laboratories contribute to the national welfare in a broad range of areas including: materials science, manufacturing, high-performance computing, transportation, space, environmental science, human health, physics, nuclear fission and fusion energy, defense-related research, environmental restoration and waste management, and conservation, renewable and fossil energy sources.

My legislation will enhance the capabilities of the DOE laboratories by building on their resources through partnerships with U.S. businesses, industries, and universities in such areas as advanced manufacturing and materials, energy and environment, human health, high-performance computing and transportation. The bill establishes minimum percentage goals for each laboratory budget related to the creation of partnerships with industry and provides the Secretary of Energy with more flexibility in entering into partnerships with the private sector. To maximize the competitiveness of U.S. industry, the bill also creates new linkages between the laboratories and the private sector in the areas of intellectual property rights and patents.

Lastly, this bill creates a career path program under the Secretary of Energy to recruit employees of the national laboratories to serve in positions in the Department of Energy. Employment of national laboratory employees in the Federal Government has been problematic in the past because of employment restrictions in current law which could jeopardize future career opportunities in the national laboratory system. This bill erases those restrictions and allows laboratory employees to accept positions in the Federal Government without fear of later difficulties in securing laboratory employment.

Mr. Speaker, the national laboratory system is a precious national resource that should be supported in every way possible. If the laboratory complex did not already exist as a result of our Nation's cold war defense research, the current budgetary crisis would make it impossible to create such a system today. As we move into the 21st century and away from the heavily defense-oriented research activities of the past, we must realize that our national laboratories can continue to provide unique contributions to our national economy.

While we must preserve the existing missions and central competencies of the laboratories, we must seek to help the laboratories define their mission in a broad new context that includes a recognition of their past contributions to the Nation's technological and economic competitiveness and a realization of their future abilities in their ongoing defense-related research as well as development of new technologies in energy, environment, computing, manufacturing, health, transportation, materials research and chemistry, physics, biology, and all of the basic sciences.

I am proud to represent one of the Nation's preeminent laboratories, the Los Alamos National Laboratory in Los Alamos, NM, and I look forward to working with lab officials and my colleagues in Congress to ensure that as this Nation prepares for the 21st century we utilize the unique capabilities of the national laboratory system to the fullest extent possible. I urge my colleagues in the House to join me in this effort by cosponsoring this legislation.

THE POVERTY DATA CORRECTION
ACT OF 1993

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. GALLO. Mr. Speaker, today I am introducing the Poverty Data Correction Act of 1993. This bill addresses one of the key failings of our current poverty statistics—their lack of validity. Simply stated, the matter is this: We assume that the poverty data provide counts of the number of persons in need. In fact, they do no such thing. The poverty counts are numbers below one national income standard that does not take into account the very real cost-of-living differences from one area of the country to another. Because of cost-of-living differences, a person whose income is just above the poverty level but who lives in a high cost-of-living State such as New Jersey, Connecticut, Illinois, or California can be much worse off than a person whose income is just below the poverty line but who lives in a low cost-of-living area such as Louisiana or New Mexico. Despite greater need, the former is not counted as poor; the latter is.

Our current measurement of poverty, in short, does not measure relative need. And yet, relative need is the very concept Congress is groping for when we design allocation formulas to distribute program funds. Relative need is what we think the poverty data measure. Not so. By using these data, we misdirect funds, sending proportionately more funding relative to need to some areas and less to others. This means that funds adequate-to-need for remedial education, for summer jobs, for training, and for other human development purposes, are systematically denied to places like Newark, Detroit, Cleveland, Los Angeles, the former mining towns of western Pennsylvania and northern Minnesota, and remote rural locations in Vermont and Iowa. More importantly, they are denied to needy persons in those areas who by any commonsense consideration are poor. The resulting patchwork distribution of funds amounts to no Federal policy at all.

Many Members of Congress already have expressed their concern over the lack of timeliness in poverty data. Addressing the timeliness problem only deals with half the issue. It is equally important, perhaps even more important, that, in reforming the poverty data, we deal with the present inability of these data to measure relative need. The way to do this would be to use a State-by-State cost-of-living index to produce State-specific poverty income standards. A State's residents whose income

falls below the State-specific poverty standard would then be counted as poor.

The bill I am introducing today does not change in any way the definitions of income that we use to measure poverty. Instead, it directs the Secretary of Commerce to use the existing national poverty threshold and, by applying a State-by-State cost-of-living index, to create a specific poverty threshold for each State. The bill directs that poverty population counts issued by the Secretary be compiled by means of these State thresholds.

I would like to submit with my statement two State-specific cost-of-living indices as examples of what can be done using existing data. The rank order of States in terms of their cost of living and the magnitude of cost differences separating them are similar in both cases. Differences of over 50 percent in the cost of living distinguish one State from another. With differences this wide, it is clear that our present use of one national income standard to determine poverty does grave injustice to the concept of need. The procedure I am advocating would multiply the national poverty standard by the values in a cost-of-living index to create poverty standards for each State.

I want to anticipate two doubts that may be raised about the idea of State-specific poverty standards. First, some analysts will posit that cost-of-living differences within States may be as great as differences between States—the

example of New York City and upstate New York is often cited in this regard. Although the cost of living does vary within a State, it still is the case that a State-cost-of-living-adjusted poverty standard will come closer to the truth of what level of income constitutes need in any one State than does our present national poverty standard. In addition, the seminal work conducted at the University of Illinois shows that while there is a 57-percent difference in purchasing power between the highest and lowest States, the variation within States is in the lower ranges of 22 to 35 percent. Finally, the poverty data we have now are arbitrary and manifestly incorrect. What I am proposing is an obvious improvement, which may itself be improved further.

Second, some may argue that we need more research on this idea. In answer, I would say that while research on State cost-of-living differences is not voluminous, it is respected. Indeed, the National Center for Education Statistics plans to have one of these indices updated this fall when new census data become available. Instead of ordering more research or calling for more study, I would urge the Congress to move forward and direct the Census Bureau to implement the idea of State poverty standards. Nothing spawns research on a subject or leads to technical breakthroughs faster than Congress directing an agency to implement something.

All of us here have great respect for the research and analytical capability of our statistical agencies. We as policymakers do not have to figure out all the details of how to design data. We do need to set the direction, to point out the goal, and to issue the marching orders. I am confident that, if Congress enacts legislation directing the development and employment of State-specific poverty standards, our statistical agencies will respond to the challenge quickly and competently.

As legislators, our understanding of social conditions and our ability to formulate responsive programs depend on our having good information. In addition, because of congressional decisions taken over the past 25 years to use number-driven formulas for allocating Federal funds, we are now in a position where not only the development but also the implementation of the vast bulk of Federal domestic policy rests squarely on the Nation's statistical programs. Statistics drive billions of dollars this way and that—into some hamlets, into some cities, toward some persons, away from others. When statistical data programs fail to measure the conditions we policymakers think they are measuring, then the policies we enact also will fail. Unfortunately for well-intentioned Federal policy, the foremost example of this type of statistical failure is poverty data. The legislation I am introducing today would remedy that failure:

STATE RANKINGS IN COST-OF-LIVING STUDIES

State	McMahon study, 1988			State	Nelson study, 1989	
	Rank	Index ¹ value	Percent change 1977-88		Rank	Index ¹ value
District of Columbia	1	124.9	19.4	Alaska ²	1	
Connecticut	2	123.7	2.9	Hawaii ²	1	
New Jersey	3	119.1	2.1	Connecticut	2	125.8
Massachusetts	4	114.0	5.8	New Jersey	2	125.8
Hawaii	5	113.9	NA	Massachusetts	3	121.8
New York	6	110.7	.3	District of Columbia	4	121.0
California	7	110.2	2.2	New York	5	113.2
Maryland	8	109.4	-3.4	Maryland	6	110.8
Illinois	9	107.7	4.5	New Hampshire	7	107.9
Minnesota	10	104.7	3.8	Rhode Island	8	106.8
Iowa	11	102.5	7.2	California	9	105.9
Michigan	12	102.2	1.5	Delaware	10	103.2
New Hampshire	13	101.9	-1.4	Pennsylvania	11	101.3
Delaware	14	101.7	-8.5	Arizona	12	100.8
Alaska	15	101.7	NA	Colorado	13	99.8
Colorado	16	101.6	1.0	Nevada	14	98.1
Washington	17	101.5	1.8	Illinois	15	97.4
Rhode Island	18	101.3	-2.2	Florida	16	97.3
Virginia	19	101.2	7.9	Virginia	17	97.1
Wisconsin	20	101.1	1.4	Washington	18	97.0
Ohio	21	100.7	.6	Ohio	19	95.8
Pennsylvania	22	100.3	5.4	Minnesota	20	95.6
Nebraska	22	100.3	5.2	Michigan	21	95.4
Oregon	23	99.5	1.4	Wisconsin	21	95.4
Kansas	24	98.0	4.5	Oregon	22	94.2
Nevada	25	97.1	-9.1	Texas	23	94.1
Missouri	26	96.8	.3	Georgia	23	94.1
Indiana	27	96.6	.3	Vermont	24	93.9
Wyoming	28	95.8	-2.5	Iowa	25	93.6
Vermont	29	94.9	-6.2	North Carolina	25	93.6
North Dakota	30	94.6	-2.8	Louisiana	26	93.4
Maine	31	94.0	2.4	Wyoming	26	93.4
South Dakota	32	92.9	-1.0	Tennessee	27	93.1
Montana	33	91.6	-5.3	New Mexico	28	92.9
Florida	34	90.6	-1.8	Utah	28	92.9
Georgia	35	90.0	-.5	Missouri	28	92.9
Tennessee	36	89.9	2.5	Nebraska	28	92.9
North Carolina	37	89.6	1.4	Indiana	28	92.9
West Virginia	38	89.4	4.8	South Carolina	29	92.6
Kentucky	39	89.2	-5.7	Oklahoma	30	92.5
Idaho	40	89.0	-7.7	North Dakota	31	92.2
Arizona	41	88.0	-11.3	Kentucky	32	92.1
Oklahoma	42	87.3	1.7	Maine	33	92.0
Texas	43	87.1	-.4	Alabama	34	91.9
Alabama	44	86.9	-.3	West Virginia	34	91.9
Louisiana	45	86.8	-3.7	Kansas	35	91.7
South Carolina	46	84.9	-3.9	South Dakota	36	91.6
Arkansas	47	84.8	-.9	Idaho	37	91.3
Utah	48	84.8	-14.2	Montana	38	91.1
New Mexico	49	83.6	-12.1	Arkansas	39	90.9
Mississippi	50	81.6	-4.8	Mississippi	40	90.3

¹ 100=national average for all states weighted by their population.

² Alaska and Hawaii are excluded from the study but assumed to rank first and second.

Source: Walter W. McMahon, "Geographical Cost of Living Differences: An Update," MacArthur/Spencer Series Number 7, Illinois State University, August 1988; and F. Howard Nelson, "An Interstate Cost-of-Living Index" in Educational Evaluation and Policy Analysis, Spring 1991, vol. 13, no. 1, pp. 103-111.

THE 100TH ANNIVERSARY OF B'NAI
JEHOSHUA BETH ELOHIM

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. PORTER. Mr. Speaker, I rise today to pay tribute to Congregation B'nai Jehoshua Beth Elohim located in Glenview, IL, which will be celebrating its 100th anniversary on November 19, 1993. This is a wonderful milestone worthy of special recognition.

When this congregation was founded in 1893, it was originally known as B'nai Jehoshua and was located in Chicago. In the 1960's the congregation merged with another congregation, Beth Elohim, and relocated to Glenview, which is in my congressional district.

Throughout its 100-year history, Congregation B'nai Jehoshua Beth Elohim has provided a house of worship for thousands of Jewish families in the Chicagoland area. The strong devotion of these families to the congregation has been passed on from one generation to the next. In fact, some of the current members are descendants of families that founded the congregation. Today, Congregation B'nai Jehoshua Beth Elohim is widely recognized as a leader among Reform Jewish congregations throughout the country.

For 30 years, the congregation has been led by Rabbi Mark S. Shapiro, who has done an outstanding job in providing spiritual guidance to the members. To all members and officers of Congregation B'nai Jehoshua Beth Elohim and to Rabbi Shapiro, I want to convey my warmest congratulations and best wishes on their 100th anniversary. Their congregation is a living symbol of the faith and religious freedom that is at the heart of our Nation's strength. Here's to the next 100 years of the congregation's success and prosperity.

CONGRATULATIONS TO EAGLE
SCOUT, JAMES D. BERLING

HON. DAVID MANN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. MANN. Mr. Speaker, I rise today to recognize the accomplishment of James D. Berling who will be awarded scouting's highest honor, the rank of Eagle Scout, at a Court of Honor on August 15, 1993.

The rank of Eagle Scout is not easily attained. As a member of Troop 510, sponsored by Bridgetown Church of Christ in Cincinnati, OH, James Berling is the youngest Scout to achieve this rank in the troop's 26-year history.

James Berling has been an exemplary Scout. He has earned the Ad Alteri Dei Religious Award and is a member of the Order of the Arrow honor campers. His Eagle Scout community improvement project involved over 150 volunteer hours with organizations in Cincinnati that exist to help the unemployed, the homeless, victims of domestic violence, and people addicted to drugs. Jim volunteered

three times the number of hours a Scout is expected to spend on his community service project.

While devoted to Scouting, James has also excelled in his school endeavors. He has maintained his position on the honor roll at Bridgetown Junior High School. Jim has also been an avid soccer and basketball player while holding down a part-time job.

The adult leaders of the troop and James' parents should be justifiably proud. They share in his accomplishment through the help and support they have provided to him as he blazed the trail for other Scouts to follow. I congratulate James Berling on his outstanding accomplishment and wish him the best in all his future endeavors.

WHY GRIDLOCK

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. SOLOMON. Mr. Speaker, in response to the ineptitude of this House, Wednesday's Wall Street Journal carried an editorial entitled "Why Gridlock." President Clinton blames the delay and gridlock on the Republicans, all 176 of them, who can't pass or block anything by themselves even if they all voted together. In contrast, the Wall Street Journal correctly blames gridlock in Congress on boondoggle legislation.

Mr. Speaker, the British statesman Edmund Burke once said "bad laws are the worst form of tyranny." The flood relief bill that was passed by this House established a bad law. Handouts of \$100-a-week to youths aged 17 to 30 is not deficit-wise legislation, it's pork barrel spending, the same old song from the same old crowd. Regardless, of its merits it didn't belong in the disaster assistance bill.

Mr. Speaker, I, and every other Member of this body, would be extremely negligent in our duties as Representatives of 585,000 constituents if we didn't oppose poor laws. The disaster assistance bill was not stopped by Republican opposition alone but also by a sizable number of Democrats. Why? Because the bill was tainted by the smell of pork. It's a very sad day when this House can't pass disaster assistance without trying to find a kickback.

Mr. Speaker, if every emergency becomes an excuse for deficit swelling pork, maybe a little gridlock isn't all a bad thing.

INTRODUCTION OF TRAUMATIC
BRAIN INJURY ACT

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. SLATTERY. Mr. Speaker, I am pleased to introduce today the Traumatic Brain Injury Act of 1993.

Every 15 seconds someone in the United States suffers a head injury and 98 percent of these individuals will survive the accident. According to the National Head Injury Associa-

tion [NHIA], a survivor of a severe brain injury typically faces 5-10 years of intensive medical and related services at an annual cost of approximately \$86,000. Estimated lifetime costs to care for a traumatic brain injury survivor can exceed \$4 million.

Half of all traumatic brain injuries are caused by car accidents. Among children, abuse accounts for 64 percent of all infant head injuries, while 50,000 head injuries occur each year as a result of bicycle accidents. This act will encourage development of national standards for bicycle helmets.

The legislation I am introducing today will help raise public awareness of the serious risks and tragic consequences of head injuries and will designate a Federal agency to oversee and promote projects to prevent traumatic brain injury and to assist in rehabilitation efforts across the Nation.

This legislation also will assist States in creating advisory boards to coordinate citizen participation in community traumatic brain injury programs and will create a registry to advance epidemiologic research efforts across the Nation.

I am pleased that the State of Kansas was the first State to submit and receive approval on a title XIX home and community based services waiver to provide services to people with head injuries in their own home. I am hopeful that my legislation will encourage other States to develop home care programs for traumatic brain injury survivors and will create a nationwide network for survivors and their families and friends.

The Traumatic Brain Injury Act, which emphasizes prevention and treatment options, will help these individuals and their families cope with the debilitating and life-long consequences of these tragic accidents.

I encourage my colleagues to cosponsor this important legislation and I look forward to the speedy enactment of the Traumatic Brain Injury Act of 1993.

INTRODUCTION OF THE
HEADWATERS FOREST ACT

HON. DAN HAMBURG

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. HAMBURG. Mr. Speaker, the Headwaters Forest Act I am introducing today is the first step in this Congress to protect permanently the largest privately owned stand of old growth redwood in the world.

These stands, located in my district in Northern California, are threatened by the owner's need to harvest aggressively to pay off high interest bond debt incurred to purchase them. In 1985, MAXXAM Inc. CEO Charles Hurwitz, with help from Michael Milken, engineered the takeover of Pacific Lumber Co., which had managed their redwood forests for sustainable yield for over 120 years. At the time of take-over, Pacific's land included about 16,000 acres of virgin old growth redwood.

Today, only about 5,300 acres of these majestic giants remain. They are the anchor for a unique ecosystem that is home to the Northern Spotted Owl, the marbled murrelet, several native stocks of salmon, and other old-

growth dependent species. Headwaters Forest old growth is one of the three primary nesting sites of the marbled murrelet, listed as threatened in California in October 1992 under the Endangered Species Act.

In late 1992, in spite of concerns expressed by the Fish and Wildlife Service about potential impact on critical nesting habitat of the marbled murrelet, Pacific Lumber began a weekend harvest of one of the virgin old growth groves. Although that harvest was halted by litigation, such harvests are virtually certain to continue without Federal acquisition. An important part of our national heritage rooted in northern coastal California will be lost forever.

The Headwaters Forest Act will authorize acquisition of the remaining old growth redwood groves and the second growth forests which connect them. The act forbids timber harvest in the old growth area and requires management to enhance and sustain the old growth ecosystems. Selective sustainable harvest of the second growth forests will be allowed to the extent consistent with maximizing the needs of the old growth. A management plan will be developed detailing rehabilitation and restoration of previously logged areas, giving preference to unemployed former timber workers and fishermen for this work.

No mystery shrouds the continued listing of species dependent on old growth forests, the old growth itself is rapidly falling victim to market pressures.

The old growth redwood forest is not a renewable resource. If these ancient trees are cut, the old growth redwood ecosystem is lost. The conditions that fostered its growth no longer exist. Scientists agree it is unlikely that old growth ecosystems will be recreated even if today's young trees are allowed to grow for hundreds of years. There is much we do not understand about these unique forests but we do know they contain yet undiscovered biological resources of potential great significant value.

Safeguarding the Headwaters Forest and the species it supports will contribute significantly to political peace between logging and environmental interests in coastal northern California and will preserve for our Nation, our children, and their children a truly non-renewable natural resource.

**SALUTE TO PAUL EDWARD
CRAWFORD**

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. CRANE. Mr. Speaker, as it is all too often that we overlook everyday citizens who rise above and beyond the call of duty and perform outstanding acts of heroism, I'd like to take a moment to recognize an individual in my district whose actions saved the lives of two teenage boys.

On April 7, 1992, Paul Edward Crawford of Antioch, IL rescued two young teenage boys from drowning. James E. Kirwan and a friend had been boating in Center Lake in Salem, WI when their boat went out of control, throwing

the two boys into the icy water. Crawford, on the shore of the lake at the time of the accident, noticed the two boys struggling to stay afloat and immediately dived into the water. After grabbing ahold of Kirwan and his friend, Crawford safely delivered the boys back to the shore. In recognition of his heroic act, the Carnegie Hero Fund has awarded Crawford a grant of \$2,500.

I salute the heroic efforts of Paul Crawford, an exceptional resident of the Eighth Congressional District of Illinois.

**TRIBUTE TO FLORIDA BAPTIST
THEOLOGICAL COLLEGE**

HON. DOUGLAS "PETE" PETERSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. PETERSON of Florida. Mr. Speaker, I rise today to proudly join Florida Baptist Theological College in celebration of its 50th anniversary.

Established in 1943 in Lakeland, FL, the Baptist Bible Institute was created to provide a mixture of Bible and general education courses to pastors and other church leaders needing seminary training.

As the college grew and became a regional institution, school leaders decided to move the school to a location allowing it to best serve the tristate area of Georgia, Alabama, and Florida. In 1957, the institute completed a relocation to Graceville, in the northwestern panhandle of Florida, and became known as the Florida Baptist Theological College.

Mr. Speaker, throughout the last 50 years, Florida Baptist Theological College has never lost sight of its purpose: to educate and train God-called men and women for lifetime Christian service. The college offers 2- and 4-year programs in the fields of theology, religious education, and church music. The school is licensed by the Florida State Board of Colleges and Universities, holds membership in the Association of Southern Baptist Colleges and Schools, and is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools.

Once again, congratulations to Florida Baptist Theological College on its upcoming September 7, 1993, Founder's Day celebration of the school's first 50 years, and best wishes and continued success for many, many more.

**ADMINISTRATION OF JUSTICE
PROGRAM IN GUATEMALA**

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. HAMILTON. Mr. Speaker, on May 10 I wrote to the Honorable Brian Atwood, administrator of the Agency for International Development, to share my concern about a proposed Administration of Justice Program for Guatemala. My concern centers on aid to the Public Ministry in that country, given its past record on human rights issues.

Administrator Atwood recently responded to my letter. Because there is widespread interest in this program, I insert this correspondence in the RECORD.

WASHINGTON, DC,
July 16, 1993.

HON. LEE HAMILTON,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I write in response to your letter of May 10, 1993, in which you expressed concerns about the Agency for International Development's plans for the new Judicial Sector Reform Support project for Guatemala (Congressional Notification #256, A.I.D. Project No. 520-0407, dated March 31, 1993.) I also want to acknowledge and respond to your request that the Agency withhold project funds for the Guatemalan Public Ministry to this time.

Guatemala's constitutional crisis has been resolved with the election by the Guatemalan Congress of the highly respected former Human Rights Ombudsman, Ramiro De Leon Carpio, as the new president on June 5. That Guatemala's crisis was resolved by peaceful, legal and constitutional means is a testament to the commitment to democracy on the part of many Guatemalans and the strong international support for a rapid return to democratic government on the part of the Organization of American States and other countries.

On June 8, Deputy Secretary Wharton met with President De Leon to underscore the support of the United States for his constitutionally elected government. After his meeting, the Deputy Secretary announced the resumption of all assistance to Guatemala which had been suspended on May 27.

The currently planned assistance for justice sector reform is now more critical than ever. However, I fully understand your reservations about the project and I am prepared to address them. As a result of consultations with your senior staff, we are prepared to proceed with a reconfigured project that responds to the concerns expressed in your letter. The project will initially include only those components for the Supreme Court, the law school of San Carlos University, and private sector advocacy with funding for project management support.

As discussed with members of your staff on June 25, we will not obligate funds for the Public Ministry training program until we are confident that the leadership of the Public Ministry is committed to ensuring the legal protection of Guatemalan citizens. We will closely monitor that the Public Ministry is making progress in the prosecution of human rights cases throughout the project.

In response to the related question subsequently raised by your staff regarding ICITAP activities in Guatemala, I have confirmed that the Bureau of Inter-American Affairs of the Department of State will apply a similar policy in its oversight of ICITAP. Once we have determined that the necessary conditions exist to warrant the provision of assistance for the Public Ministry, we will consult with your staff.

I appreciate having the benefit of your input on this project. Please be assured that I intend to ensure that A.I.D.'s programs are not only sensitive to human rights concerns, but work actively and effectively to promote human rights around the world.

Sincerely,

J. BRIAN ATWOOD.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, May 10, 1993.

Hon. BRIAN ATWOOD,
Administrator, Agency for International Development,
Washington, DC.

DEAR BRIAN: I write to share my concern about the Agency for International Development's proposal for a new Judicial Sector Reform Support project for Guatemala. (Notification #256, project number 520-0407, dated March 31, 1993.)

I recognize that judicial assistance programs present difficult policy choices; sometimes the least desirable states are those most in need of judicial reform assistance. It is my view, however, that the United States must be committed to ensuring, to the maximum extent possible, that U.S. assistance does not help inefficient judicial systems become more efficient in brutalizing their own citizens.

I understand that Guatemala has taken steps, such as approving a new Criminal Procedures Code and increasing budget allocations for the judicial sector, that show some political resolve to improve the judicial system. I also understand that A.I.D. has made approval of a new organic law for the Public Ministry of Guatemala a key condition precedent for the Ministry's receipt of any assistance. I am pleased that A.I.D. plans to use rigorous implementation agreement mechanisms that control tightly the use of U.S. funds because the Public Ministry's accounting systems will not satisfy A.I.D. certification requirements.

While I support the positive steps by Guatemala and the specific conditions A.I.D. has placed on Public Ministry receipt of U.S. assistance, I have serious concerns about re-initiating a judicial reform project in Guatemala, particularly with respect to the Public Ministry, given the history of such assistance to Guatemala. My reservations are as follows:

A.I.D.'s prior judicial reform project was suspended in December 1991 because A.I.D. itself had determined that Guatemala failed to demonstrate sufficient political will to make it succeed.

Under its current leadership, the Public Ministry has impeded action on several pivotal human rights cases, including failure to prosecute those military officials who ordered the 1990 murder of anthropologist Myrna Mack, while pursuing specious criminal charges against human rights activists such as Amilcar Mendez, President of the CERJ human rights group.

The Public Ministry has tolerated, if not encouraged, the persistent harassment of human rights organizations in Guatemala, bolstering the widespread perception of legal impunity for military officials who have committed human rights violations.

The records of the current Attorney General and the head of the Criminal Investigations Unit, who have ties to the military and who have taken dubious actions, such as attempting to close further investigations into Mack's murder, are further cause for concern and raise the perception of U.S. support for such actions through the proposed support to the Public Ministry.

Given these reservations, it is my view while the judicial reform project itself may proceed, the Public Ministry must show that it is working to prosecute fully the major outstanding human rights cases before it receives any judicial reform assistance. The Public Ministry deserves U.S. support only if it is making efforts to ensure the legal protection of its own citizens, under the administration of officials in whom we have confidence.

I am therefore placing a "hold" on assistance to the Public Ministry under the A.I.D. judicial reform project until its commitment to prosecuting human rights violators is clarified to the satisfaction of both AID and the Congress.

Sincerely,

LEE H. HAMILTON,
Chairman.

INTRODUCTION OF IMPACT AID REFORM LEGISLATION

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. FAWELL. Mr. Speaker, today, I am introducing legislation to reform section 2 of the Impact Aid Program which serves to reimburse school districts for revenues lost as a result of the Federal Government acquiring at least 10 percent of the school district's taxable property.

As we all know, State and localities provide approximately 95 percent of education funding in the United States. The largest source of this funding is local property taxes. When a school district loses 10 percent of its taxable property, the local schools are severely impacted. In 1950, Congress responded to this problem by creating the Impact Aid Program. The 1950 statute requires that the Federal Government reimburse each section 2 school district for each year in "such amount as * * * is equal to the continuing Federal responsibility for the additional burden with respect to current expenditures placed on such school district by such acquisition of property." The meaning of this language is very clear to me—the Department of Education should reimburse each section 2 school district by the amount which the Federal presence negatively impacts the school district. The only way to accurately measure the impact which the Federal presence has on the tax base is to make the required assessed valuation of the land reflecting the type of land-use which assumes the land's best highest value use.

Unfortunately, a bureaucratic interpretation of the law has resulted in the land being assessed at values based on the use of the land at the time of the Federal acquisition, which in some cases was over 50 years ago. In the case of Lemont High School in my district, the land is assessed at farm values despite the fact that none of the surrounding land has been used for farming in at least 25 years. This is also true of the other 7 school districts in Illinois and many other school districts throughout the country.

My legislation, which enjoys the bipartisan support of Illinois section 2 representatives, would simply require that the assessed valuation be calculated by the local assessor according to the current highest best-use of the land.

This bill does not increase the appropriation or the authorization funding levels which would be determined in the authorization—appropriation process. The bill would merely restructure the program to ensure that the funds appropriated are distributed in an equitable manner, conforming to the original intent of section 2.

I hope that all Members will be considering co-sponsoring my legislation and support correcting this inequity in the upcoming elementary and secondary education reauthorization.

CONGRATULATIONS TO WHIRLPOOL CORP.

HON. FRANK McCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. McCLOSKEY. Mr. Speaker, I would like to take this opportunity to congratulate Whirlpool Corp. for winning a contest sponsored by the Super Efficient Refrigerator Program, Inc. [SERP] to develop a CFC-free, super-efficient refrigerator. This \$30 million winner-take-all competitive bid process was formulated to provide incentives for U.S. appliance manufacturers to accelerate the design and production of advanced energy-efficient, ozone-friendly refrigerators.

Whirlpool was chosen the winner of the environmental contest from more than 13 other companies who submitted bids. Whirlpool employees located in Evansville, IN, as well as those in the States of Michigan, Arkansas, and Tennessee, led the company-wide effort to develop a 22-cubic foot side-by-side refrigerator-freezer that exceeds the 1993 Federal energy efficiency requirements by 25 percent to 50 percent and contains no CFC's.

This initiative should serve as a model for the future coordination of government and industry resources in finding innovative solutions to environmental and technological challenges. American consumers will benefit the most since Whirlpool's technological developments will decrease domestic electric bills while providing a refrigerator with all of the design features, style, and conveniences of the latest products in the marketplace. In addition, the cost of this new refrigerator should remain in the current range of similar-sized refrigerators because of the \$30 million award.

The \$30 million incentive was provided by SERP with expectations that the energy saved will permit them to forego the need to build several new costly power plants, while significantly reducing current emissions of polluting carbon dioxide. The SERP is a non-profit corporation comprised of 24 utilities nationwide, in collaboration with the U.S. Environmental Protection Agency, the Natural Resources Defense Council, the electric Power Research Institute and the American Council for an Energy-Efficient Economy.

Again, I commend Whirlpool and its employees for winning this contest and for taking a leadership role in confronting the environmental and technological challenges before this Nation.

U.N. MEMBERSHIP FOR THE REPUBLIC OF CHINA

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. SOLOMON. Mr. Speaker, the rapid democratization and constitutional reforms in the

Republic of China on Taiwan have clearly impressed the world, and the 21 million people living in the Taiwan area have openly expressed the desire of serving the international community as active partners, contributors, and participants.

Due to its lack of membership in the U.N., the Republic of China has limited its international activities to the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank, and the Central American Bank for Economic Integration, and economic development projects in different parts of the world.

Clearly, the Republic of China on Taiwan can do a lot more in helping other countries when one takes into consideration its foreign exchange reserves, around \$85 billion, and other impressive economic resources, such as its expertise and experiencing in turning an impoverished island country into a modern economic powerhouse.

A vital first step in tapping Taiwan's willingness to be an active international player is to invite the Republic of China on Taiwan back to the United Nations. Once readmitted, the Republic of China on Taiwan will clearly be a model nation, fully supportive of the aims and goals of free nations everywhere.

SMALL BUSINESSES URGE
CAUTION ON BUDGET

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. PORTMAN. Mr. Speaker, I rise today to express my grave concerns regarding the budget reconciliation bill this House will consider tomorrow. It is too light on spending cuts and far too heavy on taxes. I believe it will generally harm the economy, but I am particularly worried about the impact that the tax increases will have on small businesses.

I believe all of us in this Chamber share the President's goal of deficit reduction. Where we fundamentally disagree is how to achieve this goal.

But I did not want to espouse my views today. Instead, I want to give some of my constituents a chance to tell their unsolicited stories that have been shared with me in two recent letters. These are all small businesspersons in the Second District of Ohio that I represent who have urged me to oppose the plan because of the dramatic effect its tax increases would have on their businesses.

These are just two of many letters I have received that make it clear that the tax changes in this budget will have the opposite effect of their stated purposes of job creation and economic growth. Instead, as these unsolicited letters from my district point out, these tax increases will result in economic contraction and job reductions. The reason is quite simple: Approximately 800,000 small businesses in America will be hit hard by the retroactive tax increases on individuals. This is because most small businesses, including all subchapter S companies, partnerships, and sole proprietorships, file as individuals.

The first of my letters comes from three individuals at a small subchapter S corporation in Cincinnati who wrote to request a subchapter S corporation exclusion from the proposed income tax increases, particularly the 10-percent surtax on incomes over \$250,000. Listen to what these individuals have told me about the actual impact of this legislation:

We co-founded [our company] with several other partners in 1987 and we have built an organization that currently provides 60 full-time and 400 part-time jobs. * * * Like many small business people, [we] risked everything [we] had to get the business started (including cashing in [a] life insurance policy when [we] had run our bank account to zero). * * * Virtually every dime of profit we have made since 1987, we've plowed back into the corporation. Not only did we reinvest in an effort to build equity, which would enable us to receive a line of credit from the bank, we also invested in training, computer systems, and new people.

As a result of our reinvestment, we have been able to continue to grow at a steady clip. However, President Clinton's proposed surtax will limit our ability to reinvest and grow. * * *

So what precisely would the net effect of the proposed 10% surtax be on our small business? Essentially, since profits flow to individuals in subchapter S corporations, the proposed 10% surcharge will have a net effect of taxing our company profits at a 42% rate.

My understanding is that a decision was made by the administration to raise the top C corporation rate to 36% and to leave the current 34% tax rate intact for companies earning less than \$10MM. If this is the case, it would seem inconsistent [to] tax the majority of profits on a small business like ours at a rate of 42%. I * * * don't need to tell you what a 42% rate would do to our ability to hire new people and reinvest in our future. * * *

If, in fact, Mr. Clinton believes that small business is the lifeblood of this country, he should realize taxing them to death is probably not the way to make them grow and flourish.

The second letter comes from the president of a small company he founded nearly 13 years ago that manufactures small food specialty equipment for the food service industry. The letter is signed by all nine of the company's employees. He writes:

During the first three years of my business, I lived at or below poverty level for a period of nearly 18 months without receiving any pay. * * * Since that time, my business has grown into sales of nearly \$2,000,000, employing nine people. * * * We have seen tremendous growth in the past eight years—a 25% increase this year—and have anticipated even stronger growth in the future.

Prior to President Clinton's economic proposal, I had considered building an additional 5,000 feet of manufacturing space onto our current facility, acquiring nearly \$100,000 in new manufacturing equipment, and adding approximately 3-4 new employees. This is all on hold for now.

I have already been notified by several of my suppliers that in response to a * * * fuel tax, I can expect anywhere from a 5-10% price increase on raw materials and transportation. If I am unable to pass these price increases on to my customers and maintain the same or greater sales volume that [my company] is currently doing, I will be forced to curtail my expansion and reduce employees. * * *

* * * You control the economic future of all small businesses. Small businesses are entrepreneurs who are willing to invest money, borrow money, and take risks. * * * I take great pride in my company and feel compelled to take care of the people that work for me. The program that has been presented [by President Clinton] will drastically affect my ability to provide for my employees."

I agree 100% that we must reduce the deficit and the debt of this country. I highly recommend that you vote to eliminate any further tax increases, but continue the efforts to reduce spending. * * * The upcoming threat of the now-largest tax increase will put the brakes on [small] business in ways never seen before.

Mr. Speaker, these words demonstrate, better than any speech I could give, the negative impact that the tax increases contained in the budget reconciliation bill will have on small businesses, not just in the Second District of Ohio, but all across America. I urge my colleagues to pay heed to these small businesses that are creating the bulk of jobs in America. I urge my colleagues to oppose the budget reconciliation bill.

TRIBUTE TO THE CITY OF
HOLLAND, MI

HON. PETER HOEKSTRA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. HOEKSTRA. Mr. Speaker, I rise today to recognize the achievements of the elected leaders and citizens of Holland, MI, a city in my district, in the fight against drunk driving.

The city of Holland received the grand prize for cities with a population less than 100,000 as well as the Community Partnership Award from the National City Challenge to Stop Drunk Driving during the annual meeting of the U.S. Conference of Mayors on June 23.

The National City Challenge commends cities at the forefront of the antidrunk-driving crusade. The challenge encourages cities to develop and implement comprehensive, community-based programs. By applauding and publicizing these programs, the challenge encourages other cities to adopt these model efforts for their own.

The challenge is now in its second year. It is jointly sponsored by the Conference of Mayors and The Century Council, a nonprofit organization dedicated to combating alcohol abuse and misuse. The Century Council is supported by more than 500 distillers, vintners, brewers, and wholesalers from across the Nation.

When the leadership of Holland realized that drunk-driving incidents in their community were reaching near-epidemic proportions, they formed an integrated and aggressive community-wide effort to combat this problem. The Lakeshore Alcohol Council, with the support of Mayor Neal Berghoef, coordinated enforcement among 16 law enforcement agencies and conducted sting operations and educational efforts, virtually eliminating alcohol-related traffic deaths during the prom and graduation season.

A key to the success of the Lakeshore Alcohol Council is the commitment to all parts of

the community—business, schools, churches, treatment facilities, alcohol vendors, citizens, and law enforcement officials.

In addition, the Lakeshore Alcohol Council operated without a penny of grant money or Government funds—Federal, State or local. The council functions solely on membership fees and donations from area businesses and individuals to pay for major projects.

I urge my fellow Members to alert communities in their own districts in the effective community partnership that Holland, MI, has been able to build. I hope that Holland's example will inspire communities throughout the Nation to broaden the attack on drunk driving.

I congratulate the people of Holland and I am very pleased that they were singled out by the Conference of Mayors and the Century Council for this award.

HIGHER TAXES, LOWER REVENUES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. CRANE. Mr. Speaker, it is time that we stop trying to punish the wealthy for our country's economic problems. Although some of my colleagues have proposed raising taxes on the rich to pay for the fiscal irresponsibility of Congress, the reality is that further taxing the rich will not increase Federal revenues by nearly the amount estimated by the Clinton administration. In fact, a decrease in tax revenues is very possible. This scenario coupled with businesses raising prices and cutting back on employees or employee benefits will have a detrimental impact on our Nation's economic and fiscal well-being. It's time that we end the Clinton class war which strives to divide our society, and look to real solutions to solve our economic problems. Simply put, we need a tax code that provides incentives to save and invest. This will in turn create jobs, and increase the number of taxpayers, thus generating more tax revenues. In his article, "Higher Taxes, Lower Revenues," Robert J. Barro cites compelling evidence to bolster this view. I submit Mr. Barro's article, which appeared in the July 8, 1993 edition of the Wall Street Journal to my colleagues' attention.

Although the debate over the administration's tax package has focused on energy levies, the bulk of the projected revenue comes from increases in marginal income-tax rates on the "rich." This revenue underlies the administration's contention that the fiscal package is an equal mix of spending cuts and tax increases, and also forms the basis of alternative estimates that peg the ratio of spending cuts to tax increases at between 1 to 2 and 1 to 5.

A key issue, however, is whether increases in marginal tax rates at the top will raise any revenue at all. The history of responses to tax-rate changes from 1981 to 1991 suggests that the receipts generated by this part of the fiscal package probably will be close to zero and may actually be negative. Upper-income people are very "responsive" to changes in the tax code: that is, they readily move their money around or change their behavior in response to new tax law.

The debate about ratios in the administration's proposals has therefore had a surreal

character. If Congress decides to abandon all new levies on energy—levies that would harm the economy, but really would raise the kind of revenue legislators are looking for—then tax receipts would be roughly constant. The magical ratio of spending cuts to tax increases could then be infinite (even though the package contains little in spending cuts).

AN ORPHAN ARGUMENT

Amazingly, neither the Democrats nor the Republicans want to make this argument. The Democrats, of course, do not want to acknowledge that the higher tax rates on the rich will generate little revenue. The Republicans do not want to press the point because, first, they do not want to look like the advocates of the rich, and, second, if tax receipts do not rise, then they could not argue that the Democrats had raised taxes (falling here into the common confusion between tax rates and revenues). One would have thought, however, that an increase in tax rates that produces no revenue is even worse than one that generates lots of revenue.

The chart shows the fraction of total federal income taxes paid by the upper 0.5% of the income distribution in the years 1960 to 1991 (returns with adjusted gross incomes above about \$220,000 in 1991). The most relevant experience for evaluating the current fiscal proposals is the period of changing tax policy from 1981 to 1991.

For the top 0.5% of the income distribution, the most important changes are the shifts in the marginal tax rates at high incomes. For most of the years 1960 to 1980, years with relatively high top marginal rates, the high-income group contributed well under 20%—and even 15%—of the revenue pie. But even more relevant is the 1981-91 period. It featured a cut in the top marginal rate on unearned income to 50% from 70% in the 1981 law, a cut in the top rate on all forms of income to 28% in the 1986 law (except that this law raised the top rate on long-term capital gains to 28% from 20%), and an increase in the top rate to 31% (or a couple of percentage points more because of phaseout provisions for deductions) in the 1990 law.

The first observation from the figure is that the increase in reported taxable incomes of the rich after the 1981 law was great. It was so great that the share of taxes paid by this group rose to 18% in 1984-85 from 14% in 1981, despite (or rather because of) the reduction in the top marginal tax rate. The Laffer curve argues that increasing tax rates beyond a certain point means lower revenues—and that cutting rates widens revenues. The much-ridiculed curve turned out to work brilliantly at upper-income levels.

The share the rich paid in taxes for 1986—21%—is inflated by the surge in capital-gain realizations in anticipation of the rise in the capital-gains tax rate in 1987. But the principal observation about the 1986 reforms is that the share paid by this group remained between 20% and 22% from 1986 to 1990, well above the values from before 1986. In 1988, the final year of the Reagan administration—and, in that sense, the pinnacle of the "greedy 1980s"—the share of taxes paid by the rich reached its peak of 22%. (I do not know whether one-fifth is a "fair share" for the top 0.5% of income recipients to pay, but it does mean that the average person in this group pays 40 times as much in federal income taxes as the typical person.)

Additional evidence came when the rise in the top rate in the 1990 law was followed by a decline in the fraction of taxes paid by the

rich to 19% in 1991 from 20% in 1990. Thus, the pattern in which changes in the top tax rates cause a dramatic response in the opposite direction of reported taxable incomes works for tax-rate increases as well as for tax-rate decreases. This finding is significant, because the current income-tax proposals are basically more of the same that was contained in the 1990 law.

Treasury officials claim that their estimates of large revenue gains from increased tax rates on the rich already take account of behavioral responses that lower the base of reported taxable income. This claim is misleading, however, because the responses that the Treasury seems to consider are portfolio shifts, such as the increased incentive to hold tax-exempt bonds (an effect that has to be trivial if the total supply of tax-exempt bonds does not change).

Left out of these calculations are the principal shifts in reported incomes that underlie the data in the figure. The details of these shifts are not well understood, but they seem to involve changes in the timing of income, exploitation of tax loopholes, and alterations in work effort. (People work harder after tax cuts.) In any event, the best way to project how tax payments by the rich will react to changes in tax rates is to use the information provided by the history of the responses to the 1981, 1986 and 1990 tax laws, and the Treasury's estimates fail to take account of the clear message from this history.

LIBERAL FRIENDS

Suppose that it is true that the higher tax rates on the rich will not raise revenue. Even so, the rich will suffer from the higher tax rates. The various methods employed to lower taxable income—including creating tax loopholes and working less—are undesirable activities that these people would have preferred to avoid. The income-tax proposals will succeed in burdening the rich even if they fail to generate revenue.

To me it is obvious that a tax-rate boost that makes one group suffer—even the rich—but provides no revenue is bad economic policy. Since I do not trust my instincts, however, I surveyed some liberal friends: What do you think of a policy that makes the rich worse off, but produces no revenue and therefore provides not direct benefits for the nonrich? Remarkably, the results were mixed. Some of the respondents would be willing to give up resources (revenue)—and, in fact, suffer themselves—for the sake of taking away money from the rich, so that some measures of income inequality would narrow. Apparently, the presence of wealthy people is viewed as similar to environmental pollution. One can only hope that this viewpoint is not the main driving force behind the administration's economic policies; otherwise, the economy will be in serious trouble.

IN RECOGNITION OF FEDERAL HUMAN AWARENESS WEEK

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. MAZZOLI. Mr. Speaker, I rise today to applaud the work of the Kentuckiana Federal Equal Employment Opportunity Council [KFEEOC], and to inform my colleagues that September 12 through September 18 is Federal Human Awareness Week.

Formed in 1976, the KFEEOC is an organization composed of Equal Employment Opportunity [EEO] officials representing various Federal agencies in Kentucky and Southern Indiana. And, the Council's number one concern is the promotion of equal opportunity for all our people regardless of race, color, religion, national origin, sex, age, physical or mental handicap.

Mr. Speaker, the KFEEOC is devoted to these goals, and every year it undertakes training seminars for Federal workers and others which are exclusively devoted to advancing an awareness of the mosaic of different kinds of people in our land, and the removal of all obstacles to equal opportunity in our society. Their efforts help point us toward becoming a more tolerant, and egalitarian community.

Mr. Speaker, I commend all those associated with the KFEEOC for their fine work, and again recognize the week of September 12-18 as Federal Human Awareness Week.

NATIONAL WOMEN'S BUSINESS COUNCIL

HON. THOMAS H. ANDREWS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. ANDREWS of Maine. Mr. Speaker, I have introduced legislation which reauthorizes the National Women's Business Council. Created in 1988, the council has provided much needed support and encouragement for women in business. For too long, women found doors closed when they tried to enter the professional workplace. The National Women's Business Council has been working hard to open the doors that remain closed, and ensure that those that are open, stay open.

The council has established a national network of information and contacts to aid women in business. It has held national hearings and symposia that have served not only as an exchange of ideas, but to actually change policies on the local level that were constraining the ideas and initiatives of women. The council's activities have resulted in three reports submitted to the President and Congress in the past 3 years. These reports contain valuable recommendations for those of us interested in overcoming the problems that keep women from gaining more opportunities in business careers.

The National Women's Business Council has made significant strides in enhancing and expanding the role of women in business. Yet, the fact that only 1.5 percent of Federal procurement dollars are awarded to businesses owned by women, which constitute over one-third of all businesses in the United States, is one indication that there is much more for the National Women's Business Council to accomplish. This legislation will allow the council's fine work to continue. It enables the council to submit further recommendations to Congress and the President, to see that the recommendations it has already made are implemented properly, and to continue to provide guidance and assistance to female entre-

preneurs and businesswomen across this country.

INDIAN FISH AND WILDLIFE RESOURCE ENHANCEMENT ACT OF 1993

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. RICHARDSON. Mr. Speaker, I am pleased to be joined by my esteemed colleague from Wyoming, Mr. THOMAS in introducing the Indian Fish and Wildlife Resource Enhancement Act of 1993. This legislation is the culmination of hearings held by the Subcommittee on Native American Affairs on fish and wildlife resources on Indian lands.

Indian fish and wildlife resources are an integral part of the economic and social structure of Indian tribes. Since time immemorial, Indian tribes have relied on fish and wildlife resources for subsistence, economic development, and cultural practices. The Federal Government has a trust responsibility to ensure that all fish and wildlife resources within the boundaries of any Indian reservation are preserved, protected, and properly regulated. In treaties with the Federal Government, many Indian tribes have reserved the right to fish, hunt, and gather in their usual and accustomed places. These rights have been recognized by the U.S. Supreme Court in several decisions. The importance of the fish and wildlife resources to Indian tribes have been and continue to be recognized by the courts.

While the courts have recognized the importance of these resources, the Department of the Interior and the Bureau of Indian Affairs have provided little support or assistance to tribal efforts to manage fish and wildlife resources. Efforts to improve fish and wildlife habitat, to increase resident populations of fish and wildlife, and to undertake conservation measures have been left entirely to Indian tribes. The protection and conservation of these important resources is part of the Federal Government's trust responsibility to Indian tribes. It is vitally important that the Federal Government fulfill its fiduciary responsibilities toward Indian fish and wildlife resources.

Indian tribes from across the country have appeared before our subcommittee and testified about the lack of Federal involvement in and assistance for tribal efforts to improve fish and wildlife habitat on Indian lands. This bill recognizes the Federal Government's trust responsibility to protect and conserve Indian fish and wildlife resources. It will improve tribal capacities to manage Indian fish and wildlife resources through the development of Indian fish and wildlife management programs. It provides for the increased production of fish and wildlife resources to provide for the subsistence, economic, and employment needs of Indian tribes. The bill provides badly needed resources to Indian tribes to develop tribal codes, resource management plans, and fish and wildlife population investigations. It will provide funds to Indian tribes to improve and restore fish and wildlife habitats and to develop tribal conservation programs. Finally, it

provides for the management of Indian fish and wildlife resources consistent with integrated resource management plans.

Mr. Speaker, this bill provides the statutory framework to ensure the proper exercise of the Federal Government's trust responsibilities for the management of Indian fish and wildlife resources. This legislation is long overdue. It is time that the Federal Government lived up to its obligations to Indian tribes pursuant to its treaties with Indian tribes. It is my hope that this legislation will be an important first step to fulfilling our trust responsibilities to Native Americans. I urge my colleagues to support this legislation.

HOUSE PAYS TRIBUTE TO HORACE D. HUME, THE WIZARD OF MENDOTA, IL

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. HASTERT. Mr. Speaker, it is with great pleasure that I rise today to bring to my colleagues' attention the outstanding contribution Horace D. Hume has made to the city of Mendota, IL and to farmers across this great Nation.

Horace Hume is one of a rare breed of geniuses of invention. At the age 15, Horace tried to design a perpetual motion machine. It ran for more than a week before it seized up. From then on it was apparent that he had a knack for invention.

Today, he holds more than 100 patents, including one for a floating cutting bar and another for a crop pickup reel. These inventions are widely credited for the revolution in modern soybean production.

Mr. Hume, 90, has been a vital force in Mendota community affairs for over 50 years. He is a recipient of the Mendota Chamber of Commerce Community Service Award and the key of the city of Mendota. Recently Mr. Hume generously donated and provided for the construction of a new public library for the city of Mendota.

To recognize the contribution Mr. Hume has made to his community the city of Mendota has proclaimed August 15, 1993, Mr. Hume's 95th birthday, as Horace Hume Day. I join all the residents of Mendota in their salute to a true genius and a generous man.

For the RECORD, I am submitting the following Chicago Tribune article detailing Hume's numerous achievements.

[From the Chicago Tribune, Nov. 8, 1992]

THE WIZARD OF MENDOTA

(By Donna Chavez)

At the age of 15, Horace Hume acquainted himself with the art of inventing by designing a perpetual motion machine. He gave the design to the son of a farmhand on his parents's farm who built it. The machine ran for better than a week before it seized up.

"That was when I got the first notion I had an inventor's skill," Hume recalled.

Today he holds more than 100 patents. The explanation for his genius is simple.

"My mother was very encouraging. She always believed in me when I thought I could do something." Hume recently said in the

Mendota office of H.D. Hume Co., the firm he founded to manage his assets, "And nobody ever told me I couldn't."

A mother's faith and ignorance of his own limitations have served Hume and others well. Among his patents is one for a floating cutting bar and another for a crop pickup reel—items credited with revolutionizing soybean production. That's no small contribution to American agriculture since "soybeans are second only to corn in production value in the United States," according to a publication of the Chicago Board of Trade.

The same publication declares that soybean exports account for an average of \$6.2 billion per year, with a total estimated farm value of \$11.4 billion in 1988-89.

Carl McNair, president of HCC Inc. of Mendota, a manufacturer of components for combines, said: "Horace Hume has made major contributions to soybean production worldwide. There aren't many people who've made as significant a contribution to the grain farmer as Horace. He thinks maybe 50 years ahead of his time."

Born the oldest of four children in Endeavor, Wis., to farmers James and Lydia, Hume took the name of his birth town not so much as a starting point but as a mandate for his life. In addition to his inventions, he is the founder of eight businesses.

Community service made him mayor of Garfield, Wash., by the time he was 40. Among other things, he has been a director of the Mendota Hospital Foundation, a member of Mendota City Planning Commission, La Salle County Regional Planning Commission, La Salle County Zoning Commission, La Salle County Care and Treatment Board and chairman of the Mendota Watershed Commission.

He is the recipient of the Mendota Chamber of Commerce Community Service Award and the Key to the City of Mendota. Hume has been listed in Marquis Who's Who (in the world, in America, in the Midwest, and in Finance-Industry) for 40 years.

Horace Hume is married and the father of one son who died in his early 30s. He has two grandchildren, four great-grandchildren and three great-great-grandchildren. He and wife Dorothy have much in common, including a love of music and dancing, which they do every Saturday evening at the local Elks Club. He is an avid shuffleboard player, so much so that he's built an indoor court with five lanes and has a killer reputation around town.

A true man of the '90s, Hume is devoted to his wife and family. He and Dorothy have two homes, both of which Hume designed, across the street from each other. One Hume calls his bachelor den. The other is Dorothy's to "decorate and enjoy as she likes."

Between Horace and Dorothy—she is his third wife, he her second husband—they have seen more than 120 years of marriage. Hume is 94 years old. His bride of not quite three years is 90.

Dorothy characterized Hume as "intelligent, with good character and high morals. He is so generous, too."

She loves the home Horace built, describing it as "the nicest home I've ever lived in."

"Horace has a way of not getting in the way of himself; of letting things, ideas just come to him," said Rosalie McLaughlin, co-author of Hume's biography. The book, like Hume's life itself, is a work-in-progress. McLaughlin, also from Mendota, spoke from an office in Hume's home where the pair worked on a book recently published about his son James.

Hume's home—his bachelor den—was built in 1988, and it is nearly a perfect reflection of Horace Hume the man, the inventor, the seeker of spiritual truth, and the industrialist. In it he is more than comfortable, he is energized. It's built in a rough pyramid shape topped by a lighted cupola. Hume designed the home to duplicate the shape upon which the ancients based the great pyramids.

The resemblance to a pyramid ends there. Great tall windows and skylights flood the home with light even on a gray day. It has an open floor plan with enough unusual angles to drive any interior decorator up the wall. Hume's touch in decoration includes paintings of the 47th problem of Greek mathematician Euclid and the ancient symbol of a circle with a triangle inside.

As he toured the home, Hume spoke about himself as a "student of life. You might say I've asked myself questions and then sought to find answers. I used to read four or five hours at a time. I enjoy writers like Victor Hugo, Plutarch, H.G. Wells and Petronius."

The walls in one of his rooms are lined with books by these authors and others.

Hume never went to college—"It wasn't considered necessary back then. But I learned how to read when I was 10 and I never stopped reading."

The stairwell walls bear photographs of serious-looking people, old farm houses and a memento of when the first Hume set foot on Ellis Island from Scotland.

While his parents weren't highly educated people, nor was his father an inventor, Hume does call his father "an innovator." He was a farmer, yet he built a telephone system between Portage (Wis.) and Endeavor. It was only a few miles, but this was back in the days when folks would hold up the [telephone] wire to see if there was a hole in it [for the sound to travel through].

When Hume was 12, the family moved to North Dakota where they added ranching to farming, and Hume saw his father build yet another telephone system. There the elder Hume added a post office/general store to the family home, which was located in the county seat of Slope County. He also sold windmills. After nine years the Humes moved farther west, where the young Horace would seek his own future.

It was in Washington where Hume went to work for an automobile dealership. As an eager, young employee of an agency that sold everything from Ford Model T's, to Chevrolets, Studebakers, Oaklands and Dodges, it was there Hume recalls he started "puttin' things together. I began to get indoctrinated into the process of inventing things to solve problems."

"It was when I was about 25 that Chevy built a car that had a four-cylinder motor that was lubricated with the dip system—which is very different from the lubrication system of cars today. Well, the cranking rods would get loose after a while and begin to wear and would get to knocking. We would have to take the pan off, fix the rods and then put the pan back on.

"It had four gaskets that were so hard to put on that it'd take an hour-and-a-half to do the job, and even then, sometimes it'd leak. The customers paid \$1.50 for this job and we had a policy that if the pan leaked, we'd do it over again for nothing. Well I lost patience with it and about 4 o'clock one Sunday morning I got up and by Sunday evening I had invented a way to put the pan on in 10 minutes—no leaking.

"I went to a manufacturer and made arrangements to begin advertising to sell my system * * * actually sold a few. Then Chevy quit making the engine."

With the philosophical advantage of almost 70 years between him and the incident, Hume enjoyed the irony of this story. But even then the fact remained that, though riches eluded him that time, the invention was nonetheless a success in that it solved the problem it set out to vanquish.

A second invention, a device to make driving automobiles in the thick Pacific northwest fogs easier met with similar fate. The item was a success, the timing and the location were wrong—the Washington state legislature outlawed such devices—a version of high-beam headlights—as dangerous to oncoming traffic. Concurrently a man in Michigan, where the legislature was not so pessimistic, filed and received patent rights on a similar device.

The point Hume made with his less-than-success stories is that the experiences did nothing if not encourage him to pursue his visions. Speaking in a tone and cadence that revealed words firmly connected to thought, and with a dry sense of humor, Hume allowed that "some have called me stubborn."

Long-time friend and retired Mendota businessman Richard Phalen expanded on the thought: "You've got to be stubborn to get where Horace has gotten—stubborn but not contrary."

And stubborn he might have been. Working his way up in the car dealership, Hume became a partner. Around 1927 the dealership added farm machinery to its sales line, carrying a new item that would replace the thrasher—a combine. But they didn't sell as quickly as Hume had hoped.

While seed peas were a very profitable crop for the Pacific Northwest, according to "The Magnificent Whistle Stop," a historical account of Mendota, "Mr. Hume met a great deal of sales resistance to the combine as this machine did not cut close enough to the ground to harvest the ripe peas."

Indeed Hume recalled that it was not uncommon for farmers trying to use this new implement to lose 40 to 50 percent of their crop.

"I recall one farmer who lost 90 percent because a windstorm had laid the crop even closer to the ground than normal," Hume said. "So a friend of mine and I set out to invent something to adapt the combine to harvest low-lying crops like peas."

Farmer J.E. Love and farmer-cum-salesman-cum-engineer/inventor Hume together invented the floating cutter bar. Love was delighted, Hume said, for as an owner of a combine it increased his yield. Hume was delighted since it meant increased combine sales. They could guarantee the farmer a loss no greater than 2 percent.

However, since only Hume was interested in patenting this new device, he agreed to front all patent costs (no small investment at about \$500 at the time), but the men would become partners in the manufacture of their joint venture.

Within three years Hume and Love had worked the bugs out of the system so they could adapt the cutter bar to any brand of combine. The country was in the depths of the Depression when the friends opened the doors of the Hume-Love Co., manufacturer of specialized equipment, in Garfield, Wash.

"How did we do it," Hume asked rhetorically, smiled and answered, "I truly don't know. Except that nobody told us we couldn't do it. You see [the floating cutter bar] had been determined by experts to be impossible. When I took it to the patent office they called it 'new art,' since experts had said it couldn't be done."

Fed by the twin achievements of his cutter bar—it solved problems and made money—

Hume's visions began to tackle a succession of problems. According to biographer McLaughlin, "Mr. Hume spent a lot of time in the field, actually seeing if something wasn't working just right. He'd spend hours thinking of ways to make farming more profitable."

That meant taking equipment designed by big manufacturing companies such as International Harvester and adapting it to the special needs of the man in the field.

Hume confessed that his primary motive was to "aid agriculture by helping the farmer increase his yield—hopin' to get paid for it."

The principle was simple, the results lucrative. Phalen, founder of Phalen Steel Construction Company, credits Hume as the reason for his own success. "He's the reason I got where I was and I could afford to retire at 54," he said.

The move from Washington to Mendota came at the beginning of World War II, but only after Hume-Love had seen the invention of a special windrow harvester for green pea harvesting that also benefited canners in the Northwest. It might be that the '80s philosophy of win-win might not be so new after all since Hume believed that helping the farmer started a trend that advanced a chain of people from equipment manufacturer to canner to consumer.

It was soybeans that drew Hume to the Midwest, since his specialized equipment benefited the soybean farmer as well. Hume claimed it increased harvest by 7 bushels per acre, and soybeans were just beginning to enjoy a 50-year surge in the market.

"But there was a war on and building materials were hard to come by. So I went to Richard Phalen who had Quonset buildings we could use," Hume remembered.

"Here I was, a nobody in this small town, and he begged me to do business with him," Phalen said.

Hume said that the equipment had to be manufactured in the Midwest because to ship it from the Northwest was impractically expensive. "I needed Richard because those Quonset buildings were the only ones we could build at the time," Hume said.

And the plant in Mendota grew. Hume invented several types of harvesting machines, among other items. His inventive genius developed a pattern.

"I would go into the field to see what the problem was. The farmer and I would talk about it. I'd get a mental vision of what the finished device should be like and I'd sketch it for my personal engineers who would carry out the design prototype," Hume said.

Hume's reputation became well-known in the field. According to "The Magnificent Whistle Stop," Del Monte contracted with him to help improve the harvest yield of spinach. He was known at International Harvester as a man who would tackle problems they had neither the time nor the resources for, since his were principally fine-tune adjustments to large farm machinery.

"We confined ourselves to jobs too small for large companies to care about," Hume said. Jobs such as a machine to process cranberries—which, due to their unique cellular structure had been impossible to process—proved to be easy as pie for Hume.

By the early '60s, Hume Products Corp. enjoyed worldwide distribution in 60 foreign countries, had manufacturing plants in Mendota and Garden City, Kan., with sales offices in Wisconsin and Pennsylvania.

In 1964, Hume's son, James, succumbed to a massive coronary at the age of 36. He was a vice president in the company and was fol-

lowing in his father's footsteps in civic activities. James' daughter, Marsha Jones, 42, works for Hume today as "office manager/secretary/receptionist/everything else."

Jones refers to her grandfather, who still comes to the office daily, as "a rock. He's always been there for me. He's a big part of my life."

In 1965, Hume sold the manufacturing business and designed and built a new Mendota home—complete with fallout shelter. He spent the next six years as a member of the board of directors of Hart-Carter, as the firm was called after the sale. Hume's first wife died in Arizona in May 1972 and he remarried, but returned to Mendota upon the death of his second wife in 1987.

In 1988, at the age of 90, Hume designed and built his triangular home, the fifth home he has designed and built.

"He is constantly busy. Either working or dancing—he and Dorothy do a nice waltz—or playing shuffleboard," said Phalen.

As for the future? Hume shrugged his shoulders and insisted he has no plans * * * except for his book and maybe a few other things that nobody dares tell him he can't do.

UNITED STATES-UKRAINIAN- RUSSIAN RELATIONS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. SOLOMON. Mr. Speaker, as you are aware, on July 6 the Russian Parliament voted almost unanimously in favor of a resolution claiming the Ukrainian port of Sevastopol as Russian territory.

Mr. Speaker, this should be of no surprise to any of us. The Russian Parliament is an illegitimate body made up mostly of ex-Communist apparatchiks, elected during the Soviet era and retaining many of the old, tired, and destructive ideas of the Soviet past. Fortunately for the Ukrainians, and us too, Russian foreign policy is still largely in the hands of President Yeltsin and his enlightened Foreign Minister, Mr. Kozyrev, neither of whom want any part of this reactionary imperialism.

But what if President Yeltsin fails? What if he is ousted or marginalized and these reactionary neo-imperialists gain control of Russian foreign policy? Mr. Speaker, it is long overdue that we begin to think about this potentiality. To date, it seems to me that many American leaders have given short shrift to the need to shore up the sovereignty of Ukraine and the other Republics of the former Soviet Union.

Let's face it, there were many in our country who came to see the Soviet Union as a natural and legitimate entity. For reasons that escape me, many of these same people were distressed, rather than elated, when the Soviet Union imploded. They saw it as potentially destabilizing, rather than what it really was: The liberation of more than 300 million people from the prison that was the Soviet Union. Since the U.S.S.R.'s demise, many have taken a brazen attitude toward the sovereignty and independence of the newly independent states.

This has been especially true regarding Ukraine. At times, we have been obsessed

with the notion that our highest foreign policy priority should be inducing Ukraine to give up her nuclear weapons to Russia. I do not want to posit that Ukraine should not give up her nukes, but I believe our approach has been inconsiderate of Ukraine's legitimate security concerns.

And her concerns are indeed legitimate. Ukraine is a flat, mostly treeless plain and is one of the most invaded pieces of real estate in history. Ukrainians are a distinct people, with a language very different from Russian, and have been aspiring for independence since before the American revolution. The reactionaries in Russia do not recognize this, but we should. America needs to make clear to Ukraine and to Russia that we view Ukrainian sovereignty as absolutely inviolable. This goes for the other newly independent countries as well. We need to make clear that we appreciate Ukraine's legitimate security concerns, and that we do not view the nuclear question in a vacuum.

I hope that the President, the Secretary of State, our Ambassador in Moscow, and all relevant officials, including Members of Congress, will voice their concern over this imperialistic move in the Russian Parliament at every opportunity. We must stand united and speak with a clear voice, Mr. Speaker, lest there be any doubt about our view in Moscow. And that view should be, Mr. Speaker, that American recognizes, appreciates, and welcomes the fact that the Soviet Union no longer exists.

I thank the Speaker for the time today.

CLEARING THE WAY FOR HEALTH CARE REFORM IN WASHINGTON STATE

HON. MIKE KREIDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. KREIDLER. Mr. Speaker, no one understands better than the people of Washington State the need for health care reform. And no State has done more to meet that need. This year, after more than 2 years of intensive study and review, the Washington State Legislature enacted the Nation's most sweeping comprehensive health care reform law, the Washington Health Services Act, and Gov. Mike Lowry signed it into law. I was proud to have served as a member of the Washington Health Care Commission that developed the blueprint for this major reform.

Washington's new law will guarantee affordable health coverage to every State resident by 1999. It reforms the insurance market to stop the kind of cherry picking and risk selection that has made insurance affordable for small employers. It establishes purchasing cooperatives to enable individuals and small businesses to pool their buying power in the health insurance market. It requires employers to pay at least half the cost of employees' health coverage, and requires everyone in the State to be covered by 1999. It controls costs through managed competition between health plans, with limits on annual premium increases. It includes major improvements in

public health programs and steps toward long term care coverage for the elderly and disabled.

But the Washington State plan cannot be implemented unless Congress amends the Employee Retirement Income Security Act, a law that prohibits States from regulating employee benefits. While pre-empting State initiatives, ERISA does nothing to assure that working Americans have any kind of health coverage. I strongly support national health care reform to break this logjam and bring affordable coverage to all Americans. But the people of Washington have been waiting for years for nationwide reform, and it is time to give them a chance to make the State plan work.

That is why I have joined with my Washington State colleagues AL SWIFT, NORM DICKS, MARIA CANTWELL, and JOLENE UNSOELD to introduce the Washington State Health Services Reform Enabling Act. Senator PATTY MURRAY is introducing a companion bill in the Senate. Our bills would exempt specified provisions of our State's health care plan from ERISA pre-emption, allowing the State to go forward with its reforms. I urge my colleagues, whatever their own views on national health care reform, to support Washington State's effort to achieve what we have thus far been unable to achieve in Congress—a system of universal, affordable health coverage for everyone.

SUMMARY OF PROVISIONS—WASHINGTON STATE HEALTH SERVICES REFORM ENABLING ACT

The bill amends Section 514 of the Employee Retirement Income Security Act of 1974. Currently, Section 514(a) prohibits states from regulating employee benefit plans, and Section 514(b) consists of a series of exemptions from that prohibition (such as an exemption that allows states to continue regulating insurance, and exemptions for specific laws of several other states).

The bill adds a new exemption to Section 514(b), exempting eight of the provisions of Washington State's Health Services Reform Act that may currently be pre-empted by ERISA. These provisions of the state law are as follows:

Section 212, which allows the Washington Basic Health Plan to require the enrollment of a majority of the employees of a firm that chooses to enroll any of its employees in the Plan. The Plan, established in 1989, offers state-subsidized health coverage for income-based premiums. The state's 1993 law expands this Plan and offers its coverage to small businesses as long as they enroll most or all of their employees.

Section 301, which imposes a tax on health insurance plans to help finance coverage for the uninsured and other health programs.

Section 304, which taxes nonprofit hospitals to help pay for covering the uninsured and other health programs.

Sections 406(7) and 454, which permit the establishment of medical risk adjustment mechanisms that would reduce incentives for health plans to enroll healthier people and avoid less healthy people.

Section 427, which requires the largest employers, who are exempt from some requirements of the state law, to offer the same minimum benefits as other employers must offer.

Section 430, which specifies requirements the largest employers must meet to be exempted from other requirements of the state law.

Section 464, which requires all employers to offer employees a choice of qualified

health plans and pay at least half the premium of the lowest cost available plan.

The bill does not amend ERISA in any other way or apply to any other state.

H.R. —

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 "Washington State Health Services Reform Enabling Act of 1993".

SEC. 2. EXEMPTION FROM ERISA PREEMPTION OF CERTAIN PROVISIONS OF THE LAW OF THE STATE OF WASHINGTON RELATING TO HEALTH PLANS.

Section 514(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144(b)) is amended by adding at the end the following new paragraph:

"(9) Subsection (a) of this section shall not apply to the following provisions of the law of the State of Washington—

"(A) section 212 of Chapter 492, Laws of 1993 (relating to enrollment of certain employees in the Washington basic health plan);

"(B) sections 301 and 304 of Chapter 492, Laws of 1993 (relating to taxation of premiums and hospitals);

"(C) sections 406(7) and 454 of Chapter 492, Laws of 1993 (relating to medical risk adjustment mechanisms);

"(D) section 427 of Chapter 492, Laws of 1993 (relating to benefits required to be offered by registered employer health plans);

"(E) section 430 of Chapter 492, Laws of 1993 (relating to requirements applicable to registered employer health plans); and

"(F) section 464 of Chapter 492, Laws of 1993, as amended by section 3 of Chapter 494, Laws of 1993 (relating to requirements that employers offer and pay a portion of the costs of employee health care coverage)."

ROTARY CLUB REACHES OUT TO PEOPLE LIVING WITH AIDS

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. STUDDS. Mr. Speaker, I rise to pay tribute to the 11 Rotary Clubs of Cape Cod and the Islands, whose members have joined together to sponsor CAPE AID, a concert to benefit people living with HIV and AIDS. The event will take place at Eldredge Park in Orleans, MA on Thursday, August 26. It will feature performances by singer-songwriter Judy Collins, the Smothers Brothers, and comedian Dennis Miller.

The goals of CAPE AID are twofold: to raise funds for housing, transportation, and health services for HIV and AIDS patients in the region; and to increase public awareness of the effects of the epidemic within every community.

I wish to commend CAPE AID cochairs Marcia Galazzi and Lee Sullivan, and the many other Rotary Club volunteers whose hard work and dedication have made this event possible.

CAPE AID is an example of the important work being done by Rotary Clubs throughout America to raise public awareness about AIDS. Much of this work was inspired by the

Rotary AIDS project of Los Altos, CA, which has distributed informational materials to 1.1 million Rotarians in over 25,000 Rotary clubs throughout the world. The AIDS Project produced "The Los Altos Story," an award-winning 30-minute videotape documentary that received the 1990 Peabody Award for excellence in broadcasting. The film tells the story of a local community that found the courage and compassion to confront the AIDS epidemic with humanity and common sense.

The Los Altos project was conceived by Dushan "Dude" Angius, who was the incoming president of the Los Altos club at the time his son, Steven, revealed that he had AIDS. Angius developed the project in the hope that "Rotary clubs would become models of support and understanding within their communities, offering information, assistance to AIDS patients, and educational programs for school districts."

Thanks to the work of Rotary clubs from California to the Cape, this compassionate vision is being realized.

SHARE—STUDENT HUMAN RIGHTS EXCHANGE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. PORTER. Mr. Speaker, I rise today to call Member's attention to the important work being done by SHARE, Student Human Rights Exchange, which is one of the first human rights organizations to combine human rights education and development.

SHARE was established in June 1991 for the purpose of expanding international human rights advocacy by establishing computer-resource centers and libraries at universities around the world. By working in regions undergoing political and economic transition, SHARE is able to establish programs and provide access to information, technology and training for students, organizations, and institutions who can make direct use of them.

To fulfill its mission, SHARE solicits used textbooks and technology which it distributes to its centers at universities around the world. Where technically possible, centers are linked to an international computer network allowing access to e-mail, educational human rights databases, wire services, and gateways to dozens of computer networks. The aim of SHARE is to empower the first generation of computer literate human rights advocates who can help to usher in a new era of electronic human rights advocacy.

One of SHARE's first projects was to undertake a mission to Mongolia to monitor Presidential elections which took place on June 6, 1993 and provide follow up to promote democracy in Mongolia. The democratic coalition's candidate, current President Punsalmaagiyn Ochirbat, defeated the Mongolian People's Revolutionary Party's [MPRP] candidate, Mr. Lodongyn Tudev. President Ochirbat won resounding popular support, receiving 58 percent of the vote. This vote of confidence is key to further democratic reform in Mongolia; however, with a Parliament dominated by the

MPPRP, a non-independent judiciary, no constitutional right to a free press and an unformed public, this victory for democratic change in Mongolia could be short-lived.

Although Mongolia has begun to explore non-communist rule, it lacks the necessary technical and educational resources needed to develop and sustain democratic institutions or a market economy. For example, the law school of the Mongolian National University was temporarily shut down due to the scarcity of appropriate western legal texts. The Ministry of Justice's ability to implement democratic changes called for in the new constitution has been stymied by a lack of understanding even among the most elite and educated Mongolians.

To address this dilemma, on June 1, 1993, SHARE established the Marie-France Daillet Human Rights Center at Mongolian National University [MNU]. The Center is dedicated to the humanitarian efforts of French Ambassador Jean-Marie Daillet and his wife, Marie-France Daillet, who supported her husband's efforts to promote human rights and the establishment of democratic institutions around the world.

The Marie-France Daillet Center will provide students, faculty, administration and community members with access to a human rights law library with over 700 volumes, 15 computers, computer and human rights training and links to an international computer network. The Center will act as a hub for expanding the rule of law and civil society education and advocacy throughout Mongolia.

I commend the work being done by SHARE in Mongolia and in other parts of the world. By helping to pave the way toward a new global frontier of freedom by transforming equipment and textbooks into educational and human rights resources, SHARE is performing an invaluable service for the global advancement of human rights, the rule of law and democratic institutions.

BILLINGTON VIEW OF COLD WAR

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. SOLOMON. Mr. Speaker, I would like to call attention to a couple of remarkable passages from a book on the Second Russian Revolution by the Librarian of Congress, Dr. James Billington. The book, "Breakthrough to Hope," is a concise, incisive account of those heady days of August 1991, when Boris Yeltsin and the brave Soviet people slayed the Communist dragon.

The passages to which I refer begin on page 104, where Dr. Billington outlines the ideas and forces which impacted on the Russian psyche and enabled them to throw off their Communist shackles. One of those forces, according to Dr. Billington, was the more conservative side of America's political and cultural spectrum. Dr. Billington then states his genuine belief that it was Ronald Reagan's firm demonstration of political and military strength that caused the Soviets to change course in 1985.

But, Mr. Speaker, the most revealing portions of the book are the following passages, and I hope that Members will pay attention closely. Dr. Billington writes, and I quote, "The very qualities that annoyed many of President Reagan's critics at home—the simplicity of his message and use of moralistic language (evil empire)—found a certain resonance among Russians." Further, and this one is for all of the nuclear freezers, peaceniks, and Gorbaphiles: "It was evident in 1986—and supported by my informal poll of taxi drivers in August 1991—that Reagan was more popular than Gorbachev among Russians." Finally, Mr. Speaker, and again I quote, "Reagan seemed to have some of the directness and inner core of values that also made Yeltsin instinctively popular among ordinary Russians."

Now, please forgive me, Mr. Speaker, if I indulge myself a little bit here, but vindication feels pretty darn good. Let us recall that just 10 years ago, in the depths of the cold war, many in this country, including many Members of this body, had serious doubts about the correctness of the American role in the cold war. The doctrine of moral equivalence, which held that United States and Soviet policy were virtually indistinguishable, was in vogue on the left. They said that our policies were provocative. They preferred a nuclear freeze to the euromissile deployment. They found something human and Western in every new Soviet leader. Remember the stories about how Andropov liked jazz and scotch? These people spoke of the need to understand the Soviets, as though the Soviet Government and the Soviet people were one and the same.

All of this sounds just a little bit quaint today, doesn't it? But some leaders, like Ronald Reagan, didn't need the benefit of hindsight to know what a bunch of hogwash all of this was. Ronald Reagan, and others like him are on record as having understood the basic realities of the Soviet system long before moral equivalence became quaint, long before history proved them right. Ronald Reagan understood that evil lay at the core of the Soviet system, and who would deny the veracity of that today? Ronald Reagan knew that the euromissile deployment would bring the Soviets to the table, and we have the INF treaty as vindication of his prescience.

But most of all, Mr. Speaker, and this is where Dr. Billington's work is so enlightening, Ronald Reagan refused to believe that the Soviet people did not, as some on the left posited, want to be liberated from Communism. Ronald Reagan understood the fundamental dictatorial nature of the Soviet regime, and hence was confident that our anti-Soviet policies would not only be understood, but actually supported by the Soviet people.

Today, many on the left are born-again anti-communists. Today, everybody agrees that Communism was a mistake, a tragedy and, yes, evil. But what an irony it is, Mr. Speaker, that at precisely the moment that the newly liberated peoples of Eastern Europe and the former Soviet Union are rushing headlong into capitalism, we are heading in the opposite direction. Today, as young Russians cover Marx's statue in Moscow with flippant slogans such as "Workers of the world, forgive me," America is awash in the Marx-Leninesque rhetoric of class warfare.

And who is leading us into this time warp, Mr. Speaker? None other than many of the same people on the left who got it wrong on the cold war. Back then, they misunderstood the fundamental nature of the Soviet Union; today, they are oblivious to what is happening there, and why.

I would suggest to those on the left who want to change the fundamental nature of America that they take some time to ponder the changes that are taking place in the former Communist world, and they can start by reading Dr. Billington's book. They may just find that the fundamental building blocks of America—individual liberty, limited government, private enterprise, family, religion—reflect the fundamental nature of all humankind.

YOUNGSTOWN HISPANIC HERITAGE CELEBRATION

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. TRAFICANT. Mr. Speaker, I rise today to recognize the Organizacion Civica y Cultural Hispana Americana and the Hispanic Heritage Week Committee for their efforts in organizing the 1993 Youngstown Hispanic heritage celebration. This 3-day celebration promoting cultural awareness and pride will help to commemorate the contributions that Hispanics have made both to Youngstown and the Nation. Further, the celebration will be aimed specifically at the younger audience in an attempt to encourage youths of Hispanic decent to recognize and value their rich cultural heritage.

Recently selected grand marshal Antonia Caraballo will oversee the events and attractions during the celebration. After emigrating to Youngstown from Puerto Rico in 1953, Mrs. Caraballo has risen to become a leader in the Latin-American community in Youngstown. Her many accomplishments on behalf of the Hispanic community include the founding of the Ladies Society of Hijos de Borinquen Club and her new position as president of the OCCHA Senior Citizens group, Youth of the Past. Mrs. Caraballo is the mother of five children and also has five beautiful grandchildren.

The Hispanic heritage queen, chosen on the basis of outstanding academic achievement, will be Ms. Diana Molina. I wish to personally congratulate Ms. Molina for her fine scholarship and wish her continued success as she enrolls at Youngstown State University in the fall.

Some of the festivities these exceptional women will preside over include Hispanic food concessions, Hispanic music, crafts, and folkloric dancers. The centerpiece of the celebration is the parade Saturday, August 7.

The celebration of the Hispanic heritage and tradition in Youngstown is a recognition of the importance of Hispanics to the Youngstown community. They are a vibrant and productive segment of our society which is growing more eminent by the day. This festival should promote pride within the entire Youngstown community for the outstanding achievements of Hispanics in all walks of life.

TEACHERS JUST WANT TO TEACH

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. VENTO. Mr. Speaker, I rise today to share with my colleagues a particularly insightful article about our education system and I ask to insert it into the RECORD.

Mr. Speaker, the particular article of which I speak was written by Jean Jones, a friend and one-time colleague of mine. Jean is an experienced St. Paul teacher, where for over 20 years she has pursued her profession as a labor of love.

Yet, over the years, her job has become increasingly more challenging and difficult. It is not just because the size of the classes she teaches have grown. Nor is it just the result of the increasingly diverse backgrounds of her students. Jean—as with most of her fellow teachers—has simply been overwhelmed by the constantly changing demands that distract her from her labor of love—teaching.

Social work, health training, fund raising, organizational meetings for the site-based management plan, computer programming, and language training. No one would logically suggest a teacher should master all such subjects and details, but that is what has increasingly been expected of teachers. All policy makers and our States and communities must recognize the numerous demands and requests to fulfill new needs run the risk of losing the educational and teaching focus in today's classrooms across the Nation.

Mr. Speaker, this article is especially relevant right now, as Congress is considering legislation to revamp our elementary and secondary education system. In our rush to improve the quality of our education system, let's not forget the two most basic components—the teachers and the children. As a teacher, all Jean Jones really wants is to know what she is realistically expected to do as our children's teacher. That seems like a very reasonable request to me.

Mr. Speaker, I urge my colleagues to read Jean's article.

PLEASE MAKE UP YOUR MINDS ABOUT WHAT TEACHERS ARE SUPPOSED TO DO

(By Jean Jones)

Dear Taxpayers: Let me state it clearly from the beginning: I love to teach. I feel blessed to make my livelihood working with our city's children. After 23 years, I still go sleepless on Labor Day night anticipating another new beginning, and I continue to feel a sense of loss as my charges leave me in June.

But I am frustrated. You have labeled me a failure because you are not satisfied with the quality of the "product" I am "producing." City schools have not lived up to your expectations. You have not made up your collective minds about just what it is you expect teachers to accomplish in their classrooms, yet you seem surprised that we are exhausted by your endless demands.

Years ago you made it pretty clear. "These are your 24 students. These are your reading, writing, math, social studies, science, music, physical education and art manuals. Teach the children what is in the manuals. If you encounter difficulty with a child, call her/his

parents. Retain those who don't learn the material." It was not a perfect system. It was not as simple as all that. But at least you and I knew the ground rules and I followed them as best I could.

The world has changed. The old ways have been questioned as fewer of them seemed to work. Today I have no idea what the ground rules really are, what they should be, or whether it would be humanly possible for me to abide by them even if I could sort it all out.

I still have manuals, but they are not sensitive to differences in culture and learning style, so I must constantly rework them. I have limited instructions on how to teach about AIDS, drugs, sex and violence prevention, although these are now requirements. I am supposed to make my children computer-literate when they (and I) must share on Apple IIe. I had 32 students last year and when I try to call parents, there is often no phone in the home. I am hampered because I speak a different language from many of my children and their parents. I am directed not to retain children but I am criticized for promoting students who have not mastered all material.

Many of you believe that I have not grown with the times, that I am stuck in old practices that do not match today's kids. Others of you deride me for discarding traditional methods and standards.

I never planned to become a social services case manager. I was not trained in that role and, even though I have a master's degree, I have yet to find a good course on how to assist families as they fight their way through the maze of bureaucracies. Some people want our schools to become the sites for coordinated delivery of all social services to children and others think that schools have already diluted too much their mission to educate.

School fund-raising is now part of my life and my own wallet is a constant source of extra classroom funds. It is hard for me to accept the classification of museum trips and library books as luxurious expenditures of taxpayer money.

Please do not interpret my comments as bitterness and bellyaching. It is just that I am so very tired of running in too many directions to try to please all of you. Some days it feels as though school is about everything except teaching children.

We need to come to some mutual understanding soon, taxpayers. We are, or soon will be, sitting at site-based management team meetings in our schools. These discussions consume many, many hours. If they result in a clear mission, well-defined goals, and specific strategies to improve student achievement in every classroom, then it is time well spent. If they become ad infinitum discussions about insignificant issues (in some cases that already happens), then I will consider it a theft of the time that I should have devoted to my classroom. For now, I am making a leap of faith that local decisionmaking in schools will not be just another time-wasting fad.

As any good teacher, I must end on an upbeat note. I want all of you, especially those who have not been in a city school lately, to know that the youth of 1993 are as bright as those of 1970 when I began my career in St. Paul. They are more diverse in their ethnic background as well as their life experiences and it is unfortunate that some misguided people believe that differences have weakened the intellectual base in our schools. These people are dead wrong. Come to visit me at school and I will show you an old read-

ing book and another that my children read today. You will be impressed.

I, too, am a taxpayer and a lifelong St. Paul resident. I am committed to my city and I believe that our schools, as much as any other factors, determine our economic and social well-being. I am doing my very best to make our children the kind of contributing citizens we all want. If I am to succeed, you must do your part by clarifying in your minds, in my mind, what it is that I can realistically be expected to do as your child's teacher.

CONGRATULATIONS TO MISS TITILAYO RACHAEL ADEDOKUN

HON. DAVID MANN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. MANN. Mr. Speaker, I want to take this opportunity to recognize the accomplishment of Miss Titilayo Rachael Adedokun who was crowned Miss Ohio on June 19, 1993. Miss Adedokun will be representing Ohio in the Miss America Pageant in September.

Miss Adedokun graduated magna cum laude from Judson College with a Bachelor of Arts in English and Applied Musical/Vocal Performance at the age of 18. She has gone on to obtain a second Bachelor of Music degree from the University of Cincinnati's College Conservatory of Music and is now pursuing a Master of Music degree. Miss Adedokun's ultimate goal is a professional opera career.

Miss Adedokun has also given her time and talent to the community. As a volunteer with the Cincinnati Youth Collaborative, Miss Adedokun serves as a mentor for junior high and high school students.

I extend my congratulations to Miss Adedokun and wish her the best in Atlantic City and all her future endeavors.

TRIBUTE TO THE 47TH FLIGHT TRAINING WING OF LAUGHLIN AIR FORCE BASE

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. BONILLA. Mr. Speaker, I rise today to recognize the 47th Flight Training Wing of Laughlin Air Force Base in Del Rio, TX, which recently competed in and won the Air Training Command's Top Flight Competition.

The 47th, which is comprised of the 85th and 87th Flight Training Squadrons, earned the award after competing against Air Training Command bases from across the country. The results of the event were based on the performances of the pilots and the maintenance crews which support them.

Through hard work and training, the men and women of Laughlin Air Force Base have become accustomed to awards of this kind. The 47th won the Top Flight Competition held last fall and the maintenance crews at Laughlin were recognized as the best in the Air Force for 1992.

Not surprisingly, the motto of the 47th is "XL," which they certainly do. Laughlin's long

history of superior mission performance in its training of new pilots for the U.S. Air Force deserves our respect and heartfelt thanks. I ask my colleagues to join me in saluting the men and women of the 47th Flight Training Wing for their outstanding work and dedication to our country.

TRIBUTE TO CITY OF FERNDALE,
MI

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. LEVIN. Mr. Speaker, I rise today to pay tribute to the city of Ferndale in southeast Michigan, which is celebrating its 75th anniversary this year.

The city of Ferndale was born on April 1, 1918, when a group of village settlers broke away from Royal Oak Township to create their own village government. Village officers oversaw a population of 1,600, a 1-man police department, and a 1-man fire department. Six years later, construction began on the first superhighway within the United States, known as Woodward Avenue. The road brought national attention and increased mobility to Ferndale, encouraging its transformation from a small village into a vibrant city.

Today, the city of Ferndale is home to 25,000 residents, a police department staffed by 28 officers, and a firefighting force of 34. Downtown Ferndale offers office facilities, commercial sources, entertainment, shopping, and dining to all of Metropolitan Detroit.

I have been involved with the city of Ferndale since opening a law office on the corner of Woodward Avenue and Nine Mile in downtown Ferndale. I have watched it continue to grow and prosper over the years, and have had the privilege of representing the city first in the State Senate, and currently in the U.S. House of Representatives. I have had the privilege of working with its dedicated elected officials and staff, as well as its active chamber of commerce and seniors program.

As the city of Ferndale marks its 75th year as a vital part of the Metropolitan Detroit area, I congratulate its residents and all those who contribute to the city. I am proud to represent the good neighbors of Ferndale who will light the way into the 21st century.

CONSUMER GROUPS SUPPORT
COMPETITION IN TELECOMMUNICATIONS

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. SLATTERY. Mr. Speaker, as our world becomes more information-driven, the issue of building a communications infrastructure which will enhance America's competitiveness, spur economic growth, and include all Americans in the information age continues to grow in importance.

To achieve its full potential, it is axiomatic that the telecommunications infrastructure

must benefit from full and open competition by all providers, including providers of local telephone services, in the provision of information services and telecommunications equipment manufacturing.

A recent letter sent to President Clinton and Vice President GORE by more than 100 of our Nation's key consumer and public interest leaders reflects this procompetition stand. Signed by representatives of such groups as the American Council on Consumer Awareness and the National African-American Consumer Education Organization, the letter states that Americans deserve telecommunications choices from as many competing providers as possible, including the seven Bell telephone companies.

I am especially pleased that four Kansas consumers affiliates—Consumer Education and Protection Association for Kansans; Consumer Relations/Government Office, Kansas State University; Consumer Fraud Division, Sedgwick County District Attorney's Office; and the Economic Opportunity Foundation—have co-signed the letter. These consumer issues are extremely important. I was pleased that earlier this year successful negotiations between the consumer groups and the Bell telephone companies resulted in compromise legislative language which will be a part of any bill dealing with the elimination of the MFJ's telecommunications equipment manufacturing line-of-business restriction—similar to H.R. 1527 in the 102d Congress. Some 138 cosponsors joined me in strongly supporting that legislation.

Finally, Mr. Speaker, I am pleased that the Consumer Federation of America has recently reversed its longstanding opposition to MFJ relief for the Bell companies in the provision of information services and the manufacturing of telecommunications equipment. I am attaching the new CFA policy statement and the consumer letter for our colleagues' review at this point in the RECORD:

CFA BOARD UPDATES TELECOMMUNICATIONS
POLICIES

At its June meeting, the CFA Board passed resolutions updating CFA's telecommunications policies and its policy resolutions process.

After divestiture in 1984, CFA members approved a resolution opposing local phone company expansion into such areas as information services, long distance service, and equipment manufacturing under all circumstances.

Although the large majority of consumer groups still favor an absolute prohibition on expanded powers, recent legislative, judiciary, and regulatory decisions to permit this expansion have led consumer advocates to emphasize the importance of Congress's establishing adequate consumer safeguards.

For several years, that has in fact been the position taken by CFA lobbyists in Congressional testimony and in serious negotiations with one Bell company over the nature of the protections. They have expressed a willingness to allow Bell company expansion if Congress fully protects consumers from inflated prices and anticompetitive practices.

At the same time, CFA and many other consumer groups have supported H.R. 5069, the "Brooks bill," which would maintain the Bell restrictions for a number of years, subject to a Justice Department review process. This support reflected not only the continu-

ing preference of many consumer groups for strict controls on the Bells, but also the need to combat a very powerful and expensive campaign by the Bell companies for removal of restrictions.

At CFA's Annual Meeting last March, several labor and consumer groups proposed a policy change, whose implications were somewhat ambiguous, but which could have had the effect of reversing CFA's policy opposing expanded powers. Though rejected by the Policy Resolutions Committee, this resolution was introduced on the floor of the Annual Meeting.

In part because this meeting occurred during a blizzard which prevented many CFA members from attending, members present voted to submit the issue to the CFA Board for consideration at its June meeting.

Between the March Annual Meeting and June Board meeting, CFA staff worked to craft policy resolution revisions that would not dilute CFA's leadership on telecommunications issues, but which were acceptable to all members. In consultation with members who had the strongest opinions on the issue, staff worked out a policy update with three parts:

acceptance of Bell company expanded powers provided Congress approves adequate consumer protections;

support for a presidential commission to consider future telecommunications policy that would consider not only consumer but also worker interests; and

creation of an ad hoc Board committee that would seek to resolve any future conflicts between the consumer and worker interests on telecommunications issues. Although the Communications Workers of America is not a member of CFA, a CWA representative would be invited to attend these meetings.

At the June meeting, CFA Board members passed a motion approving this update of CFA policy. They also approved changes in the CFA policy resolutions process to ensure that, in the future, adopted policies are carefully considered and support the consumer interest. These changes include:

required submission of potentially controversial resolutions at least one month before the Annual Meeting or approval by at least three-quarters of the votes cast at this meeting;

justification of all resolutions in terms of the consumer interest, broadly defined; and

prohibition of organizations not part of CFA, especially business groups, from participating in the policy resolutions process unless that participation is solicited by CFA.

Noted CFA Executive Director Stephen Brobeck: "These changes should transform a policy resolutions process that has bordered on the anarchistic into one that is more orderly and provides all CFA members with the opportunity to have adequate input."

CONSUMER, PUBLIC INTEREST LEADERS URGE
WHITE HOUSE TO SUPPORT MORE CHOICES IN
TELECOMMUNICATIONS

WASHINGTON, DC, July 29, 1993.—One hundred of the nation's consumer and public interest leaders, in a letter to President Clinton and Vice President Gore, today called for more competition in telecommunications. The letter was presented at a meeting in the White House with President Clinton and Vice President Gore.

While commending the Clinton Administration for developing a technology agenda for economic growth, the signers said that to share the benefits of the Information Age

with all Americans, consumers need telecommunications choices from as many competing providers as possible, including local telephone companies.

"We're not technical experts, but we do understand the benefits of competition," said Florence M. Rice of the National African American Consumer Education Organization, one of the signers of the letter. "We know there will be many more services for everyday people, at affordable prices, if we get more choices."

Rice said she and consumer leaders from across the country wanted the Administration to know that the choices they want to see are those that will help with health care, education and job creation. "If all of the telephone companies and other providers are allowed to develop their best plans, then competition will thrive. That is the way it should be," she said.

In their letter to President Clinton and Vice President Gore, the 100 consumer and public interest leaders expressed their support for the Administration's technology initiatives. "The technology initiatives outlined in your Administration's report, *Technology for America's Economic Growth: A New Direction to Build Economic Strength*, is an excellent framework for the development of a door-to-door advanced information network that will electronically link the nation's homes, hospitals, businesses, and schools," the letter said.

"Consumers benefit from competition in the marketplace, including more choices and lower prices," Rice said.

JOINT LETTER TO THE PRESIDENT AND VICE PRESIDENT OF THE UNITED STATES FROM CONCERNED AMERICAN CONSUMER LEADERS ON COMMUNICATIONS TECHNOLOGY

July 26, 1993.

HON. BILL CLINTON,
President of the United States, Executive Office
of the President, Washington, DC.

HON. AL GORE,
Vice President of the United States, Office of
the Vice President, Washington, DC.

DEAR PRESIDENT CLINTON AND VICE PRESIDENT GORE: We are writing to support your leadership in bringing the vision and benefits of advanced telecommunications to the top of the public agenda. The technology initiatives outlined in your Administration's report, *Technology for America's Economic Growth: A New Direction to Build Economic Strength*, are an excellent framework for the development of a door-to-door advanced information network that will electronically link the nation's homes, hospitals, business and schools.

As consumer and community leaders working at the state and local level, we support initiatives that will bring the advantages of the Information Age to all Americans through an advanced public telecommunications network. To achieve this goal, consumers need telecommunications choices from as many competing providers as possible, including our own local telephone companies.

We stand ready to support your leadership in that regard.

Thank you very much.

Sincerely,

Florence M. Rice, President, National African American Consumer Education Organization, Harlem, NY.

E. Thomas Garman, Ph.D., Past President, American Council on Consumer Interests,* Blacksburg, VA.

Edythe M. Rickard, State President, Organization for Consumer Justice, Hagerstown, MD.

Kenneth J. Benner, President, American Council on Consumer Awareness, Inc., St. Paul, MN.

Margaret Mc Entire, Chair, Democratic Task Force, National Women's Political Caucus,* Madison, WI.

Louis S. Meyer, Ph.D., Director, Pennsylvania Institute for Community Services, Edinboro, PA.

James Tiernan, Executive Director, American Consumers Association,* Chicago, IL.

Bill Edwards, Executive Director, Community Service Programs of West Alabama, Inc.,* Tuscaloosa, AL.

George M. Gates, Executive Director, New Orleans Council on Aging,* New Orleans, LA.

Michael Keeney, Executive Director, Communities Organized to Improve Life, Inc., Baltimore, MD.

Deborah R. Zemel, Director, Jewish Community Center Senior Center,* Milwaukee, WI.

Patrick M. Flood, Executive Director, Austin Metropolitan Ministries,* Austin, TX.

Bill McGill, Executive Director, Capital Area Community Action Agency, Inc., Tallahassee, FL.

Mary A. Gunn, Executive Director, Poor People Pulling Together, Las Vegas, NV.

Anni Chung, Executive Director, Self-Help for the Elderly, San Francisco, CA.

Kathleen Mirochine, Director, Consumer Protection and Education Services, Inc.,* New Opportunities for Waterbury (NOW), Waterbury, CT.

Judy Braiman, President, Empire State Consumer Association, Rochester, NY.

E.K. Bristow, Director, Legislative Research, Committee of 100,* Mt. Washington, KY.

Benjamin Feldman, Treasurer, Institute for Cooperative Housing,* Philadelphia, PA.

Jimmy D. Harris, Executive Director, Blount County Community Action Agency, Alcoa, TN.

Glenn M. Couchman, Ph.D., Associate Professor, Home Economics, Oklahoma State University, Stillwater, OK.

Alex Sanchez, Assistant Director, Chicano Federation of San Diego County, San Diego, CA.

Richard L.D. Morse, Ph.D., President, Consumer Education & Protection Association for Kansans, Manhattan, KS.

Juanita Joshua, President Alexandria Civic Improvement Council,* Alexandria, LA.

Kathe Reitman, Psychotherapist, Well Being Systems,* Phoenix, AZ.

Dorothy Shavers, Director, Self Help Action of Chicago,* Chicago, IL.

Max Thaxton, Vice President, Community Action Agency, CTE, Inc.,* Stamford, CT.

Arthur Johnson, Past President, NAACP, Detroit Branch, Detroit, MI.

Mary Strickland, Member, Wisconsin Women Entrepreneurs,* Madison, WI.

Manuel Alfonso, Chairman, Hispanic Business Alliance, Detroit, MI.

Don Hancock, Administrator, Southwest Research and Information Center,* Albuquerque, NM.

Jim Slusher, Executive Director, Mid-Columbia Community Action Council,* The Dalles, OR.

Richard L. Schodorf, Chief Attorney, Sedgwick County DA's Office,* Consumer Fraud Division, Wichita, KS.

Dan Richardson, Executive Director, Community Action Agency of Northwest Alabama, Florence, AL.

Josephine Lopez, Director, East Harlem Council for Human Services, New York, NY.

Hunson Greene, Pastor, Baptist Temple Church, New York, NY.

Donald Williams, Former Director, Division of Consumer Affairs, Department of Community Affairs,* Wilmington, DE.

Thomas J. Vandever, Executive Director, Independence Resource Center, Inc., Charlottesville, VA.

Michael Gregg Pritchard, Executive Director, Center For Public Representation, Madison, WI.

Harry C. Tartt, Public Information Officer, Gulf Coast Community Action Agency,* Gulfport, MS.

Sue Schultz, Head Start Director, Polk County Opportunity Council,* Bartow, FL.

Donna Chan, Legislative Liaison, Pacific Asian Women's Alliance, Monona, WI.

Sidney Elkin, Director, Alliance of Consumer Protection,* Beaver, PA.

John C. Thies, Executive Director, Omaha Education Association,* Omaha, NE.

James R. Deal, President, NE Arkansas Citizens Committee, Arkansas Solar Coalition, Blytheville, AR.

Floyd W. Pough, Executive Director, Mobile Community Action, Inc.,* Prichard, AL.

Sylvia Kassalow, Chair, NWCC Jewish Women's Caucus, Alexandria, VA.

E. Marie Watson, Executive Director, Johnston-Lee Community Action, Inc.,* Selma, NC.

Joe Heaphy, Executive Director, Iowa Citizens for Community Improvement,* Des Moines, IA.

T. Willard Fair, President/CEO, Urban League of Greater Miami, Inc., Miami, FL.

Anne Grant, Executive Director, Women's Center of Rhode Island,* Providence, RI.

Pearl Neverson, Education Director, Community Parents Head Start,* Brooklyn, NY.

Abel Amaya, Director, University of Southern California, El Centro Chicano, Los Angeles, CA.

Joanne Smith, President, Network for Professional Women,* Avon, CT.

Sarah Harder, Co-Chair, National Women's Conference Committee, Past President, AAUW, Eau Claire, WI.

Rigoberto Garnica, Executive Director, Escuela De La Raza, Blythe, CA.

Ladora Williams, Acting Director, Economic Opportunity Foundation, Inc., Kansas City, KS.

Michael Lindberg, Executive Director, ARISE, Inc.,* Springfield, MA.

Matthew Little, Immediate Past President, Minneapolis NAACP,* Minneapolis, MN.

Lucy Poulin, President, H.O.M.E.,* Orland, ME.

Eliza L. Dresang, Manager, Media, Information & Communication, Madison Metropolitan School District,* Madison, WI.

David West, Executive Director, Washington Citizen Action,* Seattle, WA.

Solomon Harge, Executive Director, Consumer Protection Association, Cleveland, OH.

Edwin S. Hill, Executive Director, Community Action Agency, Inc., Huntsville, AL.

Cleo Sims, Executive Director, Dallas Co. Community Action Committee, Dallas, TX.

Gene Schroeder, Executive Director, Organized Community Action Program, Troy, AL.

Shirley Middleton, Executive Director, Bridge the Gap Family Day Care Network, New York, NY.

Frankling Yudkin, President, Consumer Association of Kentucky,* Louisville, KY.

Frank E. Werner, President, Crawford County Citizens Advocacy Council, Meadville, PA.

Jean B. Courtney, Director, Consumer Action Center,* Springfield, MA.

Gene Boyer, President, National Women's Conference Center,* Ft. Lauderdale, FL.

C. Patrick Mudd, Executive Director, Arthur S. Kling Center,* Louisville, KY.

Alison L. Eldridge, Ph.D., Research Fellow, University of Minnesota,* Minneapolis, MN.

Tracy Hearson, Director, Consumer Relations Board, Student Government Office,* Manhattan, KS.

Alberta Mariano, Executive Director, Futures for Children,* Albuquerque, NM.

Alice Weary, Data Processing Manager, Montgomery Community Action,* Montgomery, AL.

Beatrice W. Spattsville, Former Director, Cenea Retired Teachers,* Alexandria, LA.

Mary H. Nelson, Center Director, Children's House,* Head Start, Oklahoma City, OK.

George Dillard, President, Urban League of Nebraska,* Omaha, NE.

John Robinson, Director, Lynn Economic Opportunity, Inc.,* Lynn, MA.

Charles Whitehead, Vice President, ACCORD, Inc.,* Syracuse, NY.

Meda Chamberlain, Executive Director, National Council of Negro Women, Southern California Chapter, Los Angeles, CA.

Mary E. Wambach, Executive Director, Boston Center for Independent Living, Inc., Boston, MA.

Benjamin K. Richmond, President/CEO, Louisville Urban League, Louisville, KY.

Louise F. Root-Robbins, Project Director, Wis. Comprehensive School Health Program, Wis. Department of Public Instruction,* Madison, WI.

Sylvia Brooks, President, Urban League of Houston,* Houston, TX.

Keith C. Egan, Executive Director, New Jersey Association for Retarded Citizens,* Vineland, NJ.

Stewart M. Lee, Ph.D., Professor, Emeritus, Geneva College, Former Newsletter Editor, American Council on Consumer Interests, Beaver Falls, PA.

Gwen Jackson, Chairman, Emeritus, Greater Milwaukee Chapter of American Red Cross,* Milwaukee, WI.

Jam Stempel, Member, Women Health Executives Network,* Chicago, IL.

Maureen Booth, President, Greater Duluth Coact,* Duluth, MN.

Roger Lyons, Director, Baltimore Urban League, Baltimore, MD.

Doris Adams, Executive Director, United Communities Against Poverty,* Capitol Heights, MD.

Horace L. Sheffield, Jr., Executive Director, Detroit Association of Black Organizations (DABO),* Detroit, MI.

C. Alicia Georges, Immediate Past President, National Black Nurses Association,* New York, NY.

Mercedes Kaufman, Associate Director, Center for the Independence of the Disabled in New York,* New York, NY.

Nicolas Rivera, Executive Director, Colorado River Community Action Council,* Blythe, CA.

Karen Higgins, Executive Director, Delta Community Action Foundation, Inc.,* Purcell, OK.

Nancy Spears, Director, Alabama Council on Human Relations, Auburn, AL.

Ernest E. Ortega, Executive Director, Home Education Livelihood Program (H.E.L.P.),* Albuquerque, NM.

*For affiliation purposes only

TRIBUTE TO MAJOR GENERAL DAVID C. MOREHOUSE

HON. DAVE McCURDY

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. McCURDY. Mr. Speaker, I would like to bring to your attention today the fine work and outstanding public service of one of our country's top military men, Maj. Gen. David C. Morehouse, The Judge Advocate General of the Air Force. Major General Morehouse retired after an especially distinguished military career on August 1.

General Morehouse was commissioned as a first lieutenant in the Department of the Judge Advocate General, U.S. Air Force Reserve, in August 1960. A 1977 graduate of the National War College, he served, among many assignments, as the staff judge advocate, Headquarters Tactical Air Command, Langley Air Force Base, VA, and later in the same position at Headquarters Strategic Air Command, Offutt Air Force Base, NE.

He attained a bachelor of science degree from the University of Nebraska in 1957, a juris doctor degree from Creighton University in 1960, and a master of law degree from George Washington University in 1972. His military education also includes squadron officers school.

This Viet Nam veteran, who served at Bien Hoa Air Base, Republic of Vietnam, was instrumental in providing necessary legal advice to command at that time and concurrently providing legal assistance to troops of all grades, when that function was more important to those individuals than it ever had been before, or probably since.

Since the spring of 1988, he has been deeply involved in the key issues in both personnel and acquisition arenas in his roles as deputy judge advocate general and then the judge advocate general here in our Nation's Capitol.

General Morehouse's military decorations include the Distinguished Service Medal, the Legion of Merit with one oak leaf cluster, the Bronze Star Medal, the Meritorious Service Medal with one oak leaf cluster, and the Air Force Commendation Medal.

Mr. Speaker, I ask that you join me, our colleagues, and General Morehouse's many friends in saluting this distinguished officer's many years of selfless service to the United States of America. I know our Nation, his wife, Sally and sons, Joe, who is a captain flight surgeon in the Air Force, and Mark, are extremely proud of his accomplishments. It is fitting that the House of Representatives pays tribute to him today.

THE GREAT FLOOD OF 1993

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 4, 1993 into the CONGRESSIONAL RECORD:

THE GREAT FLOOD OF 1993

The great 1993 Mississippi River flood will rank as one of the worst natural disasters in U.S. history. Not since 1927 has a flood so devastated the Midwest. Nearly 40 lives have been lost and damage estimates exceed \$10 billion. A massive effort to contain the flood and assist its victims has prevented what might have been an even greater catastrophe. The heroic efforts of thousands of volunteers and the fine performance of the Federal Emergency Management Agency (FEMA), the Army Corps of Engineers, and the affected States and local governments, have saved lives and reduced damage.

Last week the House of Representatives passed a \$3 billion Midwestern flood appropriation. It will provide emergency assistance to victims as well as grants and loans to rebuild roads, schools and other community facilities, to help cover agricultural losses, to help businesses rebuild, and to allow FEMA to complete its work on this flood.

RE-EXAMINING FLOOD POLICIES

Many questions have been raised by this year's flood; complex issues of flood control and flood plain use. The magnitude of this flood has given us a real test of all of our flood policies. Two issues that particularly deserve reexamination are: 1) whether our river engineering strategies work well enough, and 2) whether our policies sufficiently encourage flood insurance and discourage settlement on flood plains.

RIVER ENGINEERING

Historically, engineers have tried to contain rivers with dams, levees and flood walls. This approach works best in protecting a limited number of population centers. For example, the levee that protected downtown St. Louis is hundreds of feet across and high enough to have held the 47 foot flood crest with five feet to spare. But once the river passed that levee it easily broke over the top of smaller ones and flooded parts of South St. Louis. We have spent billions of dollars constructing seven thousand miles of levees along the Mississippi and the rivers that feed it, but we have learned again that it is simply not possible to completely contain these rivers when major floods occur.

Relying solely on levees and flood walls can actually be counter productive over the long run. The natural flow of a flooding river is to spread out and be absorbed in flood plain wetlands and forests, but the Mississippi levees have blocked the natural flow so the river rises higher, flows faster, and breaks out with more explosive force. Levees that protect upstream areas thus raise the flood risk downstream. Flood deposits of top soil that could reinvigorate the flood plain instead are left beneath the river, also raising its height and requiring even higher walls to contain it the next time.

The massive earth moving necessary to construct levees damages or destroys woods, marshes and woodlands, and intensifies the risks of floods. One estimate holds that one third of the 5 million acres of wetlands that have been lost in the lower Mississippi valley have been the result of federal flood control projects. There are gains from growing more corn and soybeans on these acres, but there are environmental costs as well in the loss of the wetlands.

Many now advocate changing our approach and working with the river instead of trying to contain it. This involves removing development adjacent to rivers and restoring or reserving wetlands to serve as natural flood basins. Closer to cities, the flood plain may be reserved for park lands and sports fields.

Much of the money that is appropriated for flood victims will be used to restore communities on the flood plain. Eventually, most of these areas will be flooded again. While it is obviously not feasible to relocate Des Moines, in rural flood plain areas it may be feasible to build more incentives into our policies for relocation of homes and businesses farther away from the river, restoring or preserving the flood plain in all areas, and requiring those who choose to build on the flood plain to do so with reinforced structures that are elevated above the level of most floods.

Most federal policies have been moving in this direction since the 1968 passage of the National Flood Insurance Program (NFIP), which empowered FEMA to sell flood insurance directly to people who reside on the flood plain and to provide reinsurance to companies that sell such policies. The amended act now requires the purchase of flood insurance for federal and federally related mortgage financing in flood hazard areas. The NFIP also provides incentives for communities to discourage continued flood plain development, and to prepare for future floods.

Today 2.6 million people have flood policies that meet federal specifications, but this is only about 20% of those who are required to do so. Pending legislation, which I support, would require lenders to make sure home owners buy flood insurance and keep it current. But even if we improve enforcement, around 75% of those who live in flood hazard areas will not be required to buy such policies under current law, in part because most mortgages are not Federally secured. Further, premiums are set too low to cover claims and as a result the program was about \$18 million in the red before this flood.

CONCLUSION

The federal government can and should meet its responsibility to the Midwestern flood victims this year. The costs to taxpayers will be quite high. We now need to begin to plan to reduce our risk, and the risk to the potential victims, before the next flood.

For example, I believe that anyone who chooses to live on a flood plain should be required to accept some of the risk of maintaining the property through realistically priced flood insurance. We need to do a better job of achieving this goal, and also discouraging development on the flood plain.

All flood control projects need closer and sharper evaluation than they have received in the past. Each needs to be reexamined, weighing the flood control benefits against the cost. Obviously, large communities at risk must be fortified, but when huge expenditures are necessary to protect marginal land, other approaches may be better. Some levees that have been washed away should, perhaps, not be rebuilt to allow flood waters to spread out in safe areas. Changing the way we try to manage a river system may be difficult, but our emphasis should be on preserving and restoring the ecosystem so that natural flood control mechanisms can work.

LOWER TAX RATES GENERATE HIGHER REVENUES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. CRANE. Mr. Speaker, as we search for ways to reduce the budget deficit, one of the proposals that is often advocated is raising taxes on the rich to try to generate enough revenues to solve our economic problems. However, the wealthy do not invest their money when they are confronted with fewer incentives through higher taxes. As a result, this approach has the opposite effect of lowering tax revenues by slowing economic expansion. As President Kennedy and President Reagan have both proved, the best way to increase tax revenue is to create jobs and economic growth. The best way to do that is to lower the tax burden on all Americans, be they rich or poor, and give them the incentive to work hard and take risks. Paul A. Gigot suggests in "Oops! Weren't We Going to Soak the Rich?" that the reason President Clinton ignores this approach and continues to propose taxing the rich is to appear to be the champion to the lower and middle class by perpetuating class-war politics. I submit Mr. Gigot's article, which appeared in the July 9, 1993, issue of the Wall Street Journal, to my colleagues' attention.

OOPS! WEREN'T WE GOING TO SOAK THE RICH?

(By Paul A. Gigot)

On his way out the door in January, a cheeky Bush official scribbled the same tax phrase again and again on a Treasury blackboard for the new Clinton team: "Low rates, broad base."

The incoming Clinton Treasury minions, more rueful than cheeky, erased the phrase each time the new White House requested even higher tax rates.

Mark the rueful down as prophets. The first evidence on income-tax receipts for 1991 is now rolling in from the Internal Revenue Service, and the usual eye-glazing numbers are suddenly eye-popping.

To wit, the rich paid less in taxes even though their tax rates went up. The nonrich paid more even though their tax rates stayed the same. President Clinton, meet the Laffer Curve.

This news is the elephant in the room of this year's tax debate, since we keep hearing that the fate of the world hangs on President Clinton's promise to reduce the deficit by "\$500 billion." Most of this windfall, Mr. Clinton assures us, will come from "the rich." But what if those tax revenues from the rich turn out to be a mirage?

Then isn't the Clinton tax program doomed to fail, even as a mere deficit reduction? And shouldn't Democrats think again before they commit tax hari-kari at next week's House-Senate conference? Of course they should, but this year's Democratic theme song seems to be that old "M*A*S*H" movie anthem, "Suicide Is Painless."

The 1991 numbers are so striking because they're the first since the Great 1990 Budget Deal, which was more or less the test drive for Clintonomics. Rates had to be raised on "the rich," we were told then, in order to produce a river of new tax revenue.

Well, this is one river that didn't run through it. For we now know that total

income-tax receipts fell in 1991, the first decline since 1983. And they fell in a strange and revealing way, as the chart above shows: For the rich—defined as the top 850,000 income-earners in each year (making about \$200,000 or more)—1991 tax receipts fell by \$6.5 billion or 6.1%. But for everyone else, tax receipts actually rose in 1991—by \$3.3 billion, or 1%. This odd dichotomy makes it difficult to attribute the revenue decline merely to a slow economy: The rich wouldn't have a bad year if everyone else had a good one. And, in fact, total income rose 3.3% for the year.

So what happened to the rich? It's impossible to know for sure, but the likely answer is that they changed their behavior in response to higher rates. Maybe they sheltered more income. Or stuffed more of it into 1990 to take advantage of that year's lower rates. Or perhaps they worked less. In short, they responded to "incentives," as economists say, and produced less income subject to tax.

This reverse-windfall is underscored by other 1991 numbers. Income from businesses fell 5.5% for the rich, but rose 2.2% for the nonrich. For so-called Subchapter S small business, which would get slammed again by Mr. Clinton, income dove 10.5% for the rich but rose 6.2% for everyone else.

All of which proves what populist, middle-class free-marketters like me call the paradox of progressivity: To really soak the rich, keep their tax rates low.

Listen to Martin Feldstein, the Harvard economist who has never been mistaken for a wild supply-sider: "The evidence is strong that in 1991 they picked up rates at the top and revenue fell. This should make Democrats think twice about whether the tax rates they're now talking about will raise the revenues they expect." Mr. Feldstein figures they'll get only about a quarter of the \$25 billion a year they advertise.

The Clinton administration knows all this, by the way, but wants it kept quiet until the tax bill passes. Treasury economist Alicia Munnell is in denial, even though her staff has calculated that Mr. Feldstein is right. Treasury's Larry Summers knows better, but is preoccupied with Japan and trade. Other Democrats don't even want to hear about it. That's because for them taxing "the rich" is about class-war politics, not revenue. It's about having a foil to run against.

But that's no excuse for Republicans, who've been just as silent about all this. Bob Dole's timid Senate Republicans didn't even offer an amendment to strip the higher rates out of the tax bill. Ohio Rep. John Kasich, supposedly the boy wonder of the budget, has made people wonder by endorsing higher rates. Like George Bush and Nicholas Brady, too many Republicans are still afraid James Carville might accuse them of belonging to a country club.

But now is the time to lay down markers for the next economic debate, educating voters about the con job they are about to experience. An optimist said last year that either the Clinton presidency would be successful, or it would be educational. But that assumes someone does the educating.

EAST EUROPEAN REFORM

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. SOLOMON. Mr. Speaker, please allow me a few moments to report on a couple of

remarkable experiences I have had in the last couple of weeks which display the folly of our foreign aid plans for Russia and Eastern Europe.

For starters, I would like to tell the Congress about an extraordinary little country in the Balkans, Albania. Earlier this month, I had the privilege of being a member of a Congressional delegation to Eastern Europe led by my colleague MARTIN FROST of Texas. Albania is a pitiful land of abject poverty. Rarely in my life have I seen such widespread destitution, dilapidation, and disorder. Albania has been ruined by the same force which has ruined so much of this planet: Communism. The Communist dictator of Albania for 40 years, Enver Hoxha, was probably the cruelest of East European dictators. Aside from ruin and fear, his only legacy to the country is 700,000 ugly concrete bunkers, which ubiquitously dot the countryside.

Yet in this land of destitution, we found reason for hope. Indeed, Albania is one of the most inspiring places I have ever been. Smiles came readily to the faces of the people on the street, despite their dire socio-economic conditions. And the Albanian leaders with whom we met were truly extraordinary. President Berisha, Prime Minister Meksi, and Parliament Speaker Arbnori all possessed an impressive sense of purpose, and are methodically, and unapologetically, going about the business of reform.

From no one in Albania did we hear the banal excuses that are emanating from many other former Communist capitals. There were no roundabout lectures on historical and cultural uniqueness, which necessitates a gradual approach to reform. There was no leftover Socialist thinking or distrust of the market. And, most refreshingly, there were no outstretched hands, begging us for foreign aid. While the Albanians would welcome more foreign aid, and indeed they told us so, they are not waiting for it.

The Albanian Government has launched out boldly on the course which we all know is necessary, that of rapid market reform. Albania has forgotten all about socialism, and it is paying off. Sound and tight money has brought the inflation rate to zero. Pro-business economic policies have facilitated the creation of over 100,000 private sector jobs. Agricultural output has begun to grow. Albania is on her way and she is not looking back.

I have also recently had the pleasure of meeting the Ambassador from Estonia, Toomas Ilves. Ambassador Ilves briefed me on the economic situation in his country, and Estonia, like Albania, is leaving the pack behind. The policies have been virtually the same as in Albania. Estonia has introduced her own currency, passed a balanced budget law, pursued a rigorous tight money policy, drastically slashed subsidies to industry, dramatically expanded trade with Scandinavia and Western Europe, and encouraged foreign investment.

And do you know what, Mr. Speaker? Policies similar to those of Albania have produced results similar to Albania, and those results are utterly predictable: A booming private sector, led by small startups, an export boom, dramatically increased foreign investment, and a stable currency—all in a climate of low infla-

tion. To boot, Estonia is seriously considering a flat tax and yes, abolishing the corporate income tax. No class warfare here, Mr. Speaker.

What is most interesting about Albania and Estonia, Mr. Speaker, is that neither has been the recipient of much foreign aid. In fact, the Estonians have recently rejected two aid offers, one for grain credits from the United States, and the other for currency stabilization funds from the World Bank. This is typical of our foreign aid bureaucracy, Mr. Speaker. Just get the aid out, regardless of whether it is needed or not. Estonia does not need grain credits because Estonia wants to develop her own agricultural sector. Estonia does not need currency stabilization funds because Estonia is pursuing a prudent monetary policy. These basic truths are lost on the foreign aid bureaucrats and their bankroller, the U.S. Congress.

And what has the U.S. Congress just done? We passed an aid package for Russia full of just those things which Russia does not, or should not, need—grain credits, currency stabilization funds, loans for the State-owned oil and gas sector, and a privatization fund that will subsidize former Communist bureaucrats at the expense of the new entrepreneurs who truly represent the future of Russia.

When will this body learn, Mr. Speaker? How much more empirical evidence is needed before we wake up to the fact that it is internal policy, and not foreign aid, that will liberate these countries from the shackles of communism? Mark my words: if Estonia and Albania are allowed a few years of stability by their neighbors, they will race ahead of the pack, with a minimum of foreign aid. Russia, on the other hand, despite the billions in foreign aid she will receive, will remain a backwater unless there are dramatic political changes resulting in more enlightened economic policy.

The only question, Mr. Speaker, is whether we, after wasting billions of taxpayer dollars, will rush to do it again, or whether we will have the foresight and courage to just say no.

THE NATURAL DISASTER PROTECTION ACT

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. MINETA. Mr. Speaker, the Loma Prieta Earthquake, the devastating hurricanes of Andrew, Iniki, and Hugo, and the current floods in the Midwest, demonstrate the vulnerability of our modern society to natural disasters. The human suffering and psychological after-effects on the survivors is difficult to measure.

The recent disasters have also added significant financial costs to the Federal Government's disaster relief programs and to private insurers due to losses that are many times higher than disasters of only a few years ago.

As people try to pick up their lives after a disaster, many are finding it impossible once they rebuild their homes to continue to carry homeowners insurance because such insurance is no longer available. Since Hurricane Iniki, most insurers have abandoned Hawaii. Sometimes lenders are able to find insurance for their borrowers but at costs that are 400

percent or more than previous rates. The high cost of specific peril insurance has left many Californians under-insured. Only 20 percent of Californians carry earthquake coverage; in the Midwest, which also is vulnerable to earthquakes, only 5 percent carry the insurance.

In the Virgin Islands where regular homeowners insurance has not been available since Hurricane Hugo, islanders who try to buy homes find it is impossible to get insurance and hence impossible to get a mortgage. Today hardly any homes are being sold in the Virgin Islands because of this problem. Homeowners live fearfully without insurance.

The major reason for the lack of affordable insurance, is that the reinsurance industry has determined that the risk of a catastrophic disaster makes such investments too risky. They have determined that insuring the monumental losses possible, despite their small likelihood, is not worth bankrupting their companies.

The 1993 Natural Disaster Protection Act which I am introducing today is designed to address the problem of the consequences of future catastrophic disasters. The bill creates a fund, paid for by a small charge on present homeowners policies, to create a Federal reinsurance fund. Such a fund would backstop insurance if the private insurance industry is overwhelmed by a disaster whose financial consequences are higher than Hurricane Andrew. An important part of the bill is the encouragement given local and State governments to strengthen present mitigation efforts.

In the present Flood Insurance Program many homeowners are required to have flood coverage but do not carry the necessary insurance. There is a requirement in the bill for a study to find a solution to the problem.

The proposal consists of three elements: First, incentives to State and local governments to enhance their disaster planning and mitigation efforts; second, federally sponsored primary insurance for earthquake and volcanic eruption; and third; a reinsurance program for losses from hurricanes, earthquakes, volcanic eruptions and tsunamis.

PLANNING AND MITIGATION

The bill would provide financial assistance to State and local governments to improve efforts to plan for disaster avoidance and response, as well as fund mitigation activities. To qualify, States would have to adopt one of several model building and safety codes and comply with the Flood Insurance Program. States must develop mitigation plans for disaster prone areas. It is expected that a large part of the funds will be used to improve inspections and compliance with building codes.

PRIMARY INSURANCE

The bill requires FEMA to develop a primary insurance program to insure losses arising from earthquake and volcanic eruption, and a resulting Tsunami, for residential properties located in earthquake and volcanic-eruption prone states.

The bill establishes a primary insurance program fund consisting of the premiums collected from the policyholders. The fund serves as the source of payment for claims, and the fund has authority to borrow from the treasury if assets are inadequate to pay claims.

REINSURANCE PROGRAM

The bill establishes a Federal Excess Reinsurance Program for losses connected with

hurricane, earthquake, volcanic eruption or Tsunami. This program is funded by participating insurance companies paying actuarially based rates, established by FEMA, into a reinsurance fund established in the treasury.

The reinsurance fund is available to pay losses in two instances: First, losses from hurricane, earthquake, volcanic eruption, and Tsunami events occurring during any 12 month period that exceed 15 percent of property and casualty insurance industry surplus, and second, losses to an individual insurer from such an event which results in losses to that company in excess of 20 percent of surplus. The industry-wide threshold of 15 percent of surplus is currently estimated at about \$28 billion, and has never been reached.

FLOOD INSURANCE

The bill includes requirements for FEMA to evaluate the feasibility and benefits of including flooding as a covered peril under the primary insurance program established in the bill. The bill also requires insurance agents and brokers participating in the flood insurance program to notify FEMA of any policyholder who refuses to purchase flood insurance, if the individual is required to purchase such insurance. Once FEMA is notified, it is to take necessary and appropriate steps to assure the purchase of flood insurance by the individual.

Clearly a major step to mitigate the losses from catastrophic and other disasters in the updating and enforcing of appropriate building codes. Insurers have estimated that 30 to 40 percent of the losses from Hurricane Andrew could have been avoided if existing building codes had been properly enforced. We must make sure in any legislation that proper incentives are in place for citizens to keep the loss due to disasters to a minimum.

As the chairman of the Committee on Public Works and Transportation that has legislative authority over the Stafford Disaster Relief and Emergency Assistance Act, I know that in times of disasters Americans willingly sacrifice for their neighbors. And our citizens expect the government to do what it can to ameliorate the suffering. In case of the "big one," or other disasters, the government will be expected to do all it is capable of doing to put peoples' lives back together. This bill could help to lower the financial cost to the government by encouraging mitigation efforts and backstopping the insurance industry so that the private insurers will bear a greater part of the loss.

This is unlikely to be the only bill on this subject introduced during this Congress. This is a problem that is growing and one that the congress must address. No legislation will, of course, be able to prevent acts of nature from inflicting damage to our Nation. But I believe that we can help to limit the damage and speed recovery. That is the intent of this legislation.

H.R. —

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 "Headwaters Forest Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that:

(1) Redwoods are a significant national symbol and a defining symbol of the State of California.

(2) Old growth redwood trees are a unique and irreplaceable natural resource.

(3) Most of the Nation's old growth forests have been cut. Less than 5 percent of the original 2,000,000 acre Coast redwoods remain standing. The groves that are left are crucial to maintain habitat needed for survival of old-growth dependent species. The Headwaters Forest, for example, is home to one of California's three largest population of marbled murrelets, rare sea birds that nest only in coastal old growth trees; the Northern Spotted Owl; and native salmon stocks that spawn in the Forest's creeks.

(4) The remaining unprotected stands of old growth forests and old growth redwoods are under immediate threat of being harvested without regard to their ecological importance and without following Federal timber harvest guidelines.

(5) Significant amounts of old growth redwoods in the proposed National Forest additions are being cut at a pace that is based on paying high interest rates on poor quality bonds and not at a pace that is based on sound forest management practices.

(b) PURPOSE.—The purpose of this Act is to provide for the sound management and protection of old growth Redwood forest areas in Humboldt County, California, and to preserve and enhance habitat for the marbled murrelet, Northern Spotted owl, native salmon stocks, and other old growth forest dependent species, by adding certain lands and waters to the Six Rivers National Forest and by including a portion of such lands in the national wilderness preservation system.

SEC. 3. ADDITION TO SIX RIVERS NATIONAL FOREST.

(a) EXTENSION OF BOUNDARIES.—The exterior boundaries of the Six Rivers National Forest in the State of California are hereby extended to include the area comprising approximately 44,000 acres, as generally depicted on the map entitled "Six Rivers National Forest Addition proposed", dated June 1993. Such area shall hereinafter in this Act be referred to as the Six Rivers National Forest Addition. The map shall be on file and available for public inspection in the offices of the Forest Supervisor, Six Rivers National Forest, and in the offices of the Chief of the Forest Service, Department of Agriculture.

(b) ACQUISITION OF LAND.—(1) The Secretary shall acquire lands or interests in land within the exterior boundaries of the Six Rivers National Forest Addition by donation, by purchase with donated or appropriated funds, or by exchange for other lands owned by any department, agency, or instrumentality of the United States. When any tract of land is only partly within such boundaries, the Secretary may acquire all or any portion of the land outside of such boundaries in order to minimize the payment of severance costs. Land so acquired outside of the boundaries may be exchanged by the Secretary for non-Federal lands within the boundaries, and any land so acquired and not utilized for exchange shall be reported to the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949 (63 Stat. 377). Lands, and interests in lands, within the boundaries of the Headwaters Forest which are owned by the State of California or any political subdivision thereof, may be acquired only by donation or exchange.

(2) The Secretary is authorized to accept from the State of California funds to cover the cost of acquiring lands within the Headwaters Forest, and notwithstanding any other provision of law, the Secretary may retain and expend such funds for purposes of

such acquisition. Such funds shall be available for such purposes without further appropriation and without fiscal year limitation.

(c) LAND ACQUISITION PLAN.—The Secretary shall develop and implement, within 6 months after the enactment of this Act, a land acquisition plan which contains specific provisions addressing how and when lands will be acquired under subsection (b). The plan shall give priority first to the acquisition of lands within the boundaries of the Headwaters Forest Wilderness identified on the map referred to in section 3(a). The Secretary shall submit copies of such plan to the Committee on Natural Resources, the Committee on Agriculture, and the Committee on Appropriations of the United States House of Representatives and to the Committee on Energy and Commerce, the Committee on Agriculture, Nutrition, and Forestry and the Committee on Appropriations of the United States Senate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SEC. 4. WILDERNESS AREAS.

(a) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), lands in the State of California acquired under section 3 of this Act which are within the areas generally depicted on the map referred to in section 3 as the "Headwaters Forest Wilderness (Proposed)" shall be designated as wilderness and therefore as a component of the National Wilderness Preservation System, effective upon acquisition under section 3. Such lands shall be known as the Headwaters Forest Wilderness.

(b) MAP AND DESCRIPTION.—As soon as practicable after the inclusion of any lands in the Headwaters Forest Wilderness, the Secretary shall file a map and a boundary description of the area so included with the Committee on Natural Resources of the House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. The Secretary may correct clerical and typographical errors in such boundary description and such map. Each such map and boundary description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, United States Department of Agriculture.

(c) BUFFER ZONES NOT INTENDED.—The Congress does not intend that designation of any area as wilderness under this section lead to the creation of protective perimeters or buffer zones around the wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within a wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(d) STATE AUTHORITY OVER FISH AND WILDLIFE.—As provided in section 4(d)(8) of the Wilderness Act, nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of California with respect to wildlife and fish in any areas designated by this Act as wilderness.

SEC. 5. ADMINISTRATION.

(a) MANAGEMENT PLAN.—The Secretary shall develop, within 1 year after the enactment of this Act, a comprehensive management plan detailing measures for the preservation of the existing old growth redwood ecosystems in the Six Rivers National Forest Addition, including but not limited to each of the following:

(1) Prohibition of sale of timber from lands within the old growth redwood groves as depicted generally on the map referred to in

section 3(a). Timber sales in other areas shall be allowed consistent with the purposes of this Act and other applicable Federal laws and regulations.

(2) Measures to restore lands affected by previous timber harvests to mitigate watershed degradation and impairment of habitat for the marbled murrelet, spotted owl, native salmon stocks, and other old-growth forest dependent species ("Restoration Measures"). The Management Plan shall be reviewed and revised every time the Six Rivers National Forest Land and Resource Management plan is revised or more frequently as necessary to meet the purposes of this Act.

(b) **APPLICABLE LAWS AND POLICIES.**—(1) The Secretary, acting through the Chief of the Forest Service, shall administer the lands acquired under section 3(b) in accordance with the Management Plan, this Act, and with the other laws, rules, and regulations applicable to such national forest. In addition, subject to valid existing rights, any lands acquired and designated as wilderness under section 4(a) shall also be administered in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of acquisition of such lands under section 3 of this Act.

(2) To the maximum extent practicable, all work to implement the management plan's Restoration Measures shall be performed by unemployed forest and timber workers, unemployed commercial fishermen, or other unemployed persons whose livelihood depends on fishery and timber resources.

(3) In order to facilitate management, the Secretary, acting through the Chief of the Forest Service may enter into agreements with the State of California for the management of lands owned by State or purchased with State assistance.

SEC. 6. PAYMENTS TO LOCAL GOVERNMENT.

(a) **PILT.**—Solely for purposes of payments made pursuant to chapter 69 of title 31 of the United States Code, all lands added to the Six Rivers National Forest by this Act shall be deemed to have been acquired for the purposes specified in section 6904(a) of such title 31.

(b) **10-YEAR PAYMENT.**—(1) Subject to annual appropriations and the provisions of subsection (c), for a period of 10 years after acquisition by the United States of lands added to the Six Rivers National Forest by this Act, the Secretary, with respect to such acquired lands, shall make annual payments to Humboldt County in the State of California in an amount equal to the State of California Timber Yield Tax revenues payable under the California Revenue and Taxation Code (sec. 38101 et seq.) in effect as of the date of enactment of this Act that would have been paid with respect to such lands if the lands had not been acquired by the United States, as determined by the Secretary pursuant to this subsection.

(2) The Secretary shall determine the amounts to be paid pursuant to paragraph (1) of this subsection based on an assessment of a variety of factors including, but not limited to—

(A) timber actually sold in the subject year from comparable commercial forest lands of similar soil type, slope and such determination of appropriate timber harvest levels.

(B) comparable timber size class, age, and quality.

(C) market conditions.

(D) all applicable Federal, State, and local laws and regulations, and

(E) the goal of sustainable, even-flow harvest or renewable timber resources.

(c) **CALIFORNIA TIMBER YIELD TAX.**—The amount of State of California Timber Yield Tax payments paid to Humboldt County in any year pursuant to the laws of California for timber sold from lands acquired under this Act shall be deducted from the sums to be paid to Humboldt County in that year under subsection (b).

(d) **25-PERCENT FUND.**—Amounts paid under subsection (b) with respect to any land in any year shall be reduced by any amounts paid under the Act of May 23, 1908 (16 U.S.C. 500) which are attributable to sales from the same lands in that year.

SEC. 7. FOREST STUDY.

The Secretary shall study the lands within the area comprising approximately 13,620 acres and generally depicted as "Study Area" on the map referred to in section 3(a). The study shall analyze the area's potential to be added to the Headwaters Forest and shall identify the natural resources of the area including the location of old growth forests, old growth redwood stands, threatened and endangered species habitat and populations including the northern spotted owl and marbled murrelet, commercial timber volume, recreational opportunities, wildlife and fish, watershed management, and the cost of acquiring the land. Within one year of the date of enactment of this Act, the Secretary shall submit a report with the findings of the study to the Committees on Natural Resources, and Agriculture of the United States House of Representatives and the committees on Energy and Natural Resources, and Agriculture, Nutrition, and Forestry of the United States Senate.

DEATH OF THE WAR POWERS RESOLUTION IN SOMALIA

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. GILMAN. Mr. Speaker, today, August 4, 1993, may very well be remembered as the day that the War Powers Resolution died. Its death was caused by the election of President Clinton and by the erosion of popular support for his policy in Somalia.

Sixty days ago, on June 5, combat involving United States Forces broke out in Somalia and has continued ever since. Under any reasonable reading of the War Powers Resolution, the President was required to withdraw United States Forces from Somalia by today. He has not, and Congress has decided to look the other way. In so doing, Congress has acquiesced in a legal rationale that will make the War Powers Resolution a dead letter.

The War Powers Resolution provides that whenever U.S. Armed Forces are deployed into a situation of hostilities, or imminent involvement in hostilities in a foreign country, they must be withdrawn in 60 days unless Congress declares war or passes a joint resolution authorizing continuation of the deployment. United States Forces were first sent to Somalia on December 8, 1992. President Bush informed Congress at that time that he did not intend for U.S. Forces there to become involved in hostilities, meaning that the 60-day clock would not apply. While one could debate

whether hostilities were imminent after December 8, in fact there was little combat, and therefore it was tenable to contend that the War Powers Resolution did not apply. President Clinton adopted the same position after taking office.

On February 4, 1993, the Senate passed Senate Joint Resolution 45, which would have provided an open-ended authorization for the Somalia operation. On May 25, the House passed its own version of Senate Joint Resolution 45, which differed from the Senate version principally in that it contained only a 12-month authorization.

I opposed Senate Joint Resolution 45 because I felt that the administration was not moving quickly enough to get United States Forces out of Somalia. This view was shared by many of my colleagues. My amendment to Senate Joint Resolution 45 calling for the withdrawal of all United States Forces from Somalia within 6 months, received 179 votes on the House floor.

In any event, the Senate has taken no further action on Senate Joint Resolution 45—such as appointing conferees or simply bringing the House version to a vote, so Congress has not passed a joint resolution that would satisfy the requirements of the War Powers Resolution with regard to Somalia.

On June 5, serious fighting broke out in Mogadishu. U.S. Forces have engaged in considerable combat since that time, and by all accounts, southern Mogadishu is a war zone. No Americans have yet been killed, but over a dozen have been wounded.

On June 15, I wrote to Secretary of State Christopher to ask whether the United States was now in hostilities in Somalia, such that the 60-day clock applies. The administration responded on July 21. In essence, the administration said that Somalia involves only "intermittent military engagements," each lasting less than 60 days, and therefore, does not involve "sustained hostilities" that might compel the withdrawal of United States Forces after 60 days.

The problem with that logic, of course, is that all wars consist of a series of discrete military engagements. Under this reasoning, it would not be too difficult to argue that a conflict on the scale of World War II falls outside that War Powers Resolution. After all, Pearl Harbor, the Battle of Midway, and the Battle of the Bulge each lasted less than 60 days.

It appears that we are about to see the next application of this logic in Bosnia. The administration's proposal to launch air strikes against Serbian-held positions in Bosnia has been accepted by NATO and may soon be implemented. I understand that the administration does not believe that congressional authorization will be required under the War Powers Resolution if the United States begins bombing in Bosnia. I can only surmise that the administration's logic is the same as in Somalia—the air strikes will be intermittent in the sense that each one will last less than 60 days, and therefore, the 60-day clock will never expire.

This logic on the part of the executive branch is not new, but before today, Congress had never acquiesced in it. In an analogous

situation in Lebanon in 1983, the Reagan administration argued that the deteriorating security situation facing U.S. peacekeepers in Beirut had not risen to the level of hostilities because the fighting was intermittent rather than sustained. Congress rejected this logic.

In the multinational force in Lebanon resolution, signed into law on October 12, 1983, Congress declared that hostilities broke out in Lebanon on August 29, 1993, after 2 days of combat around the Beirut airport, and that 60-day clock therefore had been triggered. The resolution went on to authorize the Lebanon deployment. Because the resolution was signed into law before the 60 days had expired, the question whether the deployment violated the War Powers Resolution was not reached.

This has not happened with regard to Somalia. President Clinton is adopting the same logic as President Reagan, but Congress has chosen not to challenge him the way it challenged President Reagan. Certainly part of the explanation lies in the fact that President Clinton is a Democrat while President Reagan was a Republican.

An additional consideration is that support for the operation in Somalia is eroding. It is likely that one reason the Senate has not taken up the House-passed Somalia resolution is that it might be defeated. Given the choice between preserving the War Powers Resolution and forcing a contentious debate on an unpopular policy in Somalia, Congress has decided to throw the resolution overboard.

By looking the other way while the administration eviscerates the War Powers Resolution, Congress has avoided an embarrassing disagreement with our new President. But the precedent set today will be available to all future Presidents.

History will inevitably show that the War Powers Resolution died in Somalia.

CONGRESS OF THE UNITED STATES,
Washington, DC, June 15, 1993.

HON. WARREN M. CHRISTOPHER,
Secretary of State, 2201 C Street, NW., Washington, DC.

DEAR MR. SECRETARY: We are writing to request your assessment of the current situation in Somalia. Until now, the Administration has taken the position that the U.S. Armed Forces in Somalia are not in a situation of hostilities or imminent involvement in hostilities within the meaning of the War Powers Resolution. In our opinion, recent events in Mogadishu call for a reexamination of this conclusion.

According to press accounts, 23 Pakistani soldiers were killed and 59 wounded in guerrilla attacks on United Nations peacekeepers on June 5. The U.S. Quick-Response Force had to be called out to rescue besieged Pakistanis, and three U.S. soldiers were wounded in the combat. On June 6, the U.N. Security Council adopted a resolution calling for the arrest, prosecution, and trial of those responsible for the attacks.

Between June 5 and June 12, non-essential U.N. officials and foreign aid workers were evacuated from Mogadishu, and those who remained were relocated to a heavily fortified compound in preparation for assaults on arms depots and other facilities belonging to warlord Mohamed Farah Aided. U.S. AC-130 gunships were sent to Djibouti for use in these assaults, and over 2,000 U.S. Marines were ordered to redeploy from Kuwait to Somalia.

On June 12, the AC-130s attacked facilities in Mogadishu belonging to Aided. Attacks by U.S. aircraft and helicopters have continued daily since June 12. These attacks have prompted demonstrations by Somali supporters of Aided, including one in which Pakistani soldiers opened fire and killed at least 14 demonstrators.

In light of these facts, and in accordance with section 4(b) of the War Powers Resolution, we would appreciate your response to the following questions:

1. Were U.S. Armed Forces in Somalia in "hostilities" within the meaning of the War Powers Resolution on June 5?

2. Were U.S. Armed Forces in Somalia in "hostilities" or a situation "where imminent involvement in hostilities [was] clearly indicated by the circumstances" within the meaning of the War Powers Resolution between June 5 and June 12?

3. Have U.S. Armed Forces in Somalia been in "hostilities" within the meaning of the War Powers Resolution between June 12 and the date of this letter?

4. Have U.S. Armed Forces in Somalia been in "hostilities" or a situation "where imminent involvement in hostilities is clearly indicated by the circumstances" within the meaning of the War Powers Resolution at any time between the date of this letter and the date of your response?

5. Does the Administration anticipate that U.S. Armed Forces in Somalia will be in "hostilities" or a situation "where imminent involvement in hostilities is clearly indicated by the circumstances" within the meaning of the War Powers Resolution at any time subsequent to the date of your response?

6. If U.S. Armed Forces in Somalia have been, are, or are anticipated to be in "hostilities" or a situation "where imminent involvement in hostilities is clearly indicated by the circumstances" within the meaning of the War Powers Resolution, does the Administration intend to withdraw U.S. Armed Forces from Somalia within 60 days in accordance with section 5(b) of the War Powers Resolution? If not, what will be the legal basis for the U.S. military presence in Somalia after 60 days have elapsed?

Your response to these questions will be of great use to Congress as it proceeds with consideration of S.J. Res. 45, the "Resolution Authorizing the Use of United States Armed Forces in Somalia."

Sincerely,

BENJAMIN A. GILMAN,
Ranking Republican Member,
Committee on Foreign Affairs.

JESSE HELMS,
Ranking Republican Member,
Committee on Foreign Relations.

U.S. DEPARTMENT OF STATE,
Washington, DC, July 21, 1993.

HON. BENJAMIN A. GILMAN,
Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. GILMAN: Thank you for your letter of June 15 (signed also by Senator Helms) to the Secretary regarding the War Powers Resolution and Somalia. I am pleased to respond on behalf of the Secretary.

You have raised several specific questions regarding whether U.S. Armed Forces in Somalia have been involved in "hostilities" since June for purposes of the War Powers Resolution. These questions all relate to the deployment that was the subject of a June 10 report to Congress by the President, and which was the subject of a supplemental report by the President on July 1. Your ques-

tions were raised in the context of section 5(b) of the War Powers Resolution, which provides that, absent Congressional action, the use of U.S. forces is to be terminated within 60 or 90 days after those forces have been introduced into hostilities or into situations where hostilities are clearly indicated by the circumstances.

In our view, no issue is presented of compliance with section 5(b) of the War Powers Resolution (regardless as to whether it is constitutional). We note at the outset that no previous Administration has considered that intermittent military engagements involving U.S. forces overseas, whether or not constituting "hostilities," would necessitate the withdrawal of such forces pursuant to section 5(b) of the Resolution. The War Powers Resolution provision on withdrawal sixty days after forces are introduced into hostilities (with certain exceptions) was intended to apply to sustained hostilities so as to ensure that the collective judgment of both Congress and the President would be applied to decisions about whether to go to war.

This is not the situation we face in Somalia. As summarized in the President's report of July 1, the significant involvement of the U.S. Quick Reaction Force in the United Nations operation against Aided's forces and compound has not involved sustained military action. These activities have been directed at those responsible for the murder or wounding of peacekeepers, as well as other criminal activity. While significant military force was used, our actions have been in support of the United Nations humanitarian mandate and have not been directed at the forces of a sovereign state, but rather at bandits or warlords. Moreover, as you know from the President's reports, U.S. Armed Forces have made important contributions to the United Nations-led military action in support of U.N. peacekeeping efforts in Somalia.

Finally, both the House and Senate have voted in favor of bills that would provide express statutory authority to participate in peacekeeping efforts in Somalia (including authority for purposes of the War Powers Resolution). As we have stated before, although we do not believe that specific statutory authority is necessary, the Administration welcomes such Congressional support for U.S. activities in Somalia.

I hope this is useful to you. We look forward to further discussions with you on this important issue. Please feel free to communicate with me if I can be of further assistance.

Sincerely,

WENDY R. SHERMAN,
Assistant Secretary,
Legislative Affairs.

RETROACTIVE TAX INCREASE WOULD BE EGREGIOUS INJUSTICE

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. COX. Mr. Speaker, the retroactive income tax increase that this Congress is about to pass is an egregious injustice. I commend to my colleagues the following article, which explains in detail why this is so. It is written by a distinguished attorney with the law firm of Paul, Hastings, Janofsky, and Walker in

Washington, DC. Mr. Schmitz specializes in constitutional law, separation of powers, and federalism. During the Reagan administration he served as Special Assistant to the Attorney General of the United States.

ARE RETROACTIVE TAX INCREASES CONSTITUTIONAL?

(By Joseph E. Schmitz)

The current "Tax Compromise" includes a substantial increase in the marginal tax rate for individuals earning over \$115,000 (\$140,000 for married couples filing jointly), and an even larger increase for couples and individuals with taxable income over \$250,000—retroactive to January 1, 1993. If Congress can impose taxes retroactively back to January 1, 1993 (before the current Administration took office), why not back to January 1, 1983, or even further? While the "wealthy" are bracing to take substantial cuts in net income over the next few months or to write large checks to Uncle Sam next April (for retroactively assessed taxes that weren't withheld), perhaps it is time to reconsider whether Congress has unfettered discretion under the Constitution to impose a tax increase retroactively—and if so, whether an amendment should be considered to restrain such power.

Article I, Section 9, of the U.S. Constitution states that "No bill of attainder or ex post facto law shall be passed." The foremost problem with *ex post facto* laws, i.e. retroactive legislation, is that they are repugnant to the Rule of Law principles upon which our society is based. In *Marbury v. Madison*, Chief Justice John Marshall stressed that "The government of the United States has been emphatically termed a government of laws, and not men." 5 U.S. (1 Cranch) 137, 163 (1803). Chief Justice Marshall later admonished that "the power to tax involves the power to destroy." *McCulloch v. Maryland*, 17 U.S. (4 Wheat.) 316, 431 (1819).

Two centuries ago, retroactive laws were said to be "contrary to the first principles of the social compact," "against natural rights," "unjust," "highly injurious," "oppressive," and/or "wrong." More recently, Friedrich von Hayek described the Rule of Law, and its inherent restriction on retroactive legislation, as the singlemost distinguishing factor of a free society: "Rule of Law *** means that the government in all its actions is bound by rules fixed and announced beforehand—rules which make it possible to foresee with fair certainty how the authority will use its coercive powers in certain circumstances and to plan one's individual affairs on the basis of this knowledge." F. Hayek, *The Road to Serfdom* 72 (1944).

That a general prohibition against retroactive lawmaking is deeply rooted in Anglo-American jurisprudence cannot be disputed. William Blackstone argued that "All laws should be made to commence *in futuro*." 1 W. Blackstone, *Commentaries* 46. Blackstone's basic argument was that "it is reasonable that [laws] be prescribed or promulgated and that there can be no promulgation where they commence at a time anterior to enactment ***. As a matter of justice laws should not be enforced before the subjects have an opportunity to become acquainted with them." Smead, *The Rule Against Retroactive Legislation: A Basic Principle of Jurisprudence*, 20 Minn. L. Rev. 775, 777 (1936).

In *The Federalist*, James Madison wrote that "ex post facto laws, and laws impairing the obligation of contracts, are contrary to the first principles of the social compact, and to every principle of sound legislation."

The *Federalist* No. 44, at 279 (Lodge ed. 1888). Even the Congressional Research Service admits the historical legitimacy of arguments that the *ex post facto* clause should apply to all congressional legislation: "At the time the Constitution was adopted, many persons understood the terms *ex post facto* laws to 'embrace all retrospective laws, or laws governing or controlling past transactions, whether *** of a civil or a criminal nature.'" Congressional Research Service. *The Constitution of the United States: Analysis and Interpretation*, S. Doc. No. 16, 99th Cong., 1st Sess. 381-82 (1987) (quoting 3 J. Story, *Commentaries on the Constitution of the United States* (Boston: 1833), §1339).

Though it is still axiomatic in the late Twentieth Century that "[t]he Constitution created a Federal Government of limited powers," *New York v. United States*, 112 S. Ct. 2408, 2417 (1992), whether Congress has the power to enact retroactive civil laws today does not lend itself to clean constitutional analysis, due to a number of prior judicial interpretations, stemming from *Calder v. Bull*, 3 U.S. (3 Dall.) 386 (1798), that the Constitution's express prohibition against *ex post facto* laws (Art. I, §9) does not apply in the civil context. A number of prominent jurists and scholars, however, have insisted that the *Ex Post Facto* Clause should apply in the civil context. See, e.g., *Lehmann v. United States ex rel. Carson*, 353 U.S. 685, 690 (1957) (Black and Douglas, JJ., dissenting); *Marcello v. Bonds* 349 U.S. 302, 319 (1955) (Douglas, J., dissenting); see generally Crosskey, *The True Meaning of the Constitutional Prohibition of Ex-Post-Facto Laws*, 14 Ch. L. Rev. 539 (1947) (citing original historical sources).

Calder v. Bull involved Connecticut legislation that "set aside a decree of the court of Probate for Hartford *** and granted a new hearing." 3 U.S. (3 Dall.) at 386. Justices Paterson and Iredell, in separate opinions, both expounded on the "indefinite nature" of Connecticut Legislature's powers, which at the time included both legislative and judicial functions (in stark contrast to the federal Legislature's powers then and now). Justice Iredell's dissenting opinion suggests that the Connecticut legislature's exercise of purely judicial power, i.e. purely retroactive legislation, was "strange," alluding to the fact that the federal Legislature could not even countenance the idea:

"It may indeed, appear strange to some of us, that in any form, there should exist a power to grant, with respect to suits depending or adjudge, new rights of trial new privileges of proceeding, not previously recognized and regulated by positive institutions; but such is the established usage of Connecticut, and it is obviously consistent with the general superintending authority of her Legislature *** 3 U.S. (3 Dall.) at 398 (Iredell, J., dissenting)."

Notwithstanding *Calder v. Bull* and its legal progeny, it is clear from the writings of Thomas Jefferson that the framers' abhorrence of *ex post facto* laws applied to all federal laws, whether civil and criminal. In 1813, for example, Jefferson wrote of the retroactive application of a congressional patent law: "The sentiment that *ex post facto* laws are against natural rights, is so strong in the United States, that few, if any, of the state constitutions have failed to proscribe them. The federal constitution indeed interdicts them in criminal cases only, but they are equally unjust in civil as in criminal cases, and the omission of a caution which would have been right, does not justify the doing of what is wrong." T Jefferson, Letter to Isaac

M'Pherson, Aug. 13, 1813, in 6 writings 176 (H. Washington ed. 1853-54).

Supporting the then-popular sentiment that retroactive criminal and civil laws were seen in the same light, the New Hampshire Constitution of 1784 warns that "Retroactive laws are highly injurious, oppressive, and unjust. No such law, therefore, should be made, either of the decision of civil causes, or the punishment of offenses." N.H. Const. of 1784, Part 1, §23. Chancellor Kent of New York went so far as to state that "there is no distinction in principle, nor any recognized in practice, between a law punishing a person criminally, for a past innocent act, or punished him civilly by divesting him of a lawfully acquired right. The distinction consists only in the degree of the oppression ***" 7 John, (N.Y.) 477 (1811)

In a few cases since *Calder v. Bull*, the Supreme Court has stated that certain new civil laws, if applied retroactively, could be *per se* unconstitutional. Eg., *Herrick v. Boquillas Land & Cattle Co.*, 26 S. Ct. 192 (1906) (affirming Arizona Supreme Court analysis: "If construed as absolutely barring cause of action existing at the time of its passage [a new statute of limitation] was unconstitutional,—citing *Sohn v. Watersohn*, 17 Wall. 596"). Likewise, older cases have held that retroactively-imposed tax laws can be "confiscation of property in violation of due process of law." Smead, *Rule Against Retroactive Legislation: A Basic Principle of Jurisprudence*, 20 Minn. L. Rev. 775, 796 (1936) (citations omitted).

When addressing judicial challenges to retroactive civil legislation, however, the modern Supreme Court resorts to a minimum scrutiny "due process" balancing test: "Provided that the retroactive application of a statute is supported by a legitimate legislative purpose furthered by rational means, judgments about the wisdom of such legislation remain within the exclusive province of the legislative and executive branches ***." *Pension Benefit Guarantee Corp. v. R.A. Gray & Co.*, 104 S. Ct. 2709, 2717-18 (1984). This type of judicial deference to the Executive and Legislative branches poses little or no constraint on the type of retroactivity contained in the "Tax Compromise."

Perhaps the time is ripe for the Judiciary to reconsider the constitutional constraints against such legislation. Justice Antonin Scalia recently suggested that retroactivity, while appropriate for judicial decisions, is constitutionally problematic for legislation, even in the civil taxation context: "[I]t is said that that which distinguishes a judicial from a legislative act is, that the one is a determination of what the existing law is in relation to some existing thing already done or happened, while the other is a predetermination of what the law shall be for the regulation of all future cases." *Harper v. Virginia Dep't of Taxation*, 61 U.S.L.W. 4664, 4669 (June 18, 1993) (Scalia, J., concurring) (quoting T. Cooley, *Constitutional Limitations* 91 (1868)).

The Democratic leadership in both the executive and legislative branches apparently feel no constitutional or moral constraints against enacting a retroactive tax increase. Perhaps dispossessed Members of Congress and/or affected individuals can seek judicial review of the "Tax Compromise" as being an unconstitutional *ex post facto* law, or as being "contrary to the first principles of the social compact," "against natural rights," "unjust," "highly injurious," "oppressive," "wrong," or all of the foregoing. If the Judiciary is unwilling to constrain the White House and Congress, then perhaps the "people" need to consider a constitutional

amendment that will constrain the power of the federal government to tax (and therefore to destroy) retroactively.

**SALUTING MEMBERS OF THE
BOWMAN FAMILY: GROUP CELEBRATES SEVENTH BIENNIAL REUNION**

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1993

Mr. STOKES. Mr. Speaker, in just a few weeks, on August 19, 1993, members of the Bowman family will gather in Bethesda, MD, for their seventh biennial convention. The event promises to be an exciting one, as descendants of Oz and Charity Bowman gather from around the country to reflect upon their rich heritage. I am proud to rise today to salute members of the Bowman family on this auspicious occasion.

According to a member of the family, Tina Luckyadoo, the Bowman family reunion was begun in 1972. The first reunion was held at the home of Matilda Kenly Porter of Pleasantville, NJ. It was thought that the reunion offered an opportunity for family to gather together for occasions other than funerals. During the following years, the reunion grew in size and scope.

The Bowman family is particularly proud to note that in 1981, the family reunion ventured home to Irmo, SC. Here family members had an opportunity to meet other relatives, research the family tree more extensively, and envision the town of Irmo through their ancestors' eyes. In addition to New Jersey and South Carolina, Bowman family reunions have been held in Pennsylvania and Michigan.

Mr. Speaker, the Bowman family recognizes the importance of pausing to join together in

EXTENSIONS OF REMARKS

celebration of their heritage, struggles, and many accomplishments over the years. I am certain that each member in attendance will benefit greatly from this special reunion. I ask that my colleagues join me today in extending our prayers and best wishes to the Bowman family.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, August 5, 1993, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 6

9:30 a.m.

Joint Economic

To hold hearings to examine the employment-unemployment situation for July.

2359 Rayburn Building

August 4, 1993

SEPTEMBER 8

9:30 a.m.

Commerce, Science, and Transportation Communications Subcommittee

To resume hearings on S. 1086, to foster the further development of the Nation's telecommunications infrastructure through the enhancement of competition.

SR-253

POSTPONEMENTS

AUGUST 5

3:00 p.m.

Labor and Human Resources Employment and Productivity Subcommittee

To hold joint hearings with the Committee on Indian Affairs on the implementation of the Job Training Partnership Act (P.L. 102-367), and the Indian Employment Training and Services Demonstration Act (P.L. 102-477).

SR-485

Indian Affairs

To hold joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on the implementation of the Job Training Partnership Act (P.L. 102-367), and the Indian Employment Training and Services Demonstration Act (P.L. 102-477).

SR-485

AUGUST 6

10:00 a.m.

Governmental Affairs

To hold hearings to examine environmental problems in the Federal government.

SD-342