

HOUSE OF REPRESENTATIVES—Wednesday, May 12, 1993

The House met at 2 p.m.

The Reverend Dr. William P. DeVeaux, senior pastor, Metropolitan African Methodist Episcopal Church, Washington, DC, offered the following prayer:

O Lord, our God, how excellent is Thy name in all the Earth. We, your servants, charged with the responsibility of government, do call upon You for guidance and strength. We confess our weaknesses and ask that You would make us what we cannot hope to be by ourselves. We invoke Your blessing upon our Nation and our world. We pray for Your guidance that peace and justice prevail. In all our deliberations, may Your divine presence be felt. Let us not grow weary in well doing, but always understand that in due season we shall reap if we faint not. In Your name, we pray. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentleman from Alabama [Mr. BROWDER] will come forward and lead the House in the Pledge of Allegiance.

Mr. BROWDER led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) entitled "An Act to establish national voter registration procedures for Federal elections, and for other purposes."

The message also announced that pursuant to sections 276d-276g, of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints Mr. GRASSLEY as a member of the Senate delegation to the Canada-United States Interparliamentary Group during the 1st session of the 103d Congress, to be held in Halifax, NS, Canada, May 13-17, 1993.

THE REVEREND WILLIAM P. DEVEAUX

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

Ms. NORTON. Mr. Speaker, may I welcome Rev. William P. DeVeaux, pastor of one of the most historic churches in this country and in this city, the Metropolitan African Methodist Episcopal Church. This church, steeped in the history of its denomination and of this city, is where President Clinton chose to worship on the day of his inauguration. Reverend DeVeaux has brought great distinction to this already distinguished church. Pastor DeVeaux, who has a doctorate in theological ethics from Vanderbilt, has made Metropolitan not only a center of spiritual revival but also a resource for community activism and a magnet for events of national importance. Reverend DeVeaux has served his church also in Massachusetts, Tennessee, and Ohio and his country as a chaplain in the U.S. Army. This city is fortunate to count Reverend DeVeaux among its most distinguished leaders and his church as one of its rich historic assets.

PLEASE, DON'T DO THIS TO US

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

Mr. ROGERS. Mr. Speaker, as the Committee on Ways and Means Democrats now meet behind closed doors in secret, we plead with them, "Don't do this to us, don't raise taxes, and please do not raise the energy tax."

We do not need any tax increases to balance the budget if we cut unnecessary Federal spending.

Second, the energy tax is on the middle class, those who drive to work, those whose electric bills are too high already, those who live on the farm, those who live in a rural area and must drive everywhere for everything.

The energy tax will be especially onerous to my part of eastern Kentucky, the coal-producing area of our State, and the rest of the coal-producing areas in the rest of the country. The cost of coal will be driven up by 26 percent. Those who drive to work or drive to the grocery or anywhere else, their gasoline or diesel fuel would be increased; farmers would suffer, and those on fixed incomes would find their electric bills and all other bills, including grocery, increased.

If we cut unnecessary spending, we do not need to raise taxes, any taxes, but especially a tax on those who can least afford to pay it, the energy tax.

Please, Ways and Means Committee Democrats, "Don't do this to us."

THE NEED FOR A JOBS BILL

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

Ms. DELAURO. Mr. Speaker, I recently received a letter from a constituent of mine in Clinton, CT. He is one of the thousands of people in my State affected by layoffs in the defense industry. Listen to what he has to say:

I am writing to you about the staggering loss of jobs in the State of Connecticut. I served four years in the U.S. Navy and have worked hard all my adult life for the American Dream. I did what I was supposed to do, paid my taxes, and did my civic duties, as did thousands of other Connecticut citizens.

Now it will all be taken away—my job, my home, my family—all the things I worked so hard and so long for.

I'm not asking for charity or sympathy, but your help in stopping the devastating loss of jobs. I am asking you to please help us save our jobs, our way of life, our State.

Mr. Speaker, I want to answer my constituent by telling him that Congress is ready to put aside partisan differences and pass a bill to put people back to work. Productivity has fallen, the leading economic indicators are down and jobless claims are up. Millions of people across the country need our help. We owe it to them—and to the man from Clinton—to pass a jobs bill.

A TRIBUTE TO WILLIAM D. ENGLER, JR., SMALL BUSINESS PERSON OF THE YEAR

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

Mr. PETRI. Mr. Speaker, President Clinton has just named Chilton resident William D. Engler, Jr., Small Business Person of the Year. Mr. Engler, chief executive officer of Kaytee Products, Inc., was honored at a Small Business Week ceremony at the White House May 13.

Since 1984, Mr. Engler has increased sales at his family-owned business from \$10.6 to over \$70 million, and he has increased the number of employees from 64 to 365. His business has thrived due to his personal commitment to inten-

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

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

development, innovative product development, and careful marketing.

Mr. Engler was chosen from among men and women previously selected as Small Business Persons of the Year in the 50 States. I think this award is both a recognition of his great personal achievements, and also symbolizes the achievements of many business leaders in Wisconsin—where we have a strong business climate due both to the quality of our business leaders and to the quality of our State's highly trained and motivated work force.

APPOINTMENT OF MEMBERS TO U.S. CAPITOL PRESERVATION COMMISSION

The SPEAKER. Pursuant to the provisions of sections 801(b) (6) and (8) of Public Law 100-696, the Chair appoints the following Members of the House to the U.S. Capitol Preservation Commission: Mr. FAZIO of California; and Ms. HARMAN of California.

MADONNA

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

Mr. BROWDER. Mr. Speaker, the sponsors of the proposed campaign reform plan have assured us that the American taxpayers will not have to pay for the communications vouchers under their plan.

Don't you believe it. Just because somebody says something is true does not make it true.

There is a saying back in Alabama which I would like to recommend to you as you evaluate these promises:

"You can put lipstick on a pig and call her 'Madonna'—but she's still a pig." Look at my porky friend here. I've put lipstick on her and we'll name her "Madonna." But she is still a pig.

Why don't you join me and my friend Madonna, a real live pig, tomorrow, Thursday, at 1:30 p.m. in the Rayburn horseshoe, when Madonna and I will expose the realities of public financing in the proposed plan.

MORE BROKEN PROMISES

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

Mr. EVERETT. Mr. Speaker, Candidate Clinton promised middle-class Americans a tax cut. President Clinton has said that is impossible for working people.

Candidate Clinton promised not to raise taxes until Government spending is cut. President Clinton has proposed the largest tax increase in American history despite the fact that he proposes over \$250 billion in new spending initiatives.

Candidate Clinton promised to support a line-item veto. President Clinton has refused to do so.

Candidate Clinton promised to reduce the White House staff by 25 percent. President Clinton has requested funding for up to 200 additional White House personnel, far in excess of staff levels during the Bush administration.

Mr. Speaker, the President's broken promises raise the question of fairness. Why should working Americans be required to bear the largest tax increase in American history while the President refuses to contribute to that sacrifice? Why does the President continue to insist that the addition of over 200 White House personnel comprises a staff cut?

Mr. Speaker, the President must level with the American people. Excessive Government spending is not investment, increased taxes are not contributions, enhanced rescission is not a line-item veto, and a 200-person staff increase at the White House is not a staff cut.

□ 1410

LET'S LOOK AT THE FACTS

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

Mr. SKAGGS. Mr. Speaker, I am glad to hear my friends on the other side of the aisle talking lately about deficit reduction. It is heartening, if ironic.

Ironic given the fact that Democratic Congresses have appropriated \$29 billion less than Republican Presidents have requested over the last 12 years.

Ironic given the fact that just last year President Bush asked for nearly \$12 billion more in spending than Congress ended up approving.

All through this period, so many of you have been so quick to accuse this institution and so slow to recognize the responsibility of Republican Presidents.

I would like to remind my Republican colleagues that—as much as you would like to blame him—President Clinton did not create the country's fiscal problems. He did not create these problems, but in the very short time he's been in office, he has taken responsibility for trying to solve them.

He has proposed putting the Nation on a strict budgetary diet—one that will reduce the deficit by \$500 billion over 5 years. This Democratic Congress has stepped up to the same plate—adopting budget requirements that will dictate less appropriated spending in each of the next 5 years than will occur this year.

It is a budget based on over 200 specific spending cuts and, yes, some tax increases. Taxes proposed not with any pleasure, but out of necessity. The large deficits and the debt built up over

that 12-year period, were of course, caused in large part by the tax breaks granted by a Republican-controlled Government to the wealthiest Americans. Which reminds me of one of the other objectives of this new President: restoration of basic fairness in the Tax Code.

Our problems as a nation cut across party lines. We did not get in the situation we are in overnight. Potshots at a new administration for not solving these problems in a few short months rate high marks—but only on a scale of convenient memory lapse, about where Republican leadership took us.

HYPOCRISY IN THE CLINTON WHITE HOUSE

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

Mr. BALLENGER. Mr. Speaker, Webster's Dictionary defines "hypocrisy" as "a feigning to be what is not or to believe what one does not."

On February 7 of this year, President Clinton said, "I'll be making cuts in the White House staff, cutting payrolls * * *." He vowed to cut the staff by 25 percent, bringing the number of White House personnel to 408.

On February 9, he said:

I should point out that this is one of the few times in this century that any President has actually shrunk the size of the White House staff.

The facts: On March 30, the staff numbered 512. A little more than a month later, the number was 527. And now, the White House supplemental appropriation includes a request for an additional 100 to 200 staffers.

Remember, my friends, this is the President who asked the American people to sacrifice—to pay more and more taxes to finance more and more deficit spending. He said, "We in government cannot ask the American people to change if we will not do the same * * *."

Well, Mr. Speaker, it looks like we have been fooled again.

RESPONSE TO GOVERNOR CASEY'S VOW TO FIGHT THE WHITE HOUSE OVER ABORTION

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

Ms. MARGOLIES-MEZVINSKY. Mr. Speaker, yesterday, at the National Press Club, Governor Casey of Pennsylvania spoke about drawing lines in the sand and double daring the President of the United States over the issue of abortion.

For years, men in both Washington and Harrisburg have been dictating the terms and conditions of the abortion debate. Governor Casey's political

rhetoric yesterday is the latest episode of political grandstanding designed merely to divide our society on the issue of abortion.

Governor Casey should make no mistake: Such rhetoric does not intimidate women who feel passionately about our reproductive rights. It does not threaten us. It tells us how far we have come, but more importantly, how far we have to go.

His words must be met with action, not simply for us, but for our daughters, daughters whom we hope will live in a world in which Roe versus Wade is codified, where access and availability to abortion and family planning is part of a national health care strategy, and where safe and easy access to any health care facility is guaranteed.

SO MUCH FOR HYPOCRISY

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

Mr. THOMAS of Wyoming. Mr. Speaker, a few minutes ago someone suggested that the administration will bring forth a budget that will deal with reducing the deficit.

More immediately, someone talked about hypocrisy.

On February 9, President Clinton said, "Our White House will be leaner and more effective."

I should point out that this is one of the few times this century in which any President has actually shrunk the size of the White House staff. Shrinking the White House staff was presented as a sign that the administration would make true sacrifices, but in the President's supplemental appropriation the administration requested \$7½ million more money so they can hire employees for the White House. So much for hypocrisy.

The sad truth is the White House will never get to their promised 25-percent cut. In fact, they never really made any general cuts at all.

Is the White House guilty of hypocrisy? Only they know for sure, but according to the definition, the case seems all too clear.

CONGRESS CAN STILL ENACT PRESIDENT'S ECONOMIC GROWTH PLAN

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

Mr. GENE GREEN of Texas. Mr. Speaker, despite recent setbacks on our economic program, the Congress still has the opportunity to enact most of President Clinton's proposals for economic growth.

Clinton's plan reduces the deficit by \$500 billion over 5 years by making over 200 specific cuts. The programs

that will be created are designed to increase jobs and promote the economy by investment in people and communities.

The failure of the economic stimulus package to pass the Senate will not hinder our efforts to reinvigorate the economy; however, it will have some adverse impacts. For instance, this summer in Houston, there will be over 5,000 young workers who are unable to participate in the summer jobs program because the Republicans in the Senate blocked the President's bill.

We have the momentum now to move the President's budget plan and get our economy moving. Those who have presided over 12 years of borrow and spend policies are coming to terms with the fact that these changes must occur in order to get our economy moving.

THE PRESIDENT'S "TRUST DEFICIT"

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

Mr. DREIER. Mr. Speaker, the President's description of his budget has been so inaccurate and deceptive that David Broder, the respected Washington Post columnist, coined the term "trust deficit." Another example came to light yesterday when Carol Browner, EPA Administrator, testified before the Senate Environment Committee.

In the volume "Vision of Change for America" and his much-heralded budget speech, the President claimed that \$733 million could be saved from the EPA's wastewater treatment grants. He called it a program that doesn't work or is no longer needed. That was nothing but a slick deception.

You see, his deficit-stimulus package included \$845 million in new wastewater funds. The administration never intended to save the money; they simply did not want to pay for it; they wanted to add it to the deficit. Now, with the phony stimulus bill dead, the President faces the prospect of living with his own proposal to cut the money—living up to his words. Yesterday Carol Browner was backpedaling fast. This was just another ploy to fool the taxpayer. The President's "trust deficit" just gets bigger.

AMERICAN JOBS TO MEXICO

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

Mr. TRAFICANT. Mr. Speaker, Japan, China, Taiwan, and even Europe have come out in support of NAFTA, the free-trade agreement, including Mexico.

Think about it. Even our dog-eat-dog competitors just want us to do so well in the future, they all say that it is

going to create hundreds of thousands of new jobs.

I agree, Mr. Speaker, new jobs in Mexico for Mexican people.

It will also allow Japan and Germany to build factories down there, hire people at 50 cents an hour. They will not have to invest in America, and then truck their products across the border, pushing our workers out of work.

Beam me up, Mr. Speaker. When our competitors agree with the Congress of the United States about what we are trying to do about jobs, that says it all.

THE BTU TAX

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

Mr. HUTCHINSON. Mr. Speaker, it was once said that, "No man's life, liberty and property are safe while the legislature is in session." As our taxes are raised in the backrooms of the Ways and Means Committee, those words are once again proven true.

□ 1420

Mr. Speaker, it is sad that tax bills can be written with no Republicans present, no media present, and no sunlight present. The Btu tax is unjustified and will hit the American taxpayers not once, but many times over.

But the real issue here is the secrecy in Government. As with most muggings, this one will also have no eyewitnesses. The Btu tax is not even being raised in sight of the American public that it will hurt. Instead, the Democrat leadership has judged it necessary to raise this particular tax behind closed doors.

The public has the right to know what their Representatives are doing for them, or in this case, to them. With regard to raising taxes and the freedom of information, the Democrat leadership has decided that when we have one, we cannot have the other.

CALLING FOR INVESTIGATION OF ATTEMPTED ASSASSINATION ON FORMER PRESIDENT BUSH

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

Mr. TORRICELLI. Mr. Speaker, on more occasions that I can recall in this century the United States has been called upon to defend our interests. From battlefields to negotiating tables we have demonstrated the lengths to which we will go to ensure that our interests are defended. Never, however, have we had to demonstrate our particular revulsion for the cowardice with which we regard those who would assassinate our political leaders.

Mr. Speaker, that question now arises because of allegations that the Iraqi intelligence services may have

contemplated, even attempted, to assassinate former President George Bush during his visit to Kuwait.

It is time, Mr. Speaker, for the Kuwaiti intelligence services to reveal all that they know, time for this division to conduct investigations at the highest levels, and then it is time for this Government, if these allegations are proven to be true, to unleash the real wrath of the United States Government, as it has never been unleashed before, upon Saddam Hussein if he genuinely attempted to assassinate the former President of the United States.

EARTH SUMMIT MOVES TO LOUISVILLE

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

Mr. MAZZOLI. Mr. Speaker, as we remember, last year the nations of the world gathered in Rio de Janeiro, Brazil, for the Earth summit to discuss, in a conference, all of the global strategies for sustainable development or sustainable growth. These are policies which sustain the health of the environment and which at the same time promote economic growth.

Now those global strategies need to be translated into State and local action. And, later this month in my hometown of Louisville, under the auspices of Gov. Brereton Jones, we will have a conference exactly entitled: "From Rio to the Capitols: State Strategies for Sustainable Development."

Mr. Speaker, I think that from this conference will come many environmental and economic growth ideas that are feasible to be undertaken at the State and local level.

Our main speaker will be the Vice President. Vice President AL GORE will be the keynote speaker at that conference.

Once again, Mr. Speaker, it is now time to translate from the global level to the local level steps that we may take to maintain and sustain our environment and at the same time enhance economic growth.

INTRODUCTION OF THE REGULATORY REFORM AND RELIEF ACT

(Mr. TAYLOR of North Carolina asked and was given permission to address the House for 1 minute.)

Mr. TAYLOR of North Carolina. Mr. Speaker, today, I and other Members of Congress introduced the Regulatory Reform and Relief Act. The purpose of the act is simple. It will require any rule or regulation promulgated by a Federal Agency to be approved by both Houses of Congress and signed by the President before the regulation can take effect.

Direct and indirect costs of Federal regulations are almost \$17,000 per household—twice the average household Federal tax burden.

In my office today, we are working on a regulatory snafu that may cost the apple farmers of my district between \$20 and \$30 million and thousands of jobs. In another part of my district we are trying to unsnarl regulations that are stopping the salvage of downed timber in a national forest in Graham County where unemployment is 30 percent. Few Members of Congress realize the damage being done by regulations flowing from legislation passed by this body. We are relinquishing our responsibility for creating the laws of this Nation to nameless, faceless and unaccountable bureaucrats.

Mr. Speaker, I urge my colleagues to join me in sponsoring this needed legislation.

TERRITORIAL AMERICANS SHOULD BE ALLOWED TO VOTE IN PRESIDENTIAL ELECTIONS

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

Mr. DE LUGO. Mr. Speaker, today I introduce a measure that would end the exclusion of 4.6 million American citizens from Presidential elections simply because they happen to live in a U.S. territory. Today I call upon my colleagues, Republicans and Democrats alike, to join me and the bill's 27 original cosponsors on this issue that goes to the heart of who we are as a nation. This is an effort I first made in 1973, Mr. Speaker. I made another in 1985, and another in 1987. This is my fourth attempt, and it is my hope that a fifth will not be necessary.

I urge all of my colleagues to defend my right—and that of millions of other patriotic American citizens—to vote for our President, just as we have fought for the rights of the voteless in Cuba, China, South Africa and a host of nations around the world.

Mr. Speaker, the same territorial Americans denied the vote today would be allowed to vote were they to simply move to the mainland. So, clearly, we are not being denied the vote because of who we are, but because of where we live. Our exclusion from this most precious expression of citizenship therefore reflects, not a problem of principles, but one of logistics. And this is one logistical problem, Mr. Speaker, that can and must be fixed.

I thank the 27 Members who have joined me as original cosponsors, and I am making a personal appeal to all of my other colleagues to join us in this assertion of the time-honored American ideals of fair play and justice.

Mr. Speaker, I would be remiss if I did not remind everyone that American citizenship has brought territorial

Americans many a lonely death on many a distant battlefield because our citizenship brings with it the responsibility to fight and die in defense of our country. This we accept willingly. This responsibility needs to be balanced by a very basic right, the right to vote for the man or woman with the power to send us to those distant battlefields.

Democrats and Republicans can agree, I am sure, that this is not too much to ask.

HYPOCRISY AT 1600 PENNSYLVANIA AVENUE

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

Mr. HEFLEY. Mr. Speaker, when he asked the American people to sacrifice, Mr. Clinton vowed to lead the way. He promised to set an example by cutting the White House staff to 408 people, a reduction of 25 percent. It sounded good. Has he done it? Not a chance.

In fact, on March 30, the number of White House employees stood at 512. On May 6, the number was 527. And now, Mr. Speaker, the White House is asking for an additional 100 to 200 warm bodies in its 1993 supplemental appropriation request. So much for sacrifice.

The American people are quickly catching on to this nonstop White House hypocrisy. This administration tells you one thing. They do another. They ask the taxpayers to sacrifice. And they feather their own nest at taxpayer expense.

It is time to stop the hypocrisy. It is time to start keeping those campaign promises to the American people. It is time to cut the White House staff.

EQUITY FOR CONGRESS

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

Mr. KLINK. Mr. Speaker, today I am introducing a bill—along with more than a dozen Democrat and Republican cosponsors.

The Equity for Congress Act will remove the perceived barrier between Congress and the people it serves. Equity for Congress mandates that Congress comply with basic civil rights, health, safety, and labor laws.

This idea has garnered widespread support that transcends political parties and ideologies. In fact, it has been endorsed by both the Democrat and Republican freshman classes.

Equity for Congress proves to our constituents that we are devoted to real change by establishing an administrative action policy. Any employee of the U.S. Congress can be brought to answer for their actions just as any other private citizen would for breaking the

laws we mandated in the Civil Rights Act, National Labor Relations Act, Fair Labor Standards Act, Occupational Safety and Health Act, and Family and Medical Leave Act.

I realize this may raise separation of powers concerns for some of you, but I will leave you with these thoughts: How many Americans would favor legislation that prohibited undesirable acts in the workplace and subsequently empowered management to set up a panel to hear and dispose of complaints from workers? I suspect none.

Second thought: When Congress decides to play prosecutor, judge and jury through in-house enforcement of laws, this is when we have a serious separation of powers issue.

I urge you all to cosponsor the Equity for Congress Act and show your constituents that our campaign promises for reform in Congress were not just a facade.

□ 1430

WHITE HOUSE STAFF CUTS TURN INTO INCREASES

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

Mr. BOEHNER. Mr. Speaker, President Clinton promised in January that he was going to cut the White House staff by 25 percent. He traveled around the country spreading his word of sacrifice to the American people. He made the American people believe that he was willing to cut his staff to save money and balance the budget, just like all the businesses around the country are having to do.

But now it seems that the President has changed his mind, once again. He has asked the Appropriations Committee for an additional \$7.5 million for the White House budget, which includes \$2.7 million for temporary staff. I understand that much of this money is to fill the 20 open positions in the correspondence area. Those 20 open positions are the people he fired in January during his so-called 25 percent cut-back.

Mr. Speaker, what is going on at the White House? We hear President Clinton make a promise one day, and then turn around and go back on his word. He is not cutting back any staff at the White House—in fact, he is increasing it. The American people will not be fooled. This is hypocrisy at its worst. Bigger taxes, more spending, and a bigger Government; that is what President Clinton really wants.

CLINTON SEEKS ECONOMIC CHANGES, BUT PARTISANSHIP REMAINS A PROBLEM

(Mr. RICHARDSON asked and was given permission to address the House

for 1 minute, and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, the reason there is so much noise on the other side opposing the President is because this President wants to change things. He is taking on the status quo and the special interests.

In the coming days Congress is going to decide on his plan for economic growth. The President's plan cuts the deficit by \$500 billion in 5 years. It cuts wasteful spending. It cuts 200 specific projects. Seventy percent of all revenue measures are going to bear on the wealthiest 5 percent of all Americans. This is why the other side is so concerned. This President wants change and the American people want change, so we have a battle of the narrow interests against the national interest.

Mr. Speaker, the American people voted for change. Let us give the President a chance. Let us move ahead on the reconciliation package and stop the partisanship that is hurting this country.

BOSNIA, ANOTHER VIETNAM?

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

Mr. INGLIS. Mr. Speaker, I rise today to urge my colleagues to be very, very cautious about entering the Bosnia conflict. I am very, very hesitant to have us send ground troops to Bosnia or to Macedonia because I fear it could easily become another Vietnam. Military leaders, particularly those in South Carolina, tell me there are two considerable differences between the Persian Gulf, where we were very successful, and Bosnia.

The first is that it is a civil war, a centuries-old conflict that has not been resolved by warring factions, and the second is that there is a real opportunity here to get mixed up with the enemy all around us. Just like in Vietnam, there are hamlets surrounding enemy villages as well as those that are friendly villages. The result is that the enemy is all around us.

For those reasons, I think we should be very, very hesitant to enter the Bosnian situation. If the warring factions in Bosnia have not been able to work out their differences in the centuries that have passed, how in the world do we in the United States of America think we can enter the situation, fix it quickly, and then come home. I fear it will not happen.

INTRODUCTION OF LEGISLATION TO AUTHORIZE A FINANCIAL ASSET SECURITIZATION INVESTMENT TRUST

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

Mr. HOAGLAND. Mr. Speaker, yesterday I introduced H.R. 2065, that is intended to extend the economic benefits that were created when Congress enacted the REMIC provisions of the 1986 Tax Reform Act. This new legislation would authorize a new tax vehicle for the securitization of loans, called a financial asset securitization investment trust or FASIT. While REMIC was limited to mortgage loans and designed with mortgage loans in mind, the FASIT legislation is designed to accommodate the securitization of a much wider variety of debt obligations.

As REMIC has shown, securitization works. Mortgage securitization has increased the availability of mortgage credit, decreased its cost, made mortgage loans more liquid in the hands of their owners, and broadened the universe of actual and potential providers of mortgage credits. It is my hope and expectation that modernizing the tax rules applicable to nonmortgage asset-backed securities will provide similar benefits for many more types of loans.

With securitization, the private financial markets will be able to make more loans. In addition, by facilitating the issuance of more efficient asset-backed securities we will be contributing to more diversification and liquidity in the Nation's financial markets. And, to the extent more efficient securitization acts as an alternative to increased reliance on governmental guarantees, we will be enhancing the availability of credit without increasing the potential demands on the FDIC and other agencies.

A detailed explanation of the technical provisions will be made available to any Members that may be interested.

DRUG USE OUT OF CONTROL—PASS A CRIME BILL NOW

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

Mr. RAMSTAD. Mr. Speaker, the Department of Justice last week released a report on the impact of drug use on crime in this country.

The numbers are startling. In 1990, more than 3 out of 4 jail inmates admitted using illicit drugs; more than 50 percent of criminals voluntarily tested for drug use tested positive; and offenders under the influence of drugs committed more than 336,000 violent crimes.

The point is clear: there is a high correlation between drug use and violent crime—with 85 percent of violent crime linked to drugs—and the number of hard-core drug users continues to increase.

Yet we haven't heard a word from the Clinton administrator on a crime bill.

Mr. Speaker, the President promised in the St. Louis debate on October 11,

"The crime bill will be one of my highest priorities next January if I become President."

Mr. Speaker, it is now the month of May—and still no word on any crime legislation. If the President gave the crime bill the same priority as gays in the military, we would now be holding hearings on a crime bill. Let's get to work now to pass a strong and comprehensive crime bill that includes drug treatment and education, as well as the death penalty for the most heinous crimes.

The victims of crime in this country deserve nothing less.

A TRIBUTE TO MANUEL LUJAN, JR.

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

Mr. SCHIFF. Mr. Speaker, I rise today to pay tribute to a great New Mexican and a great American—Manuel Lujan, Jr.

After serving 20 years in the Congress of the United States—in the seat that I am now proud to hold, Manuel planned to retire to private life back in his native New Mexico in 1988. But then he received a call from the new President, George Bush, who summoned him to the White House and asked his old friend and colleague to assume the role of Secretary of the U.S. Department of the Interior in the new administration.

During his 4 years as trustee of America's public lands, Manuel combined compassion and integrity with a commitment to balance, to conservation and wise management of this Nation's precious natural resources.

He distinguished himself as a great leader who was willing to listen to all sides, and one who always tried to do what was right for his country and its people. All of us are grateful for his dedication, his sacrifice and his service.

During his two decades of service in the House of Representatives, Manuel was known for his concern for the plight of each and every one of his constituents. He never forgot the common man, or his own roots in the land of enchantment. He will always be remembered for the tenacity with which he fought against wasteful government spending and for the value he placed upon every single tax dollar paid into the U.S. Treasury. Manuel also established the endowment for Excellence in Education, which continues today to provide scholarships to New Mexico college students.

From your many friends and admirers in New Mexico and across the Nation—including myself—please accept our sincere thanks for all you have done for all of us, Manuel, during a lifetime of public service. We are pleased and proud to have you back in New

Mexico full-time and we wish you what you have always fought for, for all of us—the very best of everything.

So it is on this day, your 65th birthday, that I pay tribute to you for all of the citizens of our State and country. Muchas Gracias, Manuel.

PRESIDENT CLINTON'S RECIPE FOR DUPLICITY

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

Mr. SMITH of Texas. Mr. Speaker, we are witnessing the sight of the chef fleeing the heat of his own kitchen as President Clinton goes back on the campaign trail in the Midwest. Main course campaign promises have gone up in smoke—going from a middle-class tax cut to a tax hike on everyone, from no gasoline tax to a tax on all energy.

However, a new concoction is Chef Clinton's masterpiece. Just a few short months ago President Clinton announced with great fanfare a staff cut he called the biggest, as far as I can tell, in the history of the Republic, certainly in the 20th century. He said "We in government cannot ask the American people to change if we will not do the same."

It sounded new then, but today we find it is simply another recipe for duplicity. Instead of cutting staff, they are growing staff: Their target goal was 408; in March the level was 512; today the level is 527 and they are now asking Congress for 100 to 200 additional positions.

Maybe Chef Clinton should quit trying to disguise the fact that the administration is slinging the same old hash of more government, more spending, and more taxes and instead try a new menu.

WORK BEGINS ON BIG CLINTON TAX INCREASE

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

Mr. GRAMS. Oh where, oh where have the Democrats gone? Off raising taxes, all alone.

Mr. Speaker, somewhere, and no one knows exactly where, the Democrats on the House Ways and Means Committee are huddled together in secret, drafting the largest tax increase in American history.

No wonder they're hiding.

Their candidate for President, Bill Clinton, promised the American people he wouldn't raise taxes on the middle class. In fact, he said he would cut taxes.

Now, the President's gone back on his word, and the dirty work of passing the huge Clinton tax package has begun.

I know why the Democrats are hiding. It's because they're ashamed. Ashamed to admit that their President mislead the American people. Ashamed that they lack the courage to control Federal spending. And ashamed to tell the American people that they are going to take more of their hard earned income.

Well, Mr. Speaker. They say if you tax something, you get less of it.

If that's true, maybe we should tax dishonesty, broken promises, secret meetings, and back door dealings in Washington.

If we did, one of two things might happen: We might get better Government, or we'd balance the budget. Either result would be good for a change.

□ 1440

IT'S TIME TO DO SOMETHING ABOUT WASTE

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

Mr. STEARNS. Mr. Speaker, since 1978, the General Accounting Office has written 15 reports telling Congress that Federal agencies are not listening to auditors. This year, the GAO needed four volumes to list its 2,334 unresolved recommendations.

The most recent report on this matter from the GAO states that recommendations that could have saved the taxpayers approximately \$15 billion were ignored by agencies of the Federal Government.

Every member of this House can think of a better use for \$15 billion than being wasted in the Federal bureaucracy, reducing the deficit, for example. And this waste is particularly unacceptable at a time when Congress and the administration are proposing the largest tax increase in the Nation's history.

For the last two decades, Congress has taken several steps to legislate some accountability into Government agencies, but had little success.

Nearly every major financial disaster or scandal in the Federal Government during the last decade was preceded by years of warnings from the GAO or the inspectors general. The GAO in 1985 warned of major financial problems in the Government fund to protect savings and loans. The S&L fund collapsed 4 years later at a cost now estimated at more than \$150 billion.

The reason is that these agencies have no incentive to implement internal reforms and save taxpayers money. That's why I believe the time has come to give our Federal agencies the best incentive to save of all—necessity.

Next month, we will begin the process of passing the annual appropriations bills, Congress should look at the GAO's recommendations, and make

mandatory cuts in the budgets of those agencies that refuse to cut waste.

ACCOLADES TO NEW JERSEY CARRIERS

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

Mr. FRANKS of New Jersey. Mr. Speaker, I rise today to praise the letter carriers in my State of New Jersey who are planning to participate in a Nationwide food drive this coming Saturday, May 15.

In the past, various branches of the National Association of Letter Carriers have held their own, local food drives, usually in the fall. But this year, their union has made the decision to go national with this effort and to hold it in the spring—when the stocks of the community food banks are beginning to run down after the holiday buildup.

I take the floor today to urge all of my constituents with participating branches—from South Plainfield and Woodbridge to Edison and Short Hills—to contribute to this food drive by leaving nonperishable food in their mailboxes this Saturday. It's a simple action that helps your local community help others.

And I especially want to salute the community spirit of all the New Jersey letter carriers helping out with this fine project.

INTRODUCTION OF RESOLUTION URGING REDIRECTION OF FOREIGN AID PROGRAM

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

Mr. BEREUTER. Mr. Speaker, today this Member, together with the distinguished gentleman from Ohio [Mr. HALL] is introducing a concurrent resolution urging the President and Congress to reform the U.S. foreign aid program to make it responsive to the post cold war environment.

We are joined by the following 19 distinguished colleagues from both sides of the aisle as cosponsors: the gentleman from New York [Mr. GILMAN], the gentleman from Connecticut [Mr. GEJDENSON], the gentleman from Maryland [Mr. MFUME], the gentleman from Minnesota [Mr. PENNY], the gentleman from Massachusetts [Mr. FRANK], the gentleman from Florida [Mr. HASTINGS], the gentleman from Michigan [Mr. HOEKSTRA], the gentleman from New York [Mr. ACKERMAN], the gentleman from Indiana [Mr. MCCLOSKEY], the gentleman from California [Mr. EDWARDS], the gentleman from Minnesota [Mr. OBERSTAR], the gentleman from Florida [Mr. DEUTSCH], the gentleman from New Jersey [Mr. TORRICELLI], the gentlewoman from Georgia [Ms.

MCKINNEY], the gentleman from New Jersey [Mr. PAYNE], the gentleman from Massachusetts [Mr. MEEHAN], the gentleman from Ohio [Mr. FINGERHUT], the gentleman from Missouri [Mr. WHEAT], and the gentlewoman from Hawaii [Mrs. MINK]. Our resolution would call for a specifically described redirection of our foreign aid program to an emphasis on sustainable development, and in particular, the reduction of hunger and poverty in environmentally sound ways.

This Member would like to emphasize that this resolution does not call for increased foreign aid spending. Rather, it simply calls for shifts within the existing budget so that more funds meet sustainable development and humanitarian needs.

Sustainable development must be brought to the top of the world agenda, for both humanitarian and economic reasons. Promoting long-term development that both reduces poverty, attacks hunger, and protects the environment will help prevent costly famines in the future. It will also enhance global stability by addressing conditions that lead to social tension and violent conflict.

Redirecting our assistance programs toward sustainable development makes economic sense. Raising the living standards of low-income people abroad should promote United States and global prosperity. Modest levels of carefully directed assistance can help to create markets for U.S. products. And, by promoting patterns of development that truly enhance self-reliance, the goal of reducing the need for foreign aid will eventually be achieved.

Mr. Speaker, over the years our foreign assistance program has become an unmanageable tangle of conflicting objectives. It is time to get back to basics and promote a commonsensogram of sustainable development. This legislation does just that.

Mr. Speaker, Members are encouraged to consider a "Dear Colleague" letter which they will receive with details on this legislation and are encouraged to become cosponsors.

A "NO" VOTE URGED ON COMPETITIVENESS BILL

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

Mr. KIM. Mr. Speaker. Today we are asked to vote on a competitiveness bill which adds \$1½ billion to our deficit over the next 2 years.

When are we going to learn that we do not get more competitive by going deeper and deeper into debt?

If we want to do something about competition then our current administration needs to drop their plan to create an energy tax. Because new taxes mean higher prices which means we are less competitive.

This great country of ours will only become more competitive by lowering prices and raising productivity.

Neither of these will ever be accomplished by burying business in more taxes and more regulations. Please join me and vote no on this bill because it will not help us compete with anyone but the tax collector.

EMPLOYMENT UP AT WHITE HOUSE

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

Mr. ISTOOK. Mr. Speaker, soon the House will vote on another supplemental appropriations bill, to give millions more to the Clinton White House for this year's budget.

You heard right. President Clinton says he needs more staff, and more money, and he needs them right now.

This is the same President who travels the country, telling folks he has cut the White House by 25 percent. He says it's a done deal. But that is just not true.

A month ago his assistant admitted to me that the White House was up to 512 employees, way more than the 408 promised by the President. But they promised the number would be going down, week by week.

Now, last week, Clinton's people admitted to me that the White House staff is up again, not down—up to 527 employees—even further above the promise of 408.

I know Bill Clinton promised to put people to work. I did not know he intended to hire them all at the White House.

CHAMBER OF COMMERCE JUMPING SHIP FROM S.S. CLINTONOMIC

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

Mr. SAM JOHNSON of Texas. Mr. Speaker. The U.S. Chamber of Commerce, aboard the sinking S.S. Clintonomic, finally jumped ship. The chamber's opposition to the Clinton economic plan should send a message to the White House—this plan won't float.

You know, the administration and the Democrats in Congress still think the Clinton plan will work. They just don't get it. They'll tax and spend—and regulate without end—and tell American businesses to just sink or swim.

Mr. Speaker, I applaud the U.S. Chamber for realizing what some of us have known all along—Americans still don't want, don't need, and don't deserve new taxes.

COMMITTEE ON WAYS AND MEANS DELIBERATIONS REMAIN CLOSED

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

Mr. POMBO. Mr. Speaker, last week, the Ways and Means Committee started meeting to write a huge bill, full of new taxes. Hundreds of billions in new taxes. That's right, hundreds of billions.

You may have missed the story on the evening news, there probably wasn't one. Why is this? Because the first thing the majority did was note to close the markup to the taxpaying public and the press. They kicked everyone out and locked the door.

This week, the Democrats have taken their policy of inclusion one step further, now they have kicked out the Republican Members of Congress. Today they are holed up somewhere in the Capitol writing the largest tax bill in the history of the United States. Alone, no taxpayers, no press, no cameras, and no Republicans.

Then next week they are going to bring that bill down to the floor of the House and wring their hands and moan about the lack of bipartisan spirit in the House. They are going to talk about gridlock.

Didn't they learn their lesson a few weeks ago when they passed a \$16 billion pork spending bill without bipartisan support and the bill failed in the Senate?

Didn't they learn when the American people demanded that Hillary Rodham Clinton's secret health care task force be opened up as the Federal open meetings law requires?

Didn't they learn when the House bank scandal dragged on and on because the majority kept voting not to release any information to the public.

The House must open up and let the taxpayers see what is going on.

THE PRESIDENT'S BROKEN PROMISE TO CUT THE WHITE HOUSE STAFF BY 25 PERCENT

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

Mr. CASTLE. Mr. Speaker, America is always a land of promise in an election year. However, President Clinton's promise to the American people to cut the White House staff by 25 percent has not been fulfilled.

In reality, the President's plan to trim jobs represents a mere 10 percent cut in the White House staff. There is also a lot of smoke and mirrors and creative budgeting clouding the President's supposed staff reduction.

What is worse, this small staff reduction will not even save taxpayers money. Instead, according to the President's fiscal 1994 budget proposals,

spending by the White House will increase by some \$4 million.

Mr. Speaker, voters are tired of broken promises. They are tired of politicians spending half their time making promises and the other half making excuses.

Let us clear the smoke, shatter the mirrors, and play by sound fiscal rules. The President's pledge to cut the White House staff by 25 percent can still be achieved—it simply will require some tough decisions on where to cut.

In addition, Congress should shrink the size of its bloated staff by cutting the number of committees and subcommittees.

The rallying cry from main street to Wall Street is to reduce the size of the enormous Federal budget deficit. The American people want a leaner, more efficient and responsive Federal Government—not more of the same bloated bureaucracy from one end of Pennsylvania Avenue to the other. Mr. Speaker, I urge the White House and Congress to start this process by cutting their own budgets and staffs.

□ 1450

A LANGUAGE PROBLEM AT THE WHITE HOUSE

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

Mr. WALKER. Mr. Speaker, the Clinton White House has a severe language problem. In politically correct jargon, they might be referred to as definitionally challenged.

They say the words, but they do not know what they mean.

For example, they say, "We want to reduce taxes on the middle class," and then they propose to increase taxes.

They say, "We will reduce the deficit," but then the deficit goes up the next year.

They say, "We will reduce Government spending," but then they propose to increase it.

They say, "We will cut the White House staff by 25 percent," but then just last week they came to Capitol Hill and asked for more money so they can employ more people than worked for George Bush.

Contributions are taxes. Higher taxes are spending cuts. And patriotism is something that gets measured at the Congressional Budget Office.

George Orwell's vision of a frightening future was when those in power rendered words meaningless by changing their definition to meet a political test rather than reflect reality.

George Orwell, meet the Clinton administration.

ATROCITIES WORLDWIDE

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

Mr. BURTON of Indiana. Mr. Speaker, a horrible thing is going on in Yugoslavia, and the world knows about it because we see it on television every day and every night. But equally horrible things are taking place in other parts of the world, and the world does not even know about it. The media never reports about it.

We, as a government, need to do something about these things. We need to put pressure on the governments that are bringing about these atrocities, that are raping women, that are killing children and bringing about horrible things in these countries.

One of these countries is India. In the northwestern part of India in Kashmir, people are being raped, killed, murdered, put in jail for long periods of time without any trial, without any judicial procedures.

The same thing is happening right next door in Punjab, and now we find out today in Sudan, in Sudan they are kidnaping children and women and putting them into slavery.

The Government of Sudan is killing people. They are murdering large numbers of people, masses of the population, and they are putting people into slavery.

In this day and age, that is something we as a government cannot tolerate.

Mr. Speaker, I urge this administration, this House, and the Senate to do everything in our power to focus public attention on this so that these atrocities will stop.

THE CONSEQUENCES OF BIG GOVERNMENT

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

Mr. DUNCAN. Mr. Speaker, when government gets too big, a few benefit while many suffer. When government gets too big, the wealthy and powerful and influential get the goodies, while the average person gets the crumbs, if anything at all.

There are so many examples of Federal waste and inefficiency, favoritism and cronyism, that it is almost unbelievable.

One example of this is a dam that the city of San Francisco has in the Yosemite National Park. This dam provides San Francisco with a great deal of water, huge amounts of water, and hydroelectricity on which the city makes a profit of \$26 million each year.

San Francisco pays \$30,000 year to make this \$26 million.

The American taxpayers are really being ripped off by this deal. The city's fee has not gone up for 60 years.

Is it any wonder that the Federal Government continues to lose almost \$1 billion a day, when it agrees to deals like this?

Unless and until we reduce the size of our Federal Government, huge

amounts of taxpayer funds will continue to be wasted. And we will never even come close to getting out of debt.

NATIONAL COMPETITIVENESS ACT OF 1993

The SPEAKER pro tempore. (Mr. MONTGOMERY). Pursuant to House Resolution 164 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 820.

□ 1454

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 820) to amend the Stevenson—Wylder Technology Innovation Act of 1980 to enhance manufacturing technology development and transfer, to authorize appropriations for the Technology Administration of the Department of Commerce, including the National Institute of Standards and Technology, and for other purposes, with Mr. HEFNER (Chairman pro tempore) in the chair.

The CHAIRMAN pro tempore. (Mr. HEFNER). When the Committee of the Whole rose on Thursday, May 6, 1993, title III was open for amendment at any point.

Are there further amendments to title III?

AMENDMENT OFFERED BY MR. WALKER

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

The Clerk read as follows:

Amendment offered by Mr. WALKER: Page 56, after line 19, insert the following new section:

SEC. 324. RECOUPMENT.

Section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n) is amended by adding the following new subsection:

(1)(1) Not later than 180 days after the date of enactment of this subsection, the Secretary shall establish procedures and criteria for recoupment in connection with any project, for which a grant, contract, or cooperative agreement is made under this section, which has led to the development of a product or process which is marketed or used.

(2)(A) Except as provided in subparagraph (B), such recoupment shall be required as a condition for award and be proportional to the Federal share of the costs of such project, and shall be derived from the proceeds of royalties or licensing fees received in connection with such product or process.

(B) In the case where a product or process is used by the recipient of the financial assistance under this section for the production and sale of its own products or processes, the recoupment shall consist of a payment equivalent to the payment which would be made under subparagraph (A).

(3) The Secretary may at any time waive or defer all or some of the recoupment requirements of this subsection as necessary, depending on—

(A) the commercial competitiveness of the entity or entities developing or using the product or process;

(B) the profitability of the project; and

(C) the commercial viability of the product or process utilized.

Amend the table of contents accordingly.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, this is an amendment that I am offering today as a consensus amendment that we have gotten some cooperation and has been accepted by the majority, and I am pleased that that is the case.

It was somewhat controversial when it was before the committee. I think now we have it worked out, and it is going to be something which we will be able to do fairly easily on the floor.

During the last Congress this Committee, in the full House, adopted a very similar kind of concept. It was dropped only at the last minute of the first session at the request of the Senate in order to get a clean level funding bill, which became Public Law 102-245, the American Technology Preeminence Act.

But the concept itself, which is to pay the taxpayer back for his or her investment, is, to my way of thinking, a sound concept.

If we are going to put the taxpayer at risk, as we do in many sections of this bill, then at the very least, they ought to expect a fair return for the money that is invested.

I am not so certain that this whole idea of putting taxpayers' money into venture capital, which puts it at risk, is a good idea to begin with. That is not the way that we are going to improve the economy.

But if that is the route we are going to go, then at the very least we ought to be assured that the taxpayer is going to get some money back, particularly if some of these companies become highly profitable.

I am simply not one who is willing to tell the American people that they deserve no consideration for their trouble of such kinds of investments. And for the argument that this idea of recoupment is not workable or too complicated or cannot be done, let me say that we already have this kind of concept in place.

The language is very similar, the language approved by both Houses and signed into law as part of last year's national energy bill. And this was done for the coal research and development branch, which is quite similar in scope to the ATP grants that we are talking about here. There is a similar requirement that affects the Defense Department. So this is something which we have found useful and workable before.

I think we have gone even one step better here in going back to a concept that we had several years ago of using royalties as part of this.

Last year, when we did the ATP bill, we found out that royalties were something that they wanted to drop, and so we came up with a different kind of recoupment.

Now the majority has come to us, and in particular the gentleman from New Jersey [Mr. KLEIN] has been very helpful in this regard, has come to us with a suggestion that we ought to include that. And we have come up with some language.

I have to say, I am very pleased with the consensus language. I think it is good language, and I congratulate the gentleman from New Jersey [Mr. KLEIN] and others on his side who worked on this and thank them for their support and contributions to the provision.

I think we have come up with something which is better than the original amendment I planned to offer. I think that it meets the demands that I had for this particular program, and that is, we get some taxpayer recovery. And I think the fact that we have been able to work out a consensus on it means that we have a good chance to preserving it through the process.

So again, I would say to the gentleman from New Jersey [Mr. KLEIN], who has been someone who has provided some leadership here, I thank him for his contribution. And I think that the language is some for which the committee can be proud of its work.

Mr. VALENTINE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we appreciate the work of the gentleman from Pennsylvania [Mr. WALKER], and the work of the gentleman from New Jersey [Mr. KLEIN].

I rise in support of this amendment and agree with its underlying principle, that taxpayers should be reimbursed if a company makes a substantial profit on Government-funded research. However, we should not forget that recoupment has been tried before with the Advanced Technology Program and was terminated at the request of the previous administration because of its complexity and the burden it imposed on our high-technology innovators and on the bureaucracy.

We now have a letter from the Secretary of Commerce expressing reservations with this amendment; therefore, as this bill continues to move through the legislative process, I feel that we should work with the administration to assure that it will be acceptable to the President.

□ 1500

Mr. Chairman, I yield to the gentleman from New Jersey [Mr. KLEIN].

Mr. KLEIN. Mr. Chairman, I want to thank the gentleman from Pennsylva-

nia [Mr. WALKER] for his kind words, and for taking time to examine my proposals for recoupment.

This amendment is offered in the spirit of bipartisanship. I concur with its worthy objectives of the gentleman from Pennsylvania in his effort to recoup some of the Federal support provided under the ATP. I am pleased that gentleman saw fit to adopt many of the procedures for recoupment that I had originally planned to offer as a substitute.

This compromise language removes many of the costly recordkeeping requirements for both the grant recipient and the Government. Detailed records of revenue and costs would have led to administrative costs that would in many cases exceed the return.

Also, grant recipients who invent products that turn out to have little or no commercial value would have been required to repay the same amount as those who invent products of great commercial profitability. This runs counter to the essential purpose of the grants to give incentive and encouragement to cutting edge research and I am pleased that we were able to remove this stipulation.

The royalty approach offered here achieves the goal of recoupment, but carries with it none of the problems of a loan. It enables the Government to realize a return on the grant whose commercial success is achieved. The revenues obtained will go back to the Treasury and can be used to fund future research grants.

The Director of NIST will have the flexibility to determine what is an appropriate royalty in light of the commercial profitability of the invention and to forgo a royalty if the imposition of a royalty would deter research in any given situation.

Once again, I want to thank the gentleman for embracing the concepts I had put forth and, in the spirit of bipartisanship, I urge all Members to support the amendment before us now.

The CHAIRMAN pro tempore (Mr. HEFNER). The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title III of the bill?

AMENDMENTS OFFERED BY MR. CALVERT

Mr. CALVERT. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

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

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. CALVERT:

Page 56, line 20, through page 98, line 14, strike subtitles C and D.

Page 3, amend the table of contents by striking the items relating to subtitles C and D of title III.

Page 125, lines 8 through 15, strike paragraphs (1) and (2).

Page 125, lines 16 and 21, redesignate paragraphs (3) and (4) as paragraphs (1) and (2), respectively.

Page 126, lines 1 through 7, strike "Of the amounts" and all that follows through "administrative expenses."

Mr. CALVERT (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

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

There was no objection.

Mr. CALVERT. Mr. Chairman, my colleague the gentleman from California [Mr. ROYCE] and I are offering an amendment to H.R. 820—the national competitiveness bill—which would eliminate title III, subtitles C and D.

Mr. Chairman, before I begin, I would like to thank the chairman and ranking members of both the full committee and subcommittee for their efforts on behalf of this bill. I would especially like to thank the chairman, the gentleman from California [Mr. BROWN], the gentleman from North Carolina, Chairman VALENTINE, for arranging an open rule for this bill. This is my first open rule as a Member of Congress. Hopefully, the leadership on the other side will follow this example—it has been 16 years since the Science Committee has brought a bill to the floor without it being considered under an open rule.

These sections establish programs which provide loans and equity financing to small businesses involved in high technology development. These would be administered by the Department of Commerce. They are programs which we believe should be eliminated from this legislation because they are potentially wasteful; they are not supported by the Clinton administration; and they are redundant.

First, they are potentially wasteful.

History has shown that the Department of Commerce has been ineffective in administering recent loan programs. The Department has provided nearly \$1.2 billion in loans over the last 2 decades and not even half of the money has been paid back. If Commerce can't recover its loans, how can we expect it to undertake the potentially more difficult tasks which this legislation seeks to give it?

Second, neither Commerce Secretary Brown nor the Clinton administration wants to assume responsibility for these programs. In his testimony before the Technology, Environment and Aviation Subcommittee on March 22, of this year, Secretary Brown stated:

*** I would like to reserve judgment at this time on the loan and equity financing provisions of title III.

The administration has continued to express concern through the acting general counsel of the Department of Commerce, Carol Darr. Ms. Darr stated in a letter March 24:

*** We are not in a position to support the loan and equity financing provisions of subtitles C and D of title III until (the Clinton administration has) completed a review of technology financing.

Further, on the day of the full committee markup, April 21, a letter was received from Ms. Darr expressing, the administration's "grave concerns about a number of provisions." The administration is "most seriously concerned about the following provisions *** title III, subtitles C and D *** We believe that these provisions will be counterproductive to the achievement of the objectives of H.R. 820, and may have unintended, serious consequences."

Finally, these provisions are redundant, especially the equity financing provision.

I have a letter from the National Venture Capital Association—an association comprised of hundreds of members, which seeks to stimulate the free flow of capital to young companies—just the kind of companies this legislation seeks to help. And this association wants this provisions removed. Why? Because it is redundant. Its provisions are modeled after the SBA's small business investment companies program. Starting a new program will involve tremendous startup costs, will create a new set of regulations and will require that venture capital firms have to deal with two bureaucracies. In addition, we will be dividing the pot of money for these new companies. If we have one program, we make it easier for new companies to apply for funds and we make it most cost effective for the government.

Why is it that business people can so clearly see that avoiding duplication will save money and make it better for all involved, yet Government seems to be the last to realize this?

On Monday, May 3, Chairman BROWN received a letter from the Congressional Budget Office. The CBO estimated that the Government would be providing guaranteed loans of not \$70 million as stated in the bill. In reality, government would be guaranteeing \$696 million. This is \$696 million ripe for fraud and abuse. \$696 million that your constituents and mine are ultimately responsible for. And let's remember—this is investment in companies that the private sector considers too risky to finance. What happens if they fail? The taxpayers will have to bail them out, up to \$696 million.

And that brings me to another very important fact. The administration in its recent budget provided no funding for these sections. The Clinton administration doesn't want to have a mini S&L problem on its hands. Do we? If the administration isn't ready to implement these programs, why authorize the money? Why provide one more excuse for raising taxes on our constituents?

Mr. Chairman, the administration doesn't want these programs. In fact, the administration, again through Ms. Darr, states on April 21, " * * * we are concerned that including authorization for fiscal year 1995 for these programs prejudices the outcome."

And as recently as May 3, in a statement of administration policy from OMB, the administration stated that it "may seek certain improvements to the legislation as it continues through the legislative process." And based on the Commerce Department's previous statements, it is clear this is one change it wants made.

Let us not prejudice the outcome. First, let us give the administration an opportunity to work out its position. Second, let's bring these sections up after the administration has had their opportunity to formulate an opinion, since they have shown no desire to fund these sections now; and finally, let's show our constituents that we are fiscally responsible.

While I support programs that will create jobs—especially in the high technology arena—I can not in good faith support these subtitles in the achievement of that goal. I believe that one of my primary responsibilities to my constituents is to stop wasteful government spending. Let us not spend money for the sake of spending it, but rather wait and use it wisely. Why duplicate an already existing program? The taxpayers do not want duplication, they do not need waste; they want and deserve responsibility.

□ 1510

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

The amendment would strike provisions in the bill that promote business development and entrepreneurial activity in the high-technology sector.

Venture capital and America's entrepreneurial spirit are responsible for many of the great technology innovations and companies in this country. Venture-backed companies create a greater percentage of high-skilled, high-wage jobs than the general population of U.S. companies, and they spend more on research and development than do Fortune 500 companies.

Unfortunately, capital for early-stage technology companies in the United States is disappearing. Data from the Commerce Department show that venture capital for early-stage companies has declined over 80 percent since 1988.

In testimony before our committee, Dr. John Carruthers, the director of research for Intel, stated that:

Since the mid-1980's, our Nation has failed to produce a new generation of technology companies (because of) the alarming and growing inability of American entrepreneurs to obtain seed and venture funding.

The need for action is clear. If we do not respond, many promising new tech-

nology-based companies will suffocate from the lack of adequate capital. The financing provisions in this bill reflect our committee's best judgment on how we can deal effectively with this problem. Others agree.

The American Electronics Association, other industry groups, the States, and early-stage venture capitalists support these provisions.

The sponsors of the amendment argue that these programs should be rejected because the administration has not requested funding for them, they are redundant, and the record of the Commerce Department in administering loan programs is poor. These arguments are misleading and should be rejected.

The administration has not taken a position on these programs. It is continuing to evaluate these proposals and has not requested funding for them in its fiscal year 1994 budget request.

We have accommodated the administration by deferring the effective date of these provisions until fiscal year 1995 to allow them more time to review these programs and to propose changes if necessary.

The bill's venture capital program does not duplicate the SBA's Small Business Investment Company [SBIC] Program. While it was deliberately modeled after the SBIC program, there are significant differences that play to the strengths of the Department of Commerce.

The focus of the program in this bill is early-stage technology investing where the capital shortfall is greatest. The SBIC program is not oriented toward technology. Less than 20 percent of SBIC investments are in technology.

These two programs are not redundant; they are complementary. The bill further avoids potential duplication by allowing the Commerce Department to subcontract program administration to the SBA.

It is true that the Commerce Department had a poor record in administering loan programs during a previous administration. That experience was an isolated event involving the ailing steel industry. That experience, and other similar experiences, led the Congress to pass the Federal Credit Reform Act. Under credit reform, appropriations for credit programs of this type must be made in advance and the amount of credit made available is limited by appropriations. The credit programs in this bill will operate under the guidelines of credit reform. This more disciplined approach will minimize the Government's risk in these programs.

Mr. Chairman, there is a dearth of venture capital in the United States for early-stage technology companies. If we do not respond to this problem, our economy may suffer irreparable harm. We have tried to act responsibly to this problem in this legislation.

The amendment would deny America's high-technology industry the help it desperately needs to bring new technologies to the market and to create the high-skilled, high-wage jobs that will improve living standards for Americans.

I urge my colleagues to encourage and support entrepreneurial activity in the high-technology sector, and to reject the amendment.

Mr. Chairman, I insert for the RECORD at this point a letter signed by Ronald Brown, Secretary of Commerce, wherein it states that the administration does not seek further amendments to this legislation.

THE SECRETARY OF COMMERCE,

Washington, DC, May 12, 1993.

Hon. GEORGE E. BROWN, JR.,
Chairman, Committee on Science, Space and
Technology, House of Representatives,
Washington, DC.

DEAR MR. CHAIRMAN: As stated in the enclosed letter from Director Panetta dated May 6, 1993, the Administration does not seek further amendments to H.R. 820, as reported. Specifically, I want to express the Department of Commerce's concerns about two amendments that may be offered this week.

First, the Department of Commerce opposes the amendment proposed by Mr. Walker which would require the Department to establish procedures and criteria for the recoupment of the Federal share of all ATP projects for a period of up to 20 years after the project has been completed.

The Department of Commerce believes that this amendment would create enormous disincentives to participation, increase administrative costs, and undermine the basic philosophy of the program.

The recoupment model is extraordinarily difficult to apply to a program such as ATP which does not lead directly to the creation of commercial products. Because ATP funds precompetitive, generic technology projects that require large subsequent expenditures by the private sector before a commercially viable product is released to the marketplace, recoupment raises serious problems for determining what relation the ATP award had to the eventual product and the applicant's subsequent expenditure and assumption of risk. Thus, recoupment is not a requirement for other, larger programs supporting dual use or generic technology development, such as ARPA's \$500 million Technology Reinvestment Program.

Recoupment would require burdensome rules, audit procedures, and financial control systems to administer. The amendment would require that these administrative mechanisms be kept in place for twenty years. This would be a tremendous disincentive to private sector participation, and is beyond the capabilities of many small and mid-sized businesses. The mandatory nature of the amendment and its long time period make it impossible to administer effectively.

Because ATP creates breakthroughs in precompetitive generic technologies applicable across a number of industries and leading to the development of a number of commercial products, the taxpayers are compensated by the development of a generic technology that can benefit many industries and yield many products.

Second, the Department of Commerce would oppose any reduction to the FY 1995 authorization level of \$950 million. The au-

thorization levels for FY 1995 provide necessary flexibility for the Administration to plan for the FY 1995 budget cycle which is just getting under way and ensures that all of these programs can at least receive proper consideration. They allow for the orderly growth of important new programs, such as the Advanced Technology Program which the Administration would like to see reach levels of \$750 million by FY 1997. At the same time, they preserve a delicate and judicious balance between these new programs, the orderly growth of NIST's core programs which had received virtually no increases throughout the eighties, and reconstruction of antiquated, inadequate research facilities at Gaithersburg and Boulder.

Sincerely,

RONALD H. BROWN.

Mr. ROYCE. Mr. Chairman, I rise in support of the amendment.

The spend-and-control crowd assumes that bureaucrats can target investments better than private investors in the market. This philosophy ignores the Government's dismal past record.

The venture capital funds would be administered by the Department of Commerce, but in the 1970's, DOC issues \$1.2 billion in loan and loan guarantees, and not even half of that amount was paid back. The taxpayers lost over \$650 million, and loans still carried on the books are of questionable value. For example, the Economic Development Administration at Commerce, which lent \$471 million in the 1970's, and has recovered \$60 million to date, recently sought congressional approval to sell off its bad loans for less than 10 cents on the dollar.

The spend-and-control crowd systematically ignores the venture capitalist's real problems. First and foremost, the problem is limited access to capital. Congress dusts the ashes off the furniture while the house that is set afire burns down, thus a capital gains tax means that in addition to the corporate tax, and the personal tax, the up-and-coming entrepreneur must pay a special tax that punishes him for increasing the value of his enterprise. Under the 1986 tax law, and with the Clinton 10-percent tax surcharge added in, a venture capitalist in Silicon Valley who makes a profit could be hit with a 50-percent Federal and State tax. But if he loses money, he can only deduct \$3,000 maximum against his taxable income.

Thus we come full circle. The Federal Government is the mad doctor who breaks legs and then charges a hefty price for aspirin that do little to relieve the pain.

Yes, there are crucial technologies that can keep America a cutting-edge economic power, and yes, venture capital is crucial to producing such technologies. But the Federal Government, rather than trying to help those it hurts, would be better off not to harm venture capitalists in the first place.

Thus, I ask for an "aye" vote on this amendment.

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

Mr. Chairman, the amendment offered strikes at the very heart of this bill which is to provide financing for early stage venture capital companies.

If we look at the history of what is happening to the manufacturing industry in this country. We see that manufacturing jobs have dropped from 30 percent of the total work force to 15 percent, that the large companies, the Fortune 500 companies are no longer producing jobs, that we must rely on small and medium-size companies, that investment in new and small companies has dropped by 80 percent in the past 5 years, and Germany and Japan spend twice as much on commercial research and development as we do. And then we wonder why we are losing jobs.

Clearly, the answer to our woes lies in improving investment in research and development in the commercial sector and in building up high-technology industries and new companies. The proponents of this amendment argue that private investors will not invest in these companies. That is the very reason why we need new capital.

We have had an array of witnesses from the private sector. Each and every one of them said uniformly that we need more access to venture capital money.

My own personal experience in the period before I became a Member of Congress emphasized that. Time and again I found that venture capital money was just not available for start-up ventures. Indeed, just the other day I had a visit from a group from the electronics industry who said to me that they can create new jobs, that they have the business, that they can sell to foreign companies, and they cannot get the capital to finance their ventures.

Clearly, what this bill does and what the amendment would frustrate it from doing is to fill the breach, to provide venture capital funds. And contrary to what the proponents of the amendment have said, it is not Government that will be making the decisions. It is private industry, private venture capitalists who will be risking their own funds along with Government funds.

□ 1520

Private venture capital will be risking their own funds along with Government funds. They are not going to risk their money unless they think the venture is one that has commercial value and potential for commercial success.

I want, finally, to point out that a number of States have adopted programs of this sort with great success, and clearly we have the opportunity on the Federal level to use the same approach to provide much-needed funds for startup ventures. This is our chance, and we cannot let it pass.

Mr. Chairman, I urge all Members to vote in opposition to this amendment and to preserve the spirit of this very, very important bill.

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

Mr. KLEIN. I yield to the gentleman from California.

Mr. COX. I would like clarification of the point of who controls this investment. Is it not true that, under this bill, the Department of Commerce, which is operated by the 1992 chairman of the Democratic National Committee, will have the absolute power to remove directors of companies in which it invests?

Mr. KLEIN. That is absolutely untrue.

Mr. COX. I believe if you will check the bill, you will find that is true.

Mr. KLEIN. Mr. Chairman, reclaiming my time: The manager of the venture capital companies will be the ones who will be in control of the ventures, control of the management of the companies, will make the management decisions, the investment decisions, and they are going to be making it using Government money, to be sure, but their own money in equal—in proportionate parts at the same time.

Mr. COX. If the gentleman would yield further on that point, is it not likely that the Government would exercise substantial influence over the management of the venture capital firm? It has the absolute right to remove its directors.

Mr. KLEIN. Well, I do not agree with your assumption. The fact is that the Department of Commerce will only have nonvoting stock, and I have never seen nonvoting stockholders have any control over the operation or management of the company.

Mr. COX. The nonvoting stock provision is separate from the provision in your bill that would give the Department of Commerce absolute discretion to remove directors if they felt they were breaching their fiduciary duty.

Mr. KLEIN. Only if they violate the law. I think our experience in the savings and loan industry serves to emphasize the fact that where directors violate the law, we do not want them around.

I think even the gentleman from California would agree with that.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. KLEIN] has expired.

Mr. WALKER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, there are a number of things the House should reflect on as they reflect on this amendment. I think, first of all, it should be noted that when the Members who were in the committee, who were there and listened to the debate and voted on this matter in the committee, voted, this amendment passed in committee 13 to 10. When in fact we hold out the proxy

votes and changed the votes, it then became 13 to 29, using the votes of a lot of people who were not in the room.

But people who listened to the debate in the committee and understood what is going on around here decided that this should be a section of the bill which should be eliminated.

Now, why do you suppose they decided that?

Well, first of all, because there are real concerns about the nature of the program, and I will get to that in a minute, but one of the main reasons was that this amendment reflects the Clinton administration's position. The Clinton administration has real reservations about this provision in the bill.

Now, the gentleman from North Carolina [Mr. VALENTINE] a moment ago quoted to you from a general letter from the Secretary of Commerce in which he says he does not want any amendments to the bill. I realize that, having been embarrassed in committee, they went running to the Department of Commerce to get a letter that protected them a little bit.

The fact is that on the specifics of this issue, the Secretary of Commerce, when he testified before the committee—and I have copies of his testimony here—made it very clear that he did not support this particular section of the bill that the gentlemen, the two gentlemen from California, want to strike, because they got real reservations. What kind of reservations do they have?

Well, we got a letter from the general counsel at the Department of Commerce, and the general counsel said about these provisions, and I quote:

We believe that these provisions will be counterproductive to the achievement of the objectives of H.R. 20 and may have unintended, serious consequences.

That is pretty clear, that this is stuff the Department of Commerce has some real concerns about.

Now, why do you suppose they might have real concerns about these particular provisions? Well, because, first of all, the entire argument in favor of these provisions is based upon some faulty assumptions. You have heard some of them in the debate already. You have heard in the debate a couple of minutes ago that manufacturing jobs in this country have diminished. Now, the only way you come up with that figure is if you say they diminished as a percentage of the overall jobs in the economy. That is true.

However, what you need to realize is we have exactly the same number of manufacturing jobs in the country today as we had in 1961. The number of nonfarm jobs have grown substantially during that period of time. The percentage of manufacturing jobs have remained steady. And obviously so as a percentage of the overall job market they have dropped.

But we have not lost manufacturing jobs in the country; it is just that we have been creating all kinds of other jobs. And manufacturing jobs have not increased as productivity in the manufacturing industry has gone up.

We also heard it said that venture capital money is not available in the economy any longer.

The gentleman from North Carolina quoted to us, and the question I wanted to ask him, I wanted to make certain he was quoting from the same place as I am, that he was quoting from the U.S. Industrial Outlook Venture Capital, 1993.

From what he was saying, his figures seem to fit precisely with that. But I think we need to understand that they gave reasons in that report for the lack of venture capital, and those reasons do not jell with what we are doing in this bill.

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

Mr. WALKER. I yield to the gentleman from Georgia for a moment.

Mr. LINDER. I thank the gentleman for yielding.

Is it not true that between 1978 and 1986 venture capital pools increased 100-fold in this country?

Mr. WALKER. Well, I think the gentleman had some experience with that in another light and might be a greater expert on this than I am. I mean, my understanding was that the formation of small businesses, particularly small entrepreneurial businesses, during the period of the early 1980's was largely based upon the increase in venture capital pools.

Mr. LINDER. Is it not further true that they were—the increase in venture capital pools were a direct result of the 1977 reduction in the capital gains tax, which made it attractive for businessmen to take risks on small businesses and new technologies?

Is it not further true that from 1978 through 1986 and every succeeding year, revenues to the Federal Treasury from the venture capital category increased in every year until we increased the capital gains tax in 1986 and 1987? Revenues from that category fell off the table. Venture capital pools have dried up.

I happen to have had some experience in the real world in this business, in financing companies and startups.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 3 additional minutes.)

Mr. LINDER. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I yield to the gentleman from Georgia.

Mr. LINDER. Further, is it not true that if we want to help venture capital pools and increase venture into small businesses and new technologies, rath-

er than trying to select—if we as a Congress wanted to really do some good for venture capital pools and new technologies rather than trying to select that which were worthy of our support, what we ought to be doing is to reduce capital gains tax so that businessmen with a keen eye to profits will find these technologies that have a future and make the investments in them?

Mr. WALKER. Well, I thank the gentleman, and I would say that what he has just said is right on target with the report of the U.S. Industrial Outlook for 1993. They pointed out that the evidence right now suggests that the increase in the capital gains tax in 1986 did in fact drive venture capital out of the marketplace. They say the evidence now pouring in suggests that.

And they further say, and I quote:

The anecdotal evidence then indicates that the high rates of return in the late 1970's and early 1980's encouraged more investors to participate in the venture capital industry, thereby driving up the amounts of new capital raised, disbursements, and capital undermanagement to all-time highs.

In other words, what the gentleman is saying is absolutely correct. We knew the formula back then, and we destroyed that formula in 1986, and now, because many of the politicians in this town do not want to lower the capital gains rates, we then will come up with phony spending programs of the Federal Government to replace that which we already know works.

It is also interesting to note in the same report that the majority used as a foundation for their proposal that it also indicates that venture capitalists, and I am quoting again:

Finally, venture capitalists are concerned about the effect of Government regulations on the ability and cost of a startup or growth company to bring products to the market.

And they go on to point out examples of that.

In other words, it is taxation and regulation that are driving the capital out of the marketplace, and no amount of Government infusion is going to change that mixture.

□ 1530

We do not have money that is going to be put into this bill to possibly make up for the fact that capital gains rates are too high and regulations are too onerous. So that is the real thing that is not being fixed here.

Meantime, what we are doing is creating something which the Department of Commerce says, and I quote from them again, "We are creating something which may have unintended serious consequences."

I think that if you want to support the position of the Clinton administration, if you want to do what is right in terms of making certain that more capital is available for the future, if you want to make certain that we do not have serious unintended con-

sequences for something that we develop on this floor, the right thing to do is to adopt this amendment.

This amendment makes good sense and it should be something that Members of Congress should feel very comfortable in supporting and also will save the Government about \$700 million in the process.

Mr. SCHIFF. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

First, I would like to thank the Rules Committee for offering this open rule. I think we have all gained from the debate that has been heard here today and the last time this bill was before us.

Second of all, I want to say that I regret having to speak in favor of an amendment and thereby implicitly against the bill as it now stands, because I agree completely with the philosophy by which this bill was put together. I agree that we need to look to be competitive with other nations around the world, even more so in the future than today.

I agree that being competitive in what we call high-technology industries is the center of that overall competitiveness. Nevertheless, Mr. Chairman, I think that this amendment should pass and I encourage my colleagues to vote for it, because the provision that would be removed is the provision that would make the Government the provider of venture capital to an extent that is unprecedented in any other way that I am aware of.

In the first place, where is the expertise of the Government to decide who are the winners and who are the losers, who will succeed and who will not succeed in terms of beginning industries?

Second of all, once something enters the Government process, it enters the whole Government process. If we set up this system, then every developer who is not funded by the Government is going to be requesting a GAO report why someone else was selected for this Government largess and they were not.

Further, this has got to lead to a bailout mentality. If the Government lends money to a venture and that venture is about to fail, not only is the money on the line, but the political credibility of the administration that provided it is on the line and that could lead to putting good money after bad in an attempt to shore up a project that is not going to succeed.

Mr. Chairman, in conclusion, I think that providing venture capital should remain in the private sector where it has always been.

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

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

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

think he makes an excellent point. It is a point that I hope gets across here, that what you have is \$50 million included in the bill, but you also have \$450 million in loan guarantees that are a part of this, which means that this money going to venture capital outlets or going into venture capital that the market will not take a risk on. So we are putting basically \$500 million of taxpayer money at risk on things that a very efficient capital market will not touch. So the exposure of the taxpayers in this particular scheme is just absolutely horrendous.

And meantime, the gentleman from New Jersey tells us that the Government has no ability to even vote on whether or not these are good projects, are not within the firms going out to get the money.

It really is something where, when we talk about unintended serious consequences, as the Department of Commerce has said, it is really very true because this could have a major impact, and I think the gentleman's point about venture capital needing to remain in private hands in an excellent point, and I thank him for making it.

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

Mr. SCHIFF. I yield to the gentleman from Ohio.

Mr. HOKE. Mr. Chairman, I would also like to speak in favor of this amendment, and I would like to remind my colleagues who are watching in their offices right now about the people who testified in favor of this, in favor of the R&D venture capital funding in committee, because the people who came up to speak in favor of the funding were actually fund managers. The reason they were there to speak in favor of the funding was, at least in my opinion and the opinion of others there as well, that what they were doing was they were creating for themselves full employment act and an opportunity to have more funds to manage. As a result of that, this was why they were very, very interested in having hundreds of millions of dollars of new venture capital to manage.

I could see them literally licking their chops as they testified on behalf of this wonderful Government handout for them.

So I would like, in speaking in favor of the amendment, to remind my colleagues as they watch this that this was not something that the producers of intellectual property were advocating, but the people who were speaking on behalf of it in committee were those who would manager the big funds for big fees.

Mr. WALKER. Mr. Chairman, if the gentleman will yield further, just to follow up on that point, it was interesting to note that in a recent study by OSTP what they really found was the seed financing for startup companies does not come from these venture cap-

ital funds anyway. What it comes from is private investors. So these guys are looking to line their pockets and it will not in any way help with the startup companies, because the money for those is coming from private investors.

Mr. MINETA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong opposition to the amendment to strike the Civilian Technology Loan Program and Civilian Technology Development Program from the National Competitiveness Act.

The need to commercialize advanced technologies developed here in the United States has been identified as a critical challenge for American high-technology companies.

The Civilian Technology Loan Program and the Civilian Technology Development Program will provide effective ways to maximize the use of scarce Government resources and will help U.S. companies move ideas from the lab to the marketplace.

The dissenting views to H.R. 820 assert that this bill is a continuation of the, and I quote, "schizophrenia of the past." Unquote.

Mr. Chairman, the ideology of the Bush and Reagan administrations represented the schizophrenia of the past.

Recall that these were the administrations that believed that computer chips were no different than potato chips in terms of economic importance. The past administrations supported industrial policy and commercialization loans for agriculture, but not for the manufacturing sector.

Mr. Chairman, the schizophrenia ended when the American people elected President Clinton and Vice President GORE in the last election.

The Civilian Technology Loan Program and the Civilian Technology Development Program represent innovative ways to address the lack of patient, low-cost capital by providing the Department of Commerce with new tools to provide capital to the high-technology industries.

Recognizing that small companies are our laboratories for the future, both of these programs will provide patient, low-cost capital to help U.S. companies move ideas from the lab to the marketplace.

Mr. Chairman, small companies are the breeding ground for the new technologies our Nation will need to stay competitive in the world economy. For every \$1 million spent on research and development, small firms produce six times more new products than larger companies.

These same small companies face the greatest barriers in terms of access to the resources needed to bring their ideas to the marketplace and to commercialize their innovations.

The two provisions that this amendment seeks to defeat are the kinds of

measures that are necessary to help American businesses do what they do best—compete and win.

Again, I strongly oppose this amendment and I urge its defeat.

□ 1540

Mr. LINDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in favor of the amendments offered by the gentleman from California [Mr. CALVERT].

Mr. Chairman, I guess it is impossible to expect that we can debate the merits of a bill without talking about President Bush, or President Reagan, or the last 12 years, and all those silly things, but the fact of the matter is that this bill has a history, and its history starts in 1988, 2 years after we destroyed capital gains in America and eliminated venture capital pools. We decided that politicians and governments can do a better job of selecting which technology is deserving of its attention and its money.

The original bill said that we would do this for 6 years, and, if the company was profitable after 6 years, it would survive on its own. If not, it would lose funding.

Mr. Chairman, we are not changing that. We are not turning it into an entitlement, and, if Bill Gates had been looking for Government money in 1980, we would not have a Microsoft today because Governors and politicians would be in there telling him how to run the company instead of making him the wealthiest man in America.

The fact of the matter is we have never done a good job in this country at selecting at the governmental level which businesses, technologies, programs, are more deserving and more worthy of support from the taxpayers' dollars.

These are not, by the way, let me say, venture capital pools. This is not venture capital, as has been said from the other side. These are taxpayers' dollars. These are dollars taken from people who cannot invest them into their own choices of technologies because the Government has taken them away. These taxpayer dollars are then appointed to certain technologies or businesses that we think are deserving.

Venture capital pools are truly that, individuals who choose to take their own money, and put their own money at risk, and some win and some lose. I have had experience at this for the last 16 years, and we have taken gambles on companies, and some win, and some lose, when in point of fact, if we had government or politicians telling us what to choose, we would have lost them all.

The fact is we must leave these dollars in the pockets of the taxpayers, save a billion dollars or so next year, and let the taxpayers choose which ventures that they seem to think have

profitable potential, which ones to appoint, and let them make the selections, and let them lose or win, but this bill is all losers, taxpayers' money in the pockets of individual technology people, and there is no upside for the Government.

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

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

Mr. WALKER. Mr. Chairman, I thank the gentleman from Georgia [Mr. LINDER] for yielding to me. I just want to make his point a little further.

Dr. William Solomon, who is at the Harvard Business School, reflected on exactly what the gentleman has said recently, and his quote was, and I am quoting him: "Loan guarantees are the heroin of government," and his point is exactly what we hear from the other side, which is, because we have done this before, it is a good thing to do again.

The fact is that these are not good things to do again for exactly the reasons that the gentleman specifies.

Mr. LINDER. I would like to add they probably were not good things to do before, they are not good things to do now. We are facing serious problems with the loan guarantees in the student loan programs and every other program that we have, and we are not recapturing their money.

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

Mr. LINDER. I yield to the gentleman from California.

Mr. COX. Mr. Chairman, it is my understanding that the money that will be spent on this program will amount to at least \$1 billion in 1995 and that this money goes straight to the deficit; that is to say, there is not any other program that costs a billion dollars that we are talking about cutting here. We are talking about adding \$1 billion to the deficit in the name of allegedly helping start up business. I ask, "Can you figure any way that this is possible?"

Mr. LINDER. It cannot be paid for and will not be paid for. The loans will not be paid back. I know people in Atlanta, GA, who are in the business of buying federally guaranteed loan programs. I know one package that was bought, a \$200 million package of student loans that was bought, for 10 cents on the dollar. If they get these people back in 3 months in a row, they get it guaranteed by the Government again. They guarantee the thing again.

This is heroin, and I cannot add any better explanation to it than that, and people will become addicted to it, and the ones who want it the most are the ones that benefit from it the most. That is the handlers of the money.

Mr. COX. Mr. Chairman, if the gentleman would yield further, might the gentleman's thinking be that by taking a billion dollars out of the private sec-

tor, where it might have been invested by authentic investors and authentic risk capital ventures, and putting it in the Department of Commerce, that the bureaucracy at Commerce will handle that money more efficiently and get more bang for the buck? Is that the thinking?

Mr. LINDER. We know that individual investors are always making better decisions about their own money because they do a better underwriting job than politicians or Government bureaucrats can ever do because they are putting their own money at risk, and they are hoping to make great gains, and we hope that they all do, but I do not see any upside on this. If these companies succeed, are we going to be shareholders in all of this? If we had funded Bill Gates and Microsoft, would we be worth \$7 or \$8 billion in profits now?

Mr. Chairman, this bill does not provide that. It provides, under an amendment by the gentleman from Pennsylvania, that we may have an opportunity to recoup what we put in, but there is no real upside on this bill, and I urge the adoption of the amendment offered by the gentleman from California [Mr. CALVERT].

Mr. SMITH of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak in favor of the amendment offered by the gentleman from California [Mr. CALVERT]. It seems reasonable to point out the irony of the fact that here Federal Government is borrowing almost one-third of the available capital in this country to overspend, to spend the money the way we think Government should spend it. If my colleagues would imagine a pot of available capital that is out there for business venture, to go to spend to go to college, to spend to buy a new home, there is only so much money available for borrowing, and what has led some people to think that it is important that Government come up with an effort to lend venture capital to somebody is because of the fact that we have taken almost one-third of the available money that is up for borrowing out of circulation for Government overspending.

So, here we are forced. Some people feel we are forced into a predicament of taking some of this overspending money and putting it back in circulation, by us picking and choosing certain industries, but here again sometimes, someplace, somehow, this Congress, the politicians in Washington, are going to have to start dealing with a deficit, stop overspending, leave this money back out where people who earn it can decide how to spend it and how to invest it.

So, Mr. Chairman, I would suggest that we vote for this amendment, that we not borrow the \$1½ billion over the next 2 years that is going to be required to fund this legislation.

Mr. GRAMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment offered by Messrs. CALVERT and ROYCE.

As a member of the House Science, Space, and Technology Committee, I also sit on the subcommittee which had oversight of this legislation.

While I could discuss the merits of this amendment based upon my position on the Science Committee, the arguments I will make today come as a member of the House Banking Committee.

I have here a letter from the chairman of the House Banking Committee, as well as the chairman of the Subcommittee on Economic Growth and Credit Formation dated May 3, 1993.

I would like to quote from this letter for my colleagues:

Under clause (1)(d) of rule X of the Rules of the House of Representatives, the Committee on Banking, Finance and Urban Affairs has jurisdiction over money and credit, economic stabilization, defense production, and financial aid to commerce and industry. This authority includes Federal loan and loan guarantee programs; matters relating to the growth, development and stability of both the economy generally and specific sectors of the economy in particular; and the industrial base of the United States, particularly for critical technologies and materials.

Mr. Chairman, while this letter clearly points out that under the rules of the House, these sectors of H.R. 820 should have been referred to the House Banking Committee, the letter goes on to state that jurisdiction will be waived "in the interests of expediting consideration of this bill."

As a member of the House Banking Committee, I am outraged that the rules of the House are irresponsibly waived in order to expedite floor consideration.

We are talking about over \$70 million of the riskiest types of loans that will be guaranteed by the Federal Government via the American taxpayer.

When Dr. T.J. Rodgers appeared before the Technology Subcommittee, he stated that the best way to create successful high-technology companies "is to allow knowledgeable investors, steering their money through world-class venture capitalists, to try to fund just the right companies with just the right technologies at just the right time. Even these venture experts are not right all the time. But surely they are right more often than Washington."

I agree with Dr. Rodgers and would have liked to have had a hearing in the Banking Committee to expand upon this point.

In the interest of rushing to enact this legislation, the leadership is willing to by-pass the House Banking Committee without even one Banking hearing as to why the private sector has not been willing to fill in this capital void.

The administration does not want these programs—so why not review these loan provisions carefully before enacting them into law.

The only way to ensure that the American people are not stuck footing the bill for a bunch of bad loans is to adopt the Calvert-Royce amendment.

The letter referred to follows:

COMMITTEE ON BANKING,
FINANCE AND URBAN AFFAIRS,
Washington, DC, May 3, 1993.

HON. GEORGE BROWN,
Chairman, Committee on Science, Space, and Technology, Washington, DC.

DEAR MR. CHAIRMAN: This is with reference to H.R. 820, the National Competitiveness Act of 1993, ordered reported by your Committee on April 28, 1993.

Subtitle C of Title III of H.R. 820 creates a new civilian technology loan and loan guarantee program to make loans to qualified small and medium-sized businesses for research, development, demonstration, or utilization of critical technologies or advanced technologies. It also creates an outreach program to economically depressed areas, particularly those with a significant concentration of defense-related industries.

Subtitle D of Title III of H.R. 820 creates a new civilian technology development program whose primary purposes are: to contribute to United States economic competitiveness, employment, and prosperity; to promote the advancement, maturation, and application of critical and other advanced technologies; to supplement and stimulate long-term investment in qualified business concerns; and to encourage and facilitate the formation and growth of professionally managed technology investment companies throughout the United States that will give preference to satisfying the capital needs of qualified business concerns.

Under clause (1)(d) of Rule X of the Rules of the U.S. House of Representatives the Committee on Banking, Finance and Urban Affairs has jurisdiction over money and credit, economic stabilization, defense production, and financial aid to commerce and industry. This authority includes federal loan and loan guarantee programs; matters relating to the growth, development and stability of both the economy generally and specific sectors of the economy in particular; and the industrial base of the United States, particularly for critical technologies and materials.

Pursuant to discussions with your Committee with regard to the provisions of H.R. 820 that fall within this Committee's jurisdiction, and in the interests of expediting consideration of this bill by the House, the Banking Committee will not request a sequential referral of H.R. 820. This action is taken without any prejudice to this Committee's jurisdiction.

I appreciate the cooperative and thoughtful spirit in which you have worked with the Committee on banking, Finance and Urban Affairs on H.R. 820. I look forward to continuing to work with your Committee in that same spirit.

I request that a copy of this letter be included in the report to accompany H.R. 820, the National Competitiveness Act of 1993.

Sincerely,

HENRY B. GONZALEZ,
Chairman, Committee
on Banking, Finance
and Urban
Affairs.

PAUL E. KANJORSKI,
Chairman, Subcommittee
on Economic,

Growth and Credit
Formation.

□ 1550

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

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

Mr. WALKER. In other words, Mr. Chairman, the Banking Committee that has jurisdiction over this did not even take a look at it?

Mr. GRAMS. They did not provide one hearing to find out why capital was not being provided in the private sector to fund the things that now the taxpayers are going to be asked to shell out dollars to do.

Mr. WALKER. Mr. Chairman, if the gentleman will yield further, we have had some real problems before with these loan guarantee programs with regard to fraud, abuse, and nonpayment, have we not?

Mr. GRAMS. Yes, and I think that is more evident because when the people here are responsible for handling this money, it is not their own money. The venture capitalists are providing the best shield, and that is when they are using their own money for investment.

Mr. WALKER. In fact, when you look at the Commerce Department where we are going to set up this program, they already had the EDA program, and they are 50 percent in default. So the record down there has not been particularly good where they have been handling this money. And now we are about to throw another \$500 million program at them, and it does raise some questions. I thank the gentleman for making his points. I think he has made some very good points.

Mr. GRAMS. And I think the numbers speak louder than words when we talk about the default record.

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

Mr. GRAMS. I yield to the gentleman from California.

Mr. COX. If we had had these hearings, do you think anyone might have suggested as an alternative means of reducing the cost of capital that we might have reduced or eliminated the capital gains tax or restored the deductibility on passive loss or perhaps stopped before they tax again with these new Clinton tax increases on businesses of all kinds? Do you think they might have suggested that as a means of reducing the cost of capital for new startups?

Mr. GRAMS. I believe some of these incentives or the ability for the private sector to get more involved might have been mentioned or raised. That is why I stand in opposition to this. I feel that we should have had an opportunity to at least have a full hearing on these options.

Mr. WALKER. Mr. Chairman, will the gentleman yield on that point?

Mr. GRAMS. Yes, I yield to the gentleman from Pennsylvania.

Mr. WALKER. We did in fact in the Science Committee raise exactly those points about capital gains taxes and a number of those things. However, we were told they could not be handled through the Ways and Means Committee and other places, or expedited, so in this case we expedited the section of the bill that the majority wanted to move. But with regard to those sections where we thought there might be some real merit, we could not get those passed in the Ways and Means Committee, I am afraid.

Mr. Chairman, I thank the gentleman for yielding.

Mr. GRAMS. Again, Mr. Chairman, let me say that I support this amendment. I hope we will adopt the Calvert-Royce amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. CALVERT].

The question was taken; and on a division (demanded by Mr. CALVERT) there were—ayes 15, noes 12.

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 180, noes 239, not voting 18, as follows:

[Roll No. 159]

AYES—180

Allard	Franks (NJ)	Linder
Archer	Gallegly	Livingston
Army	Gallo	Mahtley
Bachus (AL)	Gekas	Manzullo
Baesler	Gibbons	McCandless
Baker (CA)	Gilchrest	McCollum
Baker (LA)	Gillmor	McCrey
Ballenger	Gilman	McDade
Barrett (NE)	Gingrich	McHugh
Bartlett	Goodlatte	McInnis
Barton	Goodling	McKeon
Bateman	Goss	McMillan
Bilirakis	Grams	Meyers
Billey	Grandy	Mica
Blute	Greenwood	Michel
Boehert	Gunderson	Miller (FL)
Boehner	Hancock	Molinari
Bonilla	Hansen	Moorhead
Bunning	Hastert	Morella
Burton	Hefley	Myers
Buyer	Herber	Nussle
Callahan	Hoagland	Oxley
Calvert	Hobson	Packard
Camp	Hoekstra	Paxon
Canady	Hoke	Penny
Castle	Horn	Petri
Clinger	Houghton	Pombo
Coble	Huffington	Portman
Collins (GA)	Hunter	Pryce (OH)
Combest	Hutchinson	Quillen
Cox	Hyde	Quinn
Crane	Inglis	Ramstad
Crapo	Inhofe	Ravenel
Cunningham	Istook	Regula
DeLay	Jacobs	Ridge
Diaz-Balart	Johnson (CT)	Roberts
Dickey	Johnson, Sam	Rogers
Doolittle	Kasich	Rohrabacher
Dornan	Kim	Ros-Lehtinen
Dreier	King	Roth
Duncan	Kingston	Roukema
Dunn	Klug	Royce
Emerson	Knollenberg	Santorum
Everett	Koibae	Sarpalius
Ewing	Kyl	Saxton
Fawell	Lazio	Schaefer
Fields (TX)	Levy	Schiff
Fish	Lewis (CA)	Sensenbrenner
Fowler	Lewis (FL)	Shaw
Franks (CT)	Lightfoot	Shays

Shuster	Spence
Sisisky	Stearns
Skeen	Stenholm
Slattery	Stump
Smith (MI)	Sundquist
Smith (NJ)	Talent
Smith (OR)	Taylor (NC)
Smith (TX)	Thomas (CA)
Snowe	Thomas (WY)
Solomon	Torkildsen

NOES—239

Ackerman	Gonzalez
Andrews (ME)	Gordon
Andrews (NJ)	Green
Andrews (TX)	Gutierrez
Applegate	Hall (TX)
Bacchus (FL)	Hamburg
Barcia	Hamilton
Barlow	Harman
Barrett (WI)	Hastings
Becerra	Hayes
Bellenson	Hefner
Bentley	Hilliard
Bereuter	Hinchey
Berman	Hochbrueckner
Bilbray	Holden
Bishop	Hoyer
Blackwell	Hughes
Bonior	Hutto
Boucher	Inslee
Brewster	Jefferson
Brooks	Johnson (GA)
Browder	Johnson (SD)
Brown (CA)	Johnson, E.B.
Brown (FL)	Johnston
Brown (OH)	Kanjorski
Bryant	Kaptur
Byrne	Kennedy
Cantwell	Kennelly
Cardin	Kildee
Carr	Kleczka
Chapman	Klein
Clay	Klink
Clayton	Kopetski
Clement	Kreidler
Coleman	LaFalce
Collins (IL)	Lambert
Collins (MI)	Lancaster
Condit	Lantos
Conyers	LaRocco
Cooper	Laughlin
Coppersmith	Lehman
Costello	Levin
Coyne	Lewis (GA)
Cramer	Lipinski
Danner	Lloyd
Darden	Long
de la Garza	Lowe
de Lugo (VI)	Mann
Deal	Manton
DeFazio	Margolies-
DeLauro	Mezvinsky
Derrick	Markey
Deutsch	Martinez
Dicks	Mazzoli
Dingell	McCloskey
Dixon	McDermott
Dooley	McHale
Durbin	McKinney
Edwards (CA)	McNulty
Edwards (TX)	Meehan
Engel	Meek
English (AZ)	Menendez
English (OK)	Mfume
Eshoo	Miller (CA)
Evans	Mineta
Faleomavaega	Minge
(AS)	Mink
Fazio	Moakley
Fields (LA)	Mollohan
Filner	Montgomery
Fingerhut	Moran
Foglietta	Murphy
Ford (MI)	Murtha
Ford (TN)	Nadler
Frank (MA)	Natcher
Frost	Neal (MA)
Furse	Neal (NC)
Gejdenson	Norton (DC)
Gephardt	Oberstar
Gera	Obey
Glickman	Olver

Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—18

Abercrombie	Henry	Romero-Barcelo
Bevill	Leach	(PR)
Borski	Maloney	Rostenkowski
Clyburn	Matsui	Rush
Dellums	McCurdy	Schumer
Flake	Porter	Stupak
Hall (OH)		

□ 1616

The clerk announced the following pair:

On this vote:

Mr. Porter for; with Mr. Dellums against.

Messrs. WYDEN, BARCIA, POSHARD, COSTELLO, PICKLE, WHITTEN, and HALL of Texas changed their vote from "aye" to "no."

Mr. FIELDS of Texas changed his vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

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

Mr. Chairman, I want to talk about product liability and how it relates to competitiveness.

I had noticed an amendment, which would require the Secretary of Commerce to do a study of the relationship between American competitiveness and our product liability laws, particularly as they relate to aerospace and aviation. But it could have been expanded to include all our product liability laws.

I had become convinced that those laws and the use of our civil justice system have had a very negative effect on product development in this country. And notwithstanding all the good research and development we are doing, if we cannot get a product to market because our liability insurance is too high, or because fear of litigation envelopes our ability to get that product to market, then we will not do it. And the rest of the world is not governed or subject to the same product liability laws as we are in the United States.

Mr. Chairman, this particularly affects aviation. I happen to represent central Kansas, where we have companies like Beech and Cessna headquartered there.

We produce most of the small airplanes made in the world. In 1978, we produced 20,000 airplanes; last year, less than 900.

□ 1620

There has been a dramatic fall-off. Imagine, 20,000 airplanes in 1978, and less than 900 last year, largely because of the product liability issue.

I noticed this amendment because this bill deals with competitiveness and technology. I said, "Okay, the Secretary of Commerce should do an investigation of the relationship between the two." I was told the amendment would not be germane. I know the gentleman from Pennsylvania [Mr. WALKER] had some interest in the issue as

well, and others, too, besides the gentleman from Pennsylvania.

What I would like to do is get a commitment. I do not see the gentleman from California [Mr. BROWN] on the floor, but I would like to get a commitment that we can at least get a letter from Mr. BROWN and myself, from the gentleman from North Carolina [Mr. VALENTINE], from the gentleman from Pennsylvania [Mr. WALKER], and others, to the Secretary of Commerce asking that he conduct a serious study of American product liability laws, particularly as they relate to aerospace and aviation, but collaterally to all other issues as well, how they relate to American competitiveness, and perhaps having the Secretary of Commerce suggesting changes in those laws which might help American industry be more competitive and might produce more jobs.

I would hope that the gentleman from California [Mr. BROWN] and the gentleman from North Carolina [Mr. VALENTINE] would agree to that so we would get that request. As long as we cannot get that amendment in this bill, having a letter by the distinguished senior members of this committee would be most helpful.

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

Mr. GLICKMAN. I yield to the gentleman from North Carolina.

Mr. VALENTINE. Mr. Chairman, as chairman of the Subcommittee on Technology, Environment and Aviation of the Committee on Science, Space and Technology, of which the gentleman from Kansas [Mr. GLICKMAN] is a very senior and very, very valuable member, I want to express to him my deep and sincere concern about the problem which he has mentioned here on the floor of the House, and which we have discussed on many occasions, and pledge to him my wholehearted support in attempting to address the problem. I think this is the way to start. I will be delighted to sign the letter which the gentleman referred to and otherwise cooperate.

It is obvious that there is a problem in this area which, in fairness and justice, needs to be addressed. I say again, I would be happy to have this opportunity to express in this forum that we will work with the gentleman in every way possible.

Mr. GLICKMAN. Mr. Chairman, I appreciate the gentleman's support.

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

Mr. GLICKMAN. I am glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I, too, pledge to the gentleman that we will be fully cooperative in any effort we can make to get the administration to focus on this particular problem. I agree with him, it would be better if we could have a

broad-based competitiveness bill on the floor where we could address a number of these issues, because the tort reform issue is certainly one that affects our competitiveness.

It does not matter how much venture capital we put into a firm. If the venture capital people out there believe that the firm will be subjected to massive liability costs in the years ahead, it is going to be very difficult to get the money that is needed.

I think the gentleman raises a legitimate point, and we do want to cooperate fully with him in hopes we can get this and some of the other issues that affect our competitiveness addressed.

Mr. GLICKMAN. Mr. Chairman, I thank my colleagues. I appreciate that.

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

Mr. GLICKMAN. I am glad to yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, I thank the gentleman for yielding to me, and I appreciate his statement. I know how strongly he feels about this. However, why another study, I would ask the gentleman. We all know what the problem is. We have studied product liability to death.

Let us go back to the old negligence standard. We know that product liability is harming our competitiveness, and just another study to go to the Secretary of Commerce, who is a well-intentioned man but who comes out of one of the leading law firms in Washington, is not going to be the answer. What we need is action. We do not need another study.

Mr. GLICKMAN. Mr. Chairman, I would say to the gentleman that I agree with him, and I support the broad-based product liability bill offered by the gentleman from Georgia [Mr. ROWLAND] and the gentleman from Michigan [Mr. DINGELL], and a lot of other people, that I have sponsored and I am sure you have, as well.

I also have my own bill, along with the gentleman from Utah [Mr. HANSEN], that deals with general aviation liability. We need to move those. We also need to get this administration and the distinguished Secretary of Commerce to focus on this as well, so a collateral move to the legislation is to let them know that we believe that American technology and competitiveness and jobs relates to our liability laws as well as relating to more money for Government programs.

The CHAIRMAN. The gentleman's additional time has expired.

AMENDMENTS OFFERED BY MR. COX

Mr. COX. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

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

There was no objection.

The CHAIRMAN. The clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. Cox:

Page 74, line 8, through page 85, line 13, strike sections 347 and 348.

Page 85, line 14, through page 98, line 4, redesignate sections 349 through 361 as sections 347 through 359, respectively.

Amend the table of contents accordingly.

Page 90, lines 6 and 7, strike "with outstanding preferred securities".

Page 90, line 13, strike "353(b)" and insert in lieu thereof "351(b)".

Page 125, lines 12 through 15, strike paragraph (2).

Page 125, lines 16 and 21, redesignate paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

Page 126, lines 4 through 7, strike "Of the amounts" and all that follows through "administrative expenses."

Mr. COX. Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

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

There was no objection.

Mr. COX. Mr. Chairman, I would like to congratulate the chairman of the Committee on Science, Space, and Technology for his energy on behalf of this bill, and for his favorable intentions on behalf of venture capital. I worked in venture capital for 2 years, and I share his commitment to lowering the cost of capital and improving opportunities for high-technology venture capital investment in America.

The preferred stock provisions of this bill will do just the opposite. I think that that part of the bill might better be called the Jurassic Park bill, because it is going to take millions of dollars from taxpayers' pockets and spend it on cloning new industrial dinosaurs.

Rather than lowering the cost of capital, which we might accomplish through generalized measures such as reducing or eliminating the capital gains tax, restoring the deductibility of passive losses, or stopping the new Clinton tax increases on business of all kinds, this bill will quickly encourage Government to buy up equity in business.

Let me repeat this: Under this bill, Government is authorized to buy up to 20 percent of the equity capital in venture firms. Not only that, but the Government, under this bill, is going to be authorized to guarantee the dividends on preferred stock, and it could put all of the securities that it buys from private firms in a pool and then develop trust certificates of participation in the private capital markets, where they will compete with those privately issued securities of private firms. I suppose, therefore, it is fitting that this bill is called the National Competitiveness Act, because it will give most private firms the opportunity to compete with Government-subsidized securities.

Obviously it is foolish to think that Government will do a better job of allo-

cating risk capital than the market does, but that is the presumption of this bill. Rather than rely on our free and competitive capital markets, this bill will put millions of dollars of taxpayer funds under the control of the 1992 chairman of the Democratic National Committee, who now runs the Department of Commerce.

Ron Brown and the bureaucrats at Commerce will decide which venture firms will be the winners and which will be the losers. They will take away dollars from private investors on the theory that Government knows better where and how to invest. This whole plan reeks of special interest favoritism and make-work waste for bureaucrats. Anyone who has read Ayn Rand's "Atlas Shrugged" will see frightening similarities between this statist scheme and the disastrous projects of the novel's arch bureaucrat, Wesley Mouch.

However, we do not have to be a reader of fiction to recognize just how costly the failures can be under Government-directed investment. Take a look at Eastern Europe and Russia. For 70 years know-it-all bureaucrats, presuming that they could invest resources more wisely than the market, bankrupted their societies. As a result, even Sweden's voters rejected socialism, and the voters in France resoundingly rejected socialism just last month. Look at our experience here in the United States. The American people know the difference between real venture capital and Government subsidies. Government subsidies coddle and featherbed inefficiency. The Commerce Department, which would manage this new bureaucracy, is itself a model of waste. Clearly one half of its \$1.2 billion portfolio of economic development administration loans are now in default.

□ 1630

It is highly unlikely that this new Government spending program, and I should add it is projected that the provisions of this bill will cost about \$1 billion in 1995 that will go straight to the deficit and the Commerce Department Secretary has just told us he has no idea where the money is going to come from, it is highly unlikely this new Government spending will reap more productive and efficient results than the other schemes that have been rejected in Sweden and France. But it is almost a certainty that this intervention by bureaucrats will crowd out authentic private investments by real venture capitalists. Deserving entrepreneurs will have less access to funds for their make-or-break startup enterprises.

In recent days I have been talking to real venture capitalists in California about this program, and in fact, just before coming to the floor I talked to a venture capitalist in Irvine, CA, in my district. He told me this program will be a waste of taxpayer dollars.

Allen Meltzer of the Carnegie Mellon University, one of the leading scholars in financial research, recently published a detailed study on this very subject in the May 5, 1993, Wall Street Journal. When Government presumes to play the role of venture capitalist, Professor Meltzer wrote, it

is more likely to delay the closing of costly failures. It is more likely to pump in additional money to try to cover mistakes and misjudgments. This strategy of government as venture capitalist will produce lower risk-adjusted returns and spectacular losses.

That according to Allen Meltzer in the May 5, 1993, Wall Street Journal.

The CHAIRMAN. The time of the gentleman from California [Mr. COX] has expired.

(By unanimous consent, Mr. COX was allowed to proceed for 3 additional minutes.)

Mr. COX. Mr. Chairman, let us listen to the voices from Silicon Valley. Listen to Finnis Conner, the entrepreneur that became Silicon Valley's leading disk-drive maker. He says:

The development of all technologies and products involves risks and rewards. The government shouldn't be in the business of speculating with taxpayers' money on which of those risks will be winners and which will be losers.

And listen to Don Valentine, one of the venture capitalists who helped launch Apple Computer and a number of other high-technology companies. Again I quote:

To Washington I say, please do not help us. The world of technology is complex, fast-changing, and unstructured. It thrives best when individuals are left alone to be different, creative and disobedient. Go help all the people who know how pork works and who want to be taken care of. But please do not help us.

Let us not spend taxpayers' money on a bureaucratic theme park for industrial dinosaurs. We have created enough monsters already.

Mr. VALENTINE. Mr. Chairman, I rise in opposition to the amendments. Let me say at the outset, Mr. Chairman, that this amendment would do about what the preceding amendment would do if it were adopted, and I hope that that will not occur. It eviscerates at least this portion of the legislation with respect to venture capital.

Before I get into my prepared remarks, let me say and try to clarify again, we do not suggest that the Government own any business enterprises. That is not what this legislation is about. It is far fetched for anyone to suggest there are socialistic overtones in this measure. My philosophy is as far away from that sort of thing, I believe, as is the philosophy of the gentleman who offered this amendment.

The amendment would strike sections in the bill that provide the Secretary of Commerce with the financing authority necessary to carry out the Civilian Technology Development Program established under title III(d). In

so doing, the amendment would gut the program.

The gentleman argues that the Government should not be picking winners and losers and it should not compete with the private sector by taking ownership positions in companies. It is clear from a careful reading of H.R. 820, that neither of these is permitted under the Civilian Technology Development Program.

Under this program, the Government would provide financing to technology investment companies that the Commerce Department would license and regulate. Licensees would invest this capital, along with private capital, in U.S. technology companies subject to certain guidelines.

Those licensees would have the sole discretion to make investment decisions and would take ownership positions in companies. Therefore, venture capital companies make all business decisions under this program.

The Government does not pick winners and losers in this program. It would merely act as a facilitator to increase the availability of long-term capital for U.S. technology companies, and would leave venture capital investing to the venture capitalists.

This approach to providing financial assistance to industry is not new.

The SBA has similar authority provided under the Small Business Investment Company Act which the House almost unanimously passed last year.

I urge defeat of the amendment.

Mr. WALKER. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, once again we hear interesting arguments opposed to an amendment which I think makes a good deal of sense.

First of all we hear the argument that this is not socialism. I was always taught in school that socialism was when the Government came in and began to buy up private businesses, industry, and basically took them over. You do not have to have a whole lot of trappings on that. It is whether Government is involved in buying private industry. In this particular section of the bill the gentleman from California seeks to strike, that is exactly what we are doing.

Let me quote from the bill just so we are careful that we know exactly what it is we will be voting on.

The bill says the Under Secretary, meaning the Under Secretary of Commerce,

May purchase or commit to purchase non-voting preferred securities, with or without equity warrants, issued by a licensee, or guarantee, or commit to guarantee, the payment of 100 percent of the redemption price of and dividends on such preferred securities.

That is buying companies. In case Members do not understand the language, that is the Government stepping in and buying companies. It is the Government taking control of private in-

dustry. That is socialism. Just so we clear the decks here, I mean, we may not be moving toward complete socialism, we may be taking a baby step toward socialism, but the fact is what we are doing in this bill is the classic definition of what socialism is all about, and the gentleman from California is seeking to save us from ourselves.

Now I think that we ought to take a look at this and understand that it also makes some fiscal sense. What the Cox amendment really does is it takes away the guarantee and loan provisions in the bill and assures that the program becomes a \$50 million grant only, so the Government's exposure is reduced substantially here.

The problem with guaranteed loans is the ultimate exposure that the taxpayer faces. This particular program estimates that the Government would allow a guarantee of \$494 million in equity and principal. The Cox amendment averts us from this kind of loss by removing the subsidy features and making the \$50 million the only potential loss under the program.

So if you are someone who thinks that maybe we cannot afford \$500 million in losses at the present time, you are for the Cox amendment. You would still end up with some of this program, and perhaps that may bother you a little bit, but at least we have averted \$5 million.

Now, in case you think this \$500 million that we know about is going to be well spent, you might also be interested that I just got today, fascinating timing, I just got today from the Secretary of Commerce himself several answers to questions that I asked about this program back when he appeared before the committee. I submitted some questions in writing.

□ 1640

I asked him, for instance, how this program was going to be financed, and here is what he tells me. He tells me,

The Department is exploring various financing mechanisms contained in H.R. 820 with the National Economic Council. So I am not yet in a position to predict whether we will support the concepts and, if so, what accommodations may be made to other programs in subsequent fiscal years.

They have no idea how they are going to spend this money.

We are putting money up front here in loan guarantees that the Department of Commerce has absolutely no idea how they are going to do it. We are committing taxpayers' money here to a program that borders on socialism that is just absolutely inane.

So I would suggest that, you know, at the very least what we ought to do is support the Cox amendment and make certain that we do not take that small step toward socialism, and we do not take a big step toward doing something that the Commerce Department has absolutely no idea how they are going to operate the financing mechanism.

At the very least we ought to know what we are voting for before voting for \$500 million in potential loss.

The CHAIRMAN (Mr. LANCASTER). The question is on the amendments offered by the gentleman from California [Mr. Cox].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 180, noes 237, not voting 20, as follows:

[Roll No. 160]

AYES—180

Allard	Gingrich	Morella
Andrews (TX)	Goodlatte	Myers
Archer	Goodling	Nussle
Army	Goss	Oxley
Bachus (AL)	Grams	Packard
Baker (CA)	Grandy	Paxon
Baker (LA)	Greenwood	Penny
Ballenger	Gunderson	Petri
Barrett (NE)	Hancock	Pombo
Bartlett	Hansen	Portman
Barton	Hastert	Pryce (OH)
Bateman	Hefley	Quillen
Bereuter	Herger	Quinn
Bilirakis	Hoagland	Ramstad
Bliley	Hobson	Ravenel
Blute	Hoekstra	Regula
Boehlert	Hoke	Ridge
Boehner	Horn	Roberts
Bonilla	Houghton	Rogers
Bunning	Huffington	Rohrabacher
Burton	Hunter	Ros-Lehtinen
Buyer	Hutchinson	Roth
Callahan	Hyde	Roukema
Calvert	Inglis	Royce
Camp	Inhofe	Santorum
Canady	Istook	Saxton
Castle	Jacobs	Schaefer
Clement	Johnson (CT)	Schiff
Clinger	Johnson, Sam	Sensenbrenner
Coble	Kasich	Shaw
Collins (GA)	Kim	Shays
Combest	King	Shuster
Condit	Kingston	Skeen
Cox	Klug	Slattery
Crane	Knollenberg	Smith (MI)
Crapo	Kolbe	Smith (NJ)
Cunningham	Kyl	Smith (OR)
DeLay	Lazio	Smith (TX)
Diaz-Balart	Levy	Snowe
Dickey	Lewis (CA)	Solomon
Doolittle	Lewis (FL)	Spence
Dornan	Lightfoot	Stearns
Dreier	Linder	Stenholm
Duncan	Livingston	Stump
Dunn	Machtley	Sundquist
Emerson	Manzullo	Talent
Everett	McCandless	Taylor (NC)
Ewing	McCollum	Thomas (CA)
Fawell	McCrery	Thomas (WY)
Fields (TX)	McDade	Torkildsen
Fish	McHugh	Upton
Fowler	McInnis	Vucanovich
Franks (CT)	McKeon	Walker
Franks (NJ)	McMillan	Walsh
Gallely	Meyers	Waldon
Gallo	Mica	Wolf
Gekas	Michel	Young (AK)
Gilchrest	Miller (FL)	Young (FL)
Gillmor	Molinar	Zeliff
Gilman	Moorhead	Zimmer

NOES—237

Ackerman	Barrett (WI)	Blackwell
Andrews (ME)	Becerra	Bonior
Andrews (NJ)	Beilenson	Boucher
Applegate	Bentley	Brewster
Bacchus (FL)	Berman	Brooks
Baesler	Bevill	Browder
Barcia	Bibray	Brown (CA)
Barlow	Bishop	Brown (FL)

Brown (OH)	Inslie	Peterson (FL)
Bryant	Jefferson	Peterson (MN)
Byrne	Johnson (GA)	Pickett
Cantwell	Johnson (SD)	Pickle
Cardin	Johnson, E. B.	Pomeroy
Carr	Johnston	Poshard
Chapman	Kanjorski	Price (NC)
Clay	Kaptur	Rahall
Clayton	Kennedy	Rangel
Coleman	Kennelly	Reed
Collins (IL)	Kildee	Reynolds
Collins (MI)	Klecicka	Richardson
Conyers	Klein	Roemer
Cooper	Klink	Rowland
Coppersmith	Kopetski	Roybal-Allard
Costello	Kreidler	Sabo
Coyne	LaFalce	Sanders
Cramer	Lambert	Sangmeister
Danner	Lancaster	Sarpalius
Darden	Lantos	Sawyer
de la Garza	LaRocco	Schenk
de Lugo (VI)	Laughlin	Schroeder
Deal	Lehman	Scott
DeFazio	Levin	Serrano
DeLauro	Lewis (GA)	Sharp
Derrick	Lipinski	Shepherd
Deutsch	Lloyd	Skaggs
Dicks	Long	Skelton
Dingell	Lowey	Slaughter
Dixon	Mann	Smith (IA)
Dooley	Manton	Spratt
Durbin	Margolies-	Stark
Edwards (CA)	Mezvinsky	Stokes
Edwards (TX)	Markey	Strickland
Engel	Martinez	Studds
English (AZ)	Mazzoli	Swett
English (OK)	McCloskey	Swift
Eshoo	McDermott	Synar
Evans	McHale	Tanner
Fazio	McKinney	Tauzin
Fields (LA)	McNulty	Taylor (MS)
Filner	Meehan	Tejeda
Fingerhut	Meek	Thompson
Foglietta	Menendez	Thornton
Ford (MI)	Mfume	Thurman
Ford (TN)	Miller (CA)	Torres
Frank (MA)	Mineta	Torricelli
Frost	Minge	Towns
Furse	Mink	Trafficant
Gejdenson	Moakley	Tucker
Gephardt	Mollohan	Underwood (GU)
Geren	Montgomery	Unsoeld
Gibbons	Moran	Valentine
Glickman	Murphy	Velazquez
Gonzalez	Murtha	Vento
Gordon	Nadler	Visclosky
Green	Natcher	Volkmner
Gutierrez	Neal (MA)	Washington
Hall (TX)	Neal (NC)	Waters
Hamburg	Norton (DC)	Watt
Hamilton	Oberstar	Waxman
Harman	Obey	Wheat
Hastings	Oliver	Whitten
Hayes	Ortiz	Williams
Hefner	Orton	Wilson
Hilliard	Owens	Wise
Hinchey	Pallone	Woolsey
Hochbrueckner	Parker	Wyden
Holden	Pastor	Wynn
Hoyer	Payne (NJ)	Yates
Hughes	Payne (VA)	
Hutto	Pelosi	

NOT VOTING—20

Abercrombie	Henry	Rose
Borski	Leach	Rostenkowski
Clyburn	Maloney	Rush
Dellums	Matsui	Schumer
Faleomavaega	McCurdy	Siskiny
(AS)	Porter	Stupak
Flake	Romero-Barceló	
Hall (OH)	(PR)	

□ 1702

The Clerk announced the following pair:

On this vote:

Mr. Porter for, with Mr. Schumer against.

Mr. DOOLEY changed his vote from "aye" to "no."

Mr. HOEKSTRA changed his vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MRS. MEYERS OF KANSAS

Mrs. MEYERS of Kansas. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Kansas?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mrs. MEYERS of Kansas:

Page 62, after line 23, insert the following new paragraph:

(1) the term "Administrator" means the Administrator of the Small Business Administration;

Page 62, line 24, through page 66, line 3, redesignate paragraphs (1) through (14) as paragraphs (2) through (15), respectively.

Page 66, line 18, strike "Technology Administration of the Department of Commerce" and insert in lieu thereof "Investment Division of the Small Business Administration".

Page 66, lines 22 and 23, strike "Secretary, through the Under Secretary" and insert in lieu thereof "Administrator, in consultation with the Secretary".

Page 67, line 21, strike "Secretary, acting through the Under Secretary" and insert in lieu thereof "Administrator, in consultation with the Secretary".

Page 67, line 24, insert "the Department of Commerce and" after "the capabilities of".

Page 68, line 2, insert "and" after "of this subtitle".

Page 68, lines 3 through 9, strike subparagraph (B).

Page 68, line 10, strike "(C)" and insert in lieu thereof "(B)".

Page 68, lines 17 and 18, strike "Secretary, acting through the Under Secretary" and insert in lieu thereof "Administrator, in consultation with the Secretary".

Page 68, line 19, insert "the Department of Commerce and" after "under section 344".

Page 68, line 24, strike "Secretary" and insert in lieu thereof "Administrator, in consultation with the Secretary".

Page 69, lines 7 and 8, strike "Secretary, acting through the Under Secretary" and insert in lieu thereof "Administrator, in consultation with the Secretary".

Page 69, line 9, strike "Secretary" and insert in lieu thereof "Administrator".

Page 69, lines 24 and 25, strike "Under Secretary" and insert in lieu thereof "Administrator, with the advice of the Secretary".

Page 74, line 8, through page 82, line 10, amend section 347 to read as follows:

SEC. 347. FINANCING FOR LICENCEES.

The Administrator is authorized to guarantee the payment of the redemption price and prioritized payments on participating securities issued by licensees, and a trust or pool acting on behalf of the Administrator is authorized to purchase such securities, under the same terms and conditions as are applied to guarantees and purchases of participating securities under section 303(g) and (h)(1) through (4) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g) and (h)(1) through (4)).

Page 82, line 11, through page 85, line 13, amend section 348 to read as follows:

SEC. 348. ISSUANCE AND GUARANTEE OF TRUST CERTIFICATES.

The Administrator is authorized to issue trust certificates and guarantee the timely

payment of principal of and interest on such trust certificates under the same terms and conditions as are applied to the issuance and guarantee of trust certificates under section 321 of the Small Business Investment Act of 1958 (15 U.S.C. 6871).

Page 87, line 3, insert "in cooperation with the Administrator," after "Secretary".

Page 87, line 26, strike "Under Secretary" and insert in lieu thereof "Secretary, in cooperation with the Administrator".

Page 88, line 6, insert "by the Department of Commerce" after "technical assistance provided".

Page 62, line 17, through page 98, line 14, strike "Under Secretary" each place it appears, and insert in lieu thereof "Administrator".

Page 91, line 14, through page 98, line 3, strike "Secretary" each place it appears and insert in lieu thereof "Administrator".

Page 125, line 15, strike "\$50,000,000" and insert in lieu thereof "\$10,000,000".

Mrs. MEYERS of Kansas (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Kansas?

There was no objection.

Mrs. MEYERS of Kansas. Mr. Chairman, I rise to offer an amendment to help correct a serious problem in this bill, and that problem is the wasteful duplication of Government programs. Specifically, my amendment addresses the Civilian Technology Development Company Program in title III, which would help provide venture capital for companies involved in producing emerging and critical technologies.

My amendment basically does three things: First, it places management of the Civilian Technology Development Company Program at the SBA; second, it provides that the Government shall receive a share of the profits from the CTDC, in addition to repayment of principal and interest invested by the Government in the CTDC; and third, it reduces the program's authorization from \$1 million in fiscal year 1994 and \$50 million in fiscal year 1995 to \$1 million in 1994 and \$10 million in 1995.

As created in H.R. 820, the CTDC Program is flawed in two respects. First, it is almost an exact replica of an existing program, the Small Business Investment Company Program, at the Small Business Administration. Why duplicate this program, at significant cost to the taxpayer, under the guise of aiding industrial competitiveness?

Second, while the Civilian Technology Development Company [CTDC] Program closely replicates the SBIC Program, it does not include some important safeguards for the taxpayer dollars invested in this program, safeguards which are an integral part of the SBIC Program.

Mr. Chairman, I can think of no reason to reproduce this program at the Department of Commerce. They have no existing staff, or experience, to ad-

minister this program. The SBA, on the other hand, has been managing the SBIC Program—upon which the CTDC was modeled—for over 30 years. It is simply sound Government to establish the CTDC Program at the SBA.

I understand that H.R. 820 includes language which states that the Department of Commerce may delegate the administration of this program to the SBA. However, as we all know, any Government agency given a new program does not readily relinquish control. Furthermore, the Clinton administration appears to share my concerns.

The committee report contains two separate letters from the General Counsel at Commerce expressing grave concerns over the possible duplication of existing programs. The first letter, sent in March of this year, expressed hope that the administration could work with the Science Committee to overcome concerns about duplication. A second letter, reiterating those same concerns, was sent a month later. Unfortunately, this act has come to the House floor with these concerns unresolved.

Mr. Chairman, let me make it clear that my amendment puts only the management of the program at the SBA. We have no desire to wrest the technical assistance and outreach sections of the program from the Commerce Department's capable hands. My amendment just authorizes the SBA Administrator to set up and run the program on a day-to-day basis.

In adopting this amendment, we will be putting people with program management experience at the SBA in charge of the fiscal end of the program. The policy issues will still be handled by the technology experts at the Department of Commerce. This is a much more efficient plan than hiring and training new staff at the Department of Commerce to manage the finances of the CTDC.

In addition to stemming needless Government waste through duplication, my amendment helps further avert some of the risk to the taxpayer dollars that are invested in this program. The current language allows the investment companies to issue preferred securities, guaranteed by Commerce, and defer repayment until the investment companies show a profit.

Mr. Chairman, this is close to the SBA's program but it is missing one crucial element: a participation for the taxpayers on any returns on the investments. My amendment will replace the current language with the same program passed overwhelmingly by the House last year.

We must have this participation agreement in order to protect the taxpayer's investment. The Congressional Budget Office has given this program a subsidy rate that would allow investment companies to issue \$494 million in securities backed only by \$50 million of

Government funds and the assets of the investment companies.

This is far less backing than required for the SBA program with the participation agreement. We cannot allow this liability to be issued without more protection for our constituents' dollars.

There was a purpose behind the implementation of the participation agreements—protecting the Government's funds. How can we turn a blind eye to the safety and soundness of a virtually identical program now? The taxpayers' money is going to be invested in high-risk ventures. Fairness to the taxpayer demands that we protect their investment; we have a fiduciary duty to do no less. These are professional investors, and we shouldn't give them a free ride at the taxpayer's expense.

I have also moved to reduce the program's funding from \$1 million in 1994 and \$50 million in 1995 to \$1 million in 1994 and \$10 million in 1995. This reduction will give the program time to establish itself and the funding can be reviewed at that time. We cannot realistically expect to establish such narrowly focused investment companies, specializing in high-risk ventures, and give them more funding than a similar program with a diversified portfolio, such as the SBIC Program.

Mr. Chairman, my purpose is simple. Avoid duplicating Government programs and protect the Government's investments. This is a proposal for responsible Government, and I urge my colleagues to support this amendment.

□ 1710

Mr. VALENTINE. Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from Kansas (Mrs. MEYERS).

Mr. Chairman, as I understand the amendment, it would change the Civilian Technology Development Program to allow the Government to take a portion of profits realized by private technology investment companies that participate in the program. This profit participation is similar to what is allowed under the SBA's Small Business Investment Company [SBIC] Program. The amendment would also transfer the program to the SBA.

There is no profit participation in this program because, unlike the SBIC Program, this program is focused on promoting investment in early-stage technology companies. Technology investing, by its very nature, is high risk. Private investors demand an adequate return to compensate for this risk. Profit participation would reduce returns for private investors and would discourage them from making the types of investments this bill seeks to encourage.

I share the desire of the gentlelady to carry out this program in the most efficient way. That is the reason this leg-

islation authorizes the Department of Commerce to delegate administrative functions of the program to the SBA.

However, the legislation reflects the concern of our committee about the SBA's capability to provide the technical assistance to licensees and technology companies necessary for the program to succeed. The Commerce Department has that expertise at the National Institute of Standards and Technology [NIST].

Regardless of which agency is best suited to carry out this program, the legislation allows the administration to make that final determination. I believe we should provide the administration this discretion.

Mr. Chairman, I urge defeat of the amendment.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. VALENTINE] has expired.

(On request of Mrs. MEYERS of Kansas and by unanimous consent, Mr. VALENTINE was allowed to proceed for 2 additional minutes.)

Mrs. MEYERS of Kansas. Mr. Chairman, will the gentleman yield?

□ 1720

Mr. VALENTINE. I yield to the gentlewoman from Kansas.

Mrs. MEYERS of Kansas. Mr. Chairman, I would like to say to the gentleman from North Carolina [Mr. VALENTINE] that I am not quarreling with the need for venture capital in this amendment. Nor am I quarreling with the ability of the Department of Commerce to supervise the technology part of this. We recognize that they would have the experience there, more for the outreach portion of this.

What we are saying is that to handle the fiscal part of this, the structure is already present in the SBA. I think the gentleman even recognizes that within the bill itself by saying that it may be run by the SBA. But I think it is much more appropriate to provide for specifically in the bill, because I have the feeling that once it is set in the Department of Commerce, it will stay there and we will have two duplicate structures.

It will cost probably \$5 million to get the people on board and do the training necessary for what the SBA has been doing for the last 30 years, and I would say doing very well.

I am not quarreling with the substance of the venture capital.

Mr. WALKER. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, the House, on two occasions on the last two amendments, has made it clear that the majority of the House wishes to stick with the loan program and the grant program that is contained in the bill, and that is certainly the right of the House to do that.

I happen to think that that is a mistake. But the gentlewoman from Kan-

sas [Mrs. MEYERS] is not doing anything to damage that position of the House. She is suggesting though something that I think we ought to listen to, and that is if we are going to go ahead with these kinds of programs, at the very least we ought not duplicate the bureaucracy required to do the loan.

Now, it is clear that the Commerce Department does not know how they want to do this financing program. As I explained earlier, I got a letter from the Secretary of Commerce just today in which he answers questions that I posed to him following his appearance before the committee in which he says that they are exploring various financing mechanisms. They have no idea how they want to do this thing.

What we have got is a program that has been ongoing for 30 years. We have people who are trained in how you do loan programs.

All the gentlewoman from Kansas [Mrs. MEYERS] is suggesting is that we ought to utilize that which the Government already has in place to do the program. If we need the technical assistance for the high-technology portion of it, she in her amendment allows the Commerce Department to provide that kind of advice so that in fact you do not duplicate bureaucracy, but instead have the experts advising the people who are going to make the loans.

But the fact is people who know technology do not necessarily know loans. Those two do not necessarily match up.

So what the gentlewoman in suggesting is let us take the expertise of the best of both agencies, meld them in this program, and make it more workable.

Now, for the life of me I cannot understand why our committee would be resistant to the idea of melding the expertise of two different agencies in order to get the best of both. If we are going to do a loan program, why do we not do it in the most efficient and the most cost effective way possible?

My perception of this amendment is that that is what the gentlewoman from Kansas [Mrs. MEYERS] is suggesting we ought to do. Let us do it in a cost effective, efficient manner, so that we get this thing done and do it right, if we are going to do it.

Mrs. MEYERS of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentlewoman from Kansas.

Mrs. MEYERS of Kansas. Mr. Chairman, in addition to that, last year the House provided overwhelmingly that in the SBIC program the companies would have a delay in having to pay interest until their company was showing a profit. The House agreed with that. But in return for that patient capital, that we will wait for a few years until they show a profit, we said that there should be a reward in that for the taxpayer

and for the Government. So we decided on the House floor to provide for a return from those successful companies.

The structure that is provided for in the bill duplicates the SBA language exactly, and it even provides for the delay in payment until the company makes a profit, except it then does not provide for any reward in case that company is successful. I think that that is a sad flaw in this bill.

Mr. WALKER. Mr. Chairman, reclaiming my time, the House has made a decision today in the amendment passed earlier on the question of recoupment to go this particular route, so we have already determined that.

The gentlewoman from Kansas [Mrs. MEYERS] adds another kind of flourish to that. I think the important thing here is we ought not take steps that provide duplicate bureaucracy. One thing we should have learned, if we are going to in fact manage Government better in the future, is we ought not be duplicating bureaucracy at every turn of the wheel. This gives us an opportunity to use the same bureaucracy now in place to do similar kinds of jobs.

Why this committee feels that we have to duplicate the bureaucracy already in place to do loans, I do not know. But if in fact Members feel that maybe it is a little overboard to have duplicate bureaucracy, then maybe the rest of the membership will reject the committee on this and support the amendment of the gentlewoman from Kansas [Mrs. MEYERS] and do something to end this constant desire on the part of some to create more bureaucracy in Government.

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

Mr. WALKER. I will be happy to yield to the gentleman from New Hampshire.

Mr. SWETT. Mr. Chairman, why is the gentleman from Pennsylvania [Mr. WALKER] already insisting on seeing this from the point of view of duplicating bureaucracy? I think what we are doing is setting up the technical capability in the NIST program that has the equal ability to call upon those with the expertise in the SBIC-SBA program, to call upon their technology, their ability to operate the loan program, and they can be brought in as consultants to serve in just the reverse direction.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for two additional minutes.)

Mr. WALKER. Mr. Chairman, I think I did explain to the gentleman from New Hampshire [Mr. SWETT] a few moments ago. It takes an entirely different set of skills to make loans than it does to evaluate technology. The amendment of the gentlewoman from

Kansas [Mrs. MEYERS] suggests that the people in the business who have the skill of loan making be permitted to do so, while the people needed to evaluate technology would have that capability within the Department of Commerce. But we ought not to have the Commerce Department duplicating that which is already available at SBA in terms of skill in making loans. So the gentlewoman is suggesting that you can have a melding of both, and that does make some sense.

What my question back to the gentleman from New Hampshire [Mr. SWETT] would be is why in the world would we want to duplicate that which already exists in Government? Why not use the expertise already there?

Mr. SWETT. Mr. Chairman, if the gentleman will yield further, my understanding of the way the system is set up is that that in fact already can take place and there is not a duplication, but this technology evaluation can draw upon the existing expertise.

Mr. WALKER. Mr. Chairman, reclaiming my time, then the gentleman from New Hampshire [Mr. SWETT] had better check with his own Secretary of Commerce, because his own Secretary of Commerce wrote me today and said that they have no idea how they are going to do this financing mechanism, and that in fact what the gentleman is saying does not really exist for real. What we need to have is, it seems to me, some assurance in this bill that we are not going to get duplicative functions. The best way to do that is to have the amendment of the gentlewoman from Kansas [Mrs. MEYERS] adopted that tells Commerce that they ought to use for the loan making process the resources that are available to them at the Small Business Administration.

Mr. SWETT. Mr. Chairman, has the gentleman from Pennsylvania [Mr. WALKER] apprised the SBA how they are going to handle the technological aspect of this?

Mr. WALKER. Mr. Chairman, the amendment takes care of that, because it assigns that duty, if the gentleman from New Hampshire [Mr. SWETT] would listen, to the Department of Commerce. It is in the amendment.

Mr. SWETT. Mr. Chairman, if the gentleman will yield further, I think just the reverse exists in the bill, and the Secretary of Commerce has the opportunity to operate under those positions.

Mr. WALKER. Mr. Chairman, he also has the opportunity to duplicate bureaucracy, which is what we are trying to prevent.

□ 1730

The CHAIRMAN. The question is on the amendments offered by the gentlewoman from Kansas [Mrs. MEYERS].

The question was taken; and on a division (demanded by Mrs. MEYERS of Kansas) there were—ayes 42, noes 29.

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 224, not voting 19, as follows:

[Roll No. 161]

AYES—194

Allard	Goss	Oxley
Andrews (ME)	Grams	Packard
Applegate	Grandy	Paxon
Archer	Greenwood	Penny
Armey	Gunderson	Petri
Bachus (AL)	Hancock	Pombo
Baker (CA)	Hansen	Porter
Baker (LA)	Hastert	Portman
Barrett (NE)	Hefley	Poshard
Bartlett	Heger	Pryce (OH)
Barton	Hoagland	Quillen
Bateman	Hobson	Quinn
Bereuter	Hoekstra	Ramstad
Bilbray	Hoke	Ravenel
Billrakis	Horn	Regula
Billey	Houghton	Ridge
Blute	Huffington	Roberts
Boehner	Hunter	Rogers
Bonilla	Hutchinson	Rohrabacher
Bunning	Hutto	Ros-Lehtinen
Burton	Hyde	Roth
Buyer	Inglis	Roukema
Callahan	Inhofe	Royce
Calvert	Istook	Santorum
Camp	Jacobs	Sarpalius
Canady	Johnson (CT)	Saxton
Castle	Johnson, Sam	Schaefer
Clement	Kasich	Schiff
Clinger	Kim	Sensenbrenner
Coble	King	Shaw
Collins (GA)	Kingston	Shays
Combest	Klug	Shuster
Condit	Kolbe	Sisisky
Costello	Kyl	Skeen
Cox	Lambert	Skelton
Crane	Lazio	Slattery
Crapo	Levy	Smith (IA)
Cunningham	Lewis (CA)	Smith (MI)
DeLay	Lewis (FL)	Smith (NJ)
Diaz-Balart	Lightfoot	Smith (OR)
Dickey	Linder	Smith (TX)
Doolittle	Livingston	Snowe
Dorman	Machtley	Solomon
Dreier	Manzullo	Spence
Duncan	Mazzoli	Stearns
Dunn	McCandless	Stump
Emerson	McCollum	Sundquist
Everett	McCrery	Talent
Ewing	McDade	Taylor (NC)
Fawell	McHugh	Thomas (CA)
Fields (TX)	McInnis	Thomas (WY)
Fish	McKeon	Torkildsen
Fowler	McMillan	Upton
Franks (CT)	Meyers	Vucanovich
Franks (NJ)	Mfume	Walker
Gallegly	Mica	Walsh
Gallo	Michel	Weldon
Gekas	Miller (FL)	Wheat
Gilchrest	Molinari	Wilson
Gillmor	Moilohan	Wolf
Gilman	Moorhead	Young (AK)
Gingrich	Morella	Young (FL)
Glickman	Murphy	Zeliff
Goodlatte	Myers	Zimmer
Goodling	Nussle	

NOES—224

Abercrombie	Boehlert	Clyburn
Ackerman	Bonior	Coleman
Andrews (NJ)	Boucher	Collins (IL)
Andrews (TX)	Brewster	Collins (MI)
Bacchus (FL)	Browder	Conyers
Baessler	Brown (CA)	Cooper
Barcia	Brown (FL)	Coppersmith
Barlow	Brown (OH)	Coyne
Barrett (WI)	Bryant	Cramer
Becerra	Byrne	Danner
Beilenson	Cantwell	Darden
Bentley	Cardin	de la Garza
Berman	Carr	de Lugo (VI)
Bevill	Chapman	Deal
Bishop	Clay	DeFazio
Blackwell	Clayton	DeLauro

Derrick	Klink	Rahall
Deutsch	Kopetski	Reed
Dicks	Kreidler	Reynolds
Dixon	LaFalce	Richardson
Dooley	Lancaster	Roemer
Durbin	Lantos	Rowland
Edwards (CA)	LaRocco	Roybal-Allard
Edwards (TX)	Laughlin	Sabo
Engel	Lehman	Sanders
English (AZ)	Levin	Sangmeister
English (OK)	Lewis (GA)	Sawyer
Eshoo	Lipinski	Schenk
Evans	Lloyd	Schroeder
Faleomavaega	Long	Scott
(AS)	Lowey	Serrano
Fazio	Mann	Sharp
Fields (LA)	Manton	Shepherd
Filner	Margolies-	Skaggs
Fingerhut	Mezvinsky	Slaughter
Foglietta	Marky	Spratt
Ford (MI)	Martinez	Stark
Ford (TN)	McCloskey	Stenholm
Frank (MA)	McDermott	Stokes
Frost	McHale	Strickland
Furse	McKinney	Studds
Gejdenson	McNulty	Swett
Gephardt	Meehan	Swift
Geren	Meek	Synar
Gibbons	Menendez	Tanner
Gonzalez	Miller (CA)	Tauzin
Gordon	Mineta	Taylor (MS)
Green	Minge	Tejeda
Gutierrez	Mink	Thompson
Hall (OH)	Moakley	Thornton
Hall (TX)	Montgomery	Thurman
Hamburg	Moran	Torres
Hamilton	Murtha	Torricelli
Harman	Nadler	Towns
Hastings	Natcher	Trafficant
Hayes	Neal (MA)	Tucker
Hefner	Neal (NC)	Underwood (GU)
Hilliard	Norton (DC)	Unsoeld
Hinchev	Oberstar	Valentine
Hochbrueckner	Obey	Velazquez
Holden	Olver	Vento
Hoyer	Ortiz	Visclosky
Hughes	Orton	Volkmer
Inslee	Owens	Washington
Jefferson	Pallone	Waters
Johnson (GA)	Parker	Watt
Johnson (SD)	Pastor	Waxman
Johnson, E.B.	Payne (NJ)	Whitten
Johnston	Payne (VA)	Williams
Kanjorski	Pelosi	Wise
Kaptur	Peterson (FL)	Woolsey
Kennedy	Peterson (MN)	Wyden
Kennelly	Pickett	Wynn
Kildee	Pickle	Yates
Kleczka	Pomeroy	
Klein	Price (NC)	

NOT VOTING—19

Ballenger	Knollenberg	Romero-Barcelo
Borski	Leach	(PR)
Brooks	Maloney	Rose
Dellums	Matsui	Rostenkowski
Dingell	McCurdy	Rush
Flake	Rangel	Schumer
Henry		Stupak

□ 1751

Mr. BARLOW and Mr. GORDON changed their vote from "aye" to "no." Messrs. CAMP, COSTELLO, and POSHARD changed their vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. SHEPHERD

Ms. SHEPHERD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. SHEPHERD:
Page 68, line 9, strike "and".

Page 68, line 13, strike the period and insert in lieu thereof a semicolon.

Page 68, after line 13, insert the following new subparagraphs:

(D) consult with State governments to ensure that the existing programs run by or

chartered by State governments which seek to accomplish purposes similar to those stated in subsection (b) are encouraged and not undermined by the implementation of this subtitle; and

(E) explore with State governments ways in which programs currently run by or chartered by State governments which seek to accomplish purposes similar to those stated in subsection (b) can serve as models for the Secretary or be used to ensure the efficient and effective implementation of this subtitle.

Ms. SHEPHERD. Mr. Chairman, H.R. 820 is a fine bill. I am proud to be a co-sponsor of this legislation, and I will support it regardless of the fate of my amendment. I support H.R. 820 in part because it mirrors a number of programs initiated in recent years by my own State of Utah. I have witnessed the success of these programs on a small scale, and I commend Chairman VALENTINE and Chairman BROWN for their persistence in bringing this legislation to passage.

My amendment would clarify the subtitle of the bill establishing the Civilian Technology Development Program. In this subtitle, the Department of Commerce is directed to explore with other executive agencies efficient means of implementing this program and ways in which to avoid duplicating efforts.

My amendment directs the Secretary to undertake further consultation with State governments, such as my own State of Utah, which have initiated programs designed to foster the growth and development of critical civilian technologies.

This amendment makes good sense for a number of reasons. First, State-run and State-chartered programs stand to be among the primary beneficiaries of the Civilian Technology Development Program. Roughly forty States, including my own, have already established programs to promote the financing of critical technology companies. Virtually every State with a research university is promoting high-technology spinoff firms in software, biotechnology, and environmental technologies.

Integral to the success of this program is the effective integration of efforts at both levels of government. For this reason, efficient implementation of this program must involve not only consultation among Federal agencies, but between the Federal Government and States as well. Finally, some State programs are undoubtedly more successful than others. It only makes sense that the Federal Government take into account the successes—and the failures—of State efforts when implementing this program.

I want my colleagues to know that existing State programs stand to benefit considerably from enactment H.R. 820. The State of Utah, for example, has established a centers of excellence program in conjunction with the pri-

ivate sector and its fine State-run universities. Under this program, the State works with the University of Utah, Utah State University, and the private sector to promote private sector spinoffs. Seventy new high-technology companies and over 2,200 jobs have been created through this program. Seventy percent of Utah's engineering graduates are now staying in the State, and tens of millions of dollars in private funding and laboratory equipment have been leveraged for these spinoff firms. Utah has established the Utah Technology Finance Corporation, which helps to provide sources of public and private capital for small, high-technology startup firms. And it has helped to establish a Technology Assistance Center at Weber State University.

In short, my amendment simply ensures that State governments will be intimately involved in the development and implementation of the Civilian Technology Development Program, and that the effectiveness of existing State programs will be enhanced by this legislation. In no way does my amendment alter the intention or effectiveness of H.R. 820, and I urge its adoption.

Mr. Chairman, I thank the chairman of the committee and his staff for their assistance in crafting this amendment. Hopefully, this legislation will help to create a Research Triangle Park in every State.

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

Mr. Chairman, I rise to say that we accept the gentlewoman's amendment and wish to express to her our appreciation for the contribution that she has made to this legislation.

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

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

Mr. WALKER. Mr. Chairman, I just want to indicate that we, too, accept the amendment and will be happy to have it voted on.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Utah [Ms. SHEPHERD].

The amendment was agreed to.

□ 1800

AMENDMENT OFFERED BY MR. WALKER

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

The Clerk read as follows:

Amendment offered by Mr. WALKER:

Page 62, line 11, insert "Nothing in this section shall permit or require the use of quotas or a requirement that has the effect of a quota in determining eligibility for loans made available under this subtitle." after "including women)."

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. WALKER. Mr. Chairman, when the committee considered this bill, we added a section in the bill that provided for a set-aside, which I personally think is bad policy, but at the very least what we want to do is assure that such set-asides do not become quotas.

Because this particular amendment does specify a particular percentage, it did have the danger of being regarded by those who would interpret such law as being a quota-based amendment.

All the language that we have before us says is that in no way should that language be regarded as a quota, nor should it have the effect of a quota in determining any eligibility for loans.

I think this is consistent with the legislative history, but, nevertheless, I think that this kind of statement will assure that we will not have this become a quota. It is language similar to that which is in current law in a couple of different places to assure there is no quota-based policy.

I would urge the House to adopt the amendment.

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

Mr. WALKER. I am happy to yield to the gentleman from North Carolina.

Mr. VALENTINE. Mr. Chairman, I just wanted to say to the gentleman that we are happy to accept his amendment.

Mr. WALKER. I thank the gentleman.

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

Mr. Chairman, I would just like to add a few remarks with regard to the amendment that was proposed by my colleague, the gentleman from Pennsylvania.

If you take a close look at the wording of the bill as it is now, you would find that the program itself that requires that there be loans set aside for these competitive companies, which includes as well that there be 10 percent set-aside to the extent possible to disadvantaged, socially and economically disadvantaged, firms; it is very clear there is no need for the amendment the gentleman from Pennsylvania [Mr. WALKER] is proposing.

By the language in the bill itself, "to the full extent possible, the Secretary shall ensure," what we are saying is that only if it is possible, if and only if it is possible and to the extent that it is possible that there be a 10-percent set-aside for these economically and socially disadvantaged firms should we then go ahead and try to do so.

It is clear from the language that this is not a quota.

The efforts of the gentleman from Pennsylvania [Mr. WALKER] to include this, I think, are redundant and superfluous, and I would question the true reasons behind this, because it is very clear that quotas are not permitted. We have case law that the Supreme

Court has said quotas are not permitted.

For us to be including language in a bill that is unnecessary, to me, it strikes against the heart of what we are here to do, and that is to do a job the people out in the public understand. For us to be including language which is clearly superfluous makes no sense. For us to say this is not a quota when it is very clear, because of case law, that it is not, I think makes us look like we are doing nothing but playing games with legislation.

I would urge my colleagues to reconsider or consider closely whether or not they are going to vote for this particular measure, whether or not it is necessary. We have language very similar to what is included in the bill that talks about set-asides, again, to the extent that it is possible to do so, that does not have language associated with it that says that this is not a quota. It is very clear that it is not a quota.

For us to be including this type of language makes no sense, and I think it is an attempt to bring up an issue that really has long—

Mr. WALKER. Mr. Chairman, I ask that the words be taken down.

The CHAIRMAN. The gentleman will suspend.

Does the gentleman from California [Mr. BECERRA] ask unanimous consent to withdraw his words? The gentleman from Pennsylvania has asked that the gentleman's words be taken down. Does the gentleman request unanimous consent that the words be withdrawn?

Mr. BECERRA. Mr. Chairman, I ask unanimous consent to withdraw the words that were used.

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

There was no objection.

The CHAIRMAN. The gentleman's words are withdrawn. The gentleman may proceed.

Mr. BECERRA. Mr. Chairman, as I was saying, I believe that we must try to, in our legislation, do the best job we can to make sure that there is participation by all Americans in our particular programs that we are passing. I do not believe that we should be doing anything more than that.

It is very clear from the language, and I think it was very carefully crafted, that we have in this bill that says that we should try to provide diversity, we should try to be somewhat cognizant of the needs of the folks that are out there in America that are trying to gain contracts from the United States. I think it is very clear that the language speaks for itself. Phrased again in the language of the bill, it says to the extent possible the Secretary shall ensure that loans are made available to socially and economically disadvantaged firms. There is nothing there that requires that this be done. There is nothing there that would require

that there be a specific amount set aside. There is no quota here.

I would just, again, urge my colleagues to consider this amendment as being unnecessary.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

Mr. LAZIO. Mr. Chairman, I rise today to express my opposition to H.R. 820, The National Competitiveness Act of 1993. In my opinion, this \$1.5 billion legislation is a dangerous and expensive precursor to industrial policy. H.R. 820 takes decision-making authority and fiscal ability away from industry and vests it with the Federal Government while increasing the budget deficit. In effect, we are announcing to the world, that this Government has proclaimed itself all-knowing and American investors untrustworthy. Mr. Chairman, we as a nation and a Government cannot afford to be so presumptuous or so fiscally irresponsible.

The true intention of this so-called Competitiveness Act is to institute a national industrial policy—a policy of giving bureaucrats the power to choose technological winners and losers. That any government can successfully pick winners and losers, however, remains dubious, at best.

What is really hurting our industries and competitiveness is not the complete failure of businessman to make wise choices, but a lagging economy and a punishing budget deficit. Throwing tax dollars—the same taxes paid by industry—at the problem will not increase our competitiveness, but will add to the deficit.

How then can we in good conscience spend another \$1.5 billion, increasing the commerce department's spending alone by 100 percent, over the next 2 years on a gamble that Washington is smarter than business?

Let us not forget that U.S. trade will also suffer from industrial policy. In fact, a recent New York Times editorial reminds us that attempts at industrial policy will bring on less economic competition and sharply higher trade barriers. It could even spark international economic warfare, because in every place it has ever been attempted, industrial policy has been linked to protectionism.

The truly shameful aspect of this legislation is the affront to American industry and its investors. President Clinton has proposed an increase in the tax rates for business, taking much-needed venture capital from industry. Then, the President's program calls for redistributing the same revenue among the same industries from which it was taken. This is ludicrous. Congress should acknowledge this as inefficient, redistributive, social engineering, and reject it.

The National Competitiveness Act creates a program that will inevitably fall victim to pork-barrel politics. Not a person here today can promise to turn a blind eye and a deaf ear to the loud constituent demands for funding when attempting to pick winners and losers. Already included in the bill are provisions to fund enterprises regardless of their efficacy, but in an attempt to enact social welfare policy under the guise of technology policy. Behind its neon glitter and rhetoric, H.R. 820 is tax, spend, and pork-barrel politics at its worst.

Mr. Chairman, I may be new to this game, but I do know four things. It is wrong for us to increase the deficit. It is wrong to think Government can pick winners and losers. It is wrong for us to deny business and industry the right to make their own decisions. And, it is wrong for any of us dedicated to change and against business as usual in the Congress to vote for H.R. 820.

Mr. Chairman, I urge my colleagues to vote no on H.R. 820.

Mr. VALENTINE. Mr. Chairman, I move that the Committee do now rise. The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Ms. SHEPHERD) having assumed the chair, Mr. LANCASTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H.R. 820) to amend the Stevenson-Wylder Technology Innovation Act of 1980 to enhance manufacturing technology development and transfer, to authorize appropriations for the Technology Administration of the Department of Commerce, including the National Institute of Standards and Technology, and for other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. STUPAK. Mr. Speaker, I was unavoidably absent when the House cast votes 159, 160, and 161 as I was attending a regional hearing and site visit of the Base Closure and Realignment Commission in Michigan.

These hearings relate to the potential closure of K.I. Sawyer Air Force Base, a matter of utmost concern to Michigan's First Congressional District. If I had been present, I would have voted "nay" on votes 159, 160, and 161.

PERSONAL EXPLANATION

Mr. BALLENGER. Mr. Speaker, unfortunately I missed rollcall vote 161. Had I been present I would have voted "aye" on the amendment. The Small Business Administration already has a similar program and this amendment would have eliminated the creation of a duplicative effort and also saved the Government roughly \$5 million.

HOUR OF MEETING ON TOMORROW

Mr. VALENTINE. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 a.m. tomorrow.

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

There was no objection.

CALLING FOR ACTION AGAINST SLAVERY IN SOUTHERN SUDAN

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

minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, I am submitting for the RECORD a highly classified document which has been declassified. It is an embassy cable from our embassy in Khartoum to the State Department. It talks about massacres in southern Sudan. It talks about slavery.

Let me just read it for my colleagues, Mr. Speaker. It says:

There are recent, credible reports of massacres, kidnapping and forced labor, conscription of children.

It goes on to say:

Credible sources say Government of Sudan forces, especially the PDF, routinely steal women and children in the Bahr El Ghazal. Some women and girls are kept as wives; the others are shipped north where they perform forced labor on Kordofan farms or are exported, notably to Libya.

Mr. Speaker, where is the Congress on this issue? Where is the Clinton administration on this issue? Where is the media on this issue, slavery in 1993, women and children being trucked from southern Sudan and exported to other countries?

Mr. Speaker, I call on the Clinton administration to appoint a high level emissary to deal with this issue or the blood of the southern Sudanese children, and women and men will be on the hands of the Clinton administration.

U.S. DEPARTMENT OF STATE,
Washington, DC, May 12, 1993.

Hon. FRANK R. WOLF,
House of Representatives.

DEAR MR. WOLF: Thank you for your letter of May 5, regarding human rights abuses in Sudan. The Embassy in Khartoum provided the information you requested, which is enclosed. Assistant Secretary Moose provided much of this information in his testimony on May 4 to the Senate Foreign Relations Subcommittee on Africa.

Sincerely,

ROBERT A. BRADTKE,
Acting Assistant Secretary
for Legislative Affairs.

Enclosure.

Sudanese government personnel appear to be perpetrating widespread human rights abuses in parts of the Bahr El Ghazal and the Nuba Mountains. There are recent, credible reports of massacres, kidnapping and forced labor, conscription of children, forced displacement and Arabization, and other abuses in these regions. There is evidence that some abuses, notably kidnapping, may be carried out by poorly-controlled militias without the approval and perhaps against the wishes of the authorities. Other abuses, however, are occurring with a frequency and on a scale that make it difficult to think that they are happening without the knowledge of the authorities.

Reliable information on the western "transition zone"—south Kordofan, including the Nuba Mountains, and Bahr El Ghazal—is hard to obtain. Access to the area is restricted. Recently, however, there has been evidence from credible, well-informed sources of widespread GOS abuses in this zone.

According to several sources, forces of the Government of Sudan regard the entire Bahr El Ghazal south of Babanusa, outside of gov-

ernment-held towns, as an "operational area." Anyone found there is considered a SPLA member or supporter and killed or captured. For example:

In late 1992 and in February-March 1993 two military trains, each with about 3,000 troops aboard, proceeded from Babanusa to Wau. Some of the troops were from the army, but most were members of former Arab tribal militias, which the Government of Sudan/National Islamic Front (GOS/NIF) has incorporated into the Popular Defense Forces (PDF).

The first train advanced preceded by foot soldiers who killed or captured the civilians on their path. They burned houses, fields, and granaries, and stole thousands of cattle. Hundreds are estimated to have died.

The March 1993 train carried horses that extended the soldiers' range. In five days, they reportedly killed almost a thousand persons between Manwal Station and Aweil and captured 300 women and children. The burning of granaries and fields and theft of cattle caused many who escaped the troops to die later of starvation.

The sources state that when military convoys moving in the Bahr El Ghazal lose vehicles to SPLA mines, the troops typically burn the first village they find and kill its inhabitants.

Credible sources report heavy fighting from December 1992 to March 1993 in the Nuba Mountains, particularly in the Tulisci Range. Fleeing Nubans speak of widespread destruction of villages and killings near Dilling and Kadugli—including a massacre at Belenya, which reportedly was razed.

Credible sources say GOS forces, especially the PDF, routinely steal women and children in the Bahr El Ghazal. Some women and girls are kept as wives; the others are shipped north where they perform forced labor on Kordofan farms or are exported, notably to Libya. Many Dinka are reported to be performing forced labor in the areas of Meiram and Abyei. Others are said to be on farms throughout Kordofan.

There are also credible reports of kidnappings in Kordofan. In March 1993 hundreds of Nuer displaced reached northern Kordofan, saying that Arab militias between Abyei and Muglad had taken children by force, killing the adults who resisted. The town of Hamarat el Sheikh, northwest of Sodiri in north Kordofan, is reported to be a transit point for Dinka and Nuba children who are then trucked to Libya.

While PDF kidnapping of women and children seems recurrent, it is not, however, condoned by all GOS authorities. When the March train from Babanusa arrived in Wau, authorities forced the PDF to release the 300 women and children they had captured. Later that month, army forces at Aweil searched a train of PDF returning from Wau. They found and freed women and children who were being held in boxcars. In early 1993 the PDF captured near Meiram five children between 7 and 12. When a relative learned of their whereabouts and contacted the police, the children were released.

Credible sources say that when the March military train to Wau reached Meiram, soldiers raped scores of displaced women. Thousands of displaced are currently reaching northern Kordofan from Bentiu and the Nuba Mountains. Medical workers note an unusually high rate of pregnancies among the women, who say the PDF raped them.

There are credible reports of widespread conscription into government militias of children 10 or 11 and above from "peace camps" (resettlement camps) in the Nuba

Mountains. In late January, 1993, soldiers in El Obeid impressed into the PDF scores of boys 13 and above. (The families, however, later secured the release of the children who could prove they were enrolled in school.)

Credible sources state that since November 1992, thousands of displaced Nubans, particularly from the Tulisci, Habila, Koalib, Mendi, Tima, Lagawa, Sellara, Dilling, Kadugli, and Miri areas have been passing through El Obeid. Some are fleeing on their own, but others are being moved by the authorities. The governor of Kordofan has publicly said that the Government has moved many civilians from "unsafe to secure areas." Some 2,000 Nubans from En Nahud were left in rags last November outside El Obeid, without money, food, or shelter.

Credible sources describe different forms of forced Arabization. Under a policy sometimes known as "the marriage of fifty," Arab soldiers are encouraged to wed southern women they capture. Soldiers who have children from these marriages get special premiums. In displaced camps in Meiram and Abyei, some Islamic charities reportedly offer to feed, clothe, and educate destitute Dinka children—but in return, parents may not have contact with their offspring. Some areas are closed to Christian charities, even indigenous ones, while Muslim charities operate freely.

There are reports that thousands died of starvation in Meiram displaced camps last year, while local authorities would not release donated relief food stored in Babanusa. There are consistent, credible reports that the PDF routinely steals large amounts of relief food donated for the displaced. Credible sources state that if the populations in the displaced camps at Meiram, Abyei, and Daeim do not receive food urgently, thousands more will die this year.

Some casualty figures and other details may have been exaggerated by frightened and shocked witnesses, but the general tenor of the above report appears credible. It tracks with fragmentary reports of abuses in the Nuba Mountains and Bahr El Ghazal that have become available from other sources over a period of months.

To be fair, it must be said that many of these abuses, including the massacres, kidnapping and forced Arabization, have occurred time and again in these areas for years. Moreover, the reaction of the authorities in specific cases of kidnapping and enslavement suggest that the letter may be the fact of poorly-controlled militias acting without official approval—although, if this is the case, the authorities are derelict for not energetically curbing PDF excesses. Other abuses, however, are occurring with a frequency, and, in the case of the massacres in particular, on a scale that make it difficult to think that they are happening without the knowledge of the Government of Sudan.

□ 1810

H.R. 1395, THE ETHICS IN GOVERNMENT REFORM ACT

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

Mr. BACCHUS of Florida. Madam Speaker, I rise to address an issue that I believe is paramount to restoring public confidence in this institution. I'm speaking about the revolving door through which executive and legisla-

tive officials leave their Government posts and then return to lobby their old agency or committee on behalf of special interests.

In Florida, in the 1970's, I had the high privilege of helping a great Governor, Reubin Askew, stop the revolving door in Florida's government by amending the constitution of the Sunshine State. Today, we need similar reform in Washington.

As a former trade negotiator for this country, I am especially concerned that since 1974, nearly half of all former senior U.S. Trade Representative officials have personally registered or gone to work for firms registered with the Justice Department as foreign agents. Currently, too, there are at least 138 former members of Congress who are lobbying their old colleagues. More than a third of the committee staff directors in the House go on to be lobbyists. These facts raise a serious question in the public's mind: Are their representatives serving them or serving their own future career interests?

Following the lead of President Clinton, I have introduced bipartisan legislation with my Republican colleague from New Jersey, Mr. ZIMMER, which would impose reasonable post-employment restrictions on senior officials of both the executive and legislative branches. This bill, H.R. 1395, the Ethics in Government Reform Act, would bar former Members of Congress from lobbying committees on which they serve for 5 years and bar them from lobbying any current Members or staff for 2 years. In addition, senior level staffers in both the legislative and executive branches would be barred from lobbying their former employer, office or committee for 5 years. These restrictions would allow for a cleansing of the personal contacts between the lobbyist and his or her former realm of influence.

This bill also places a lifetime ban on Members of Congress, trade negotiators and other high-level officials in the executive and legislative branches that would prohibit them from ever lobbying for any foreign entity. This component of the bill is essential not only to restoring public trust in government, but to ensuring the integrity of our long-range economic strategies. How can U.S. companies trust government officials with sensitive information about their technology, trade strategy, and long-range goals if they think those officials may some day be working for their competitors from overseas? The Ethics in Government Reform Act would mandate the national loyalty that is essential to public service. Violation of the added restrictions in this bill would lead to heavy fines, imprisonment, or both.

Madam Speaker, I didn't come here to get a job lobbying here later. I came here to serve. I'm confident that the vast majority of my colleagues also

came here to serve. I challenge each of my colleagues to join as cosponsors.

Madam Speaker, I urge swift consideration of this bill. Let us insist that this institution serve the people who sent us here and only the people. Let us end the temptation to treat public service as a means to a golden end. Let us stop the revolving door.

SOCIAL SECURITY TAXES WAGE THRESHOLD TO BE RAISED IN PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Mrs. MEEK] is recognized for 5 minutes.

Mrs. MEEK. Madam Speaker, too much lip service is paid to the needs of the working poor and there is not enough action on their behalf. The Ways and Means Committee is now marking up its provisions of the reconciliation bill and I want my colleagues to be aware of one recommendation that will hurt the economic security of the some of the poorest of the working poor.

The Ways and Means Committee is proposing to raise the wage threshold for the payment of Social Security taxes to \$1,750 per year. Earlier this year I testified before the members of the committee to recommend a modest increase and to improve compliance, but my recommendation was for an increase only to \$300 annually. I was concerned that raising the threshold too high would eliminate from the Social Security system too many people who do domestic work for a number of employers. A worker who gets paid to clean house once every 2 weeks for several employers would have a hard time reaching the threshold. Such a person could work for 10 families and earn \$13,000 annually and still not qualify to have Social Security taxes withheld. \$300 per year may be too low a threshold, but \$1,750 is too high.

Mr. Speaker, I told the committee that I knew firsthand what it is like to be a household worker. I was a domestic worker at one time. My mother was a domestic worker. My sisters were domestic workers. I had neighbors who were domestic workers and who never had any kind of retirement provisions made for them. The families that employed them would express much affection and gratitude towards them, but they did nothing for their employees' future economic security. Domestic workers affected by this proposal are mostly female and mostly minority. They are women who struggle to support their own families while seeing to the needs of others for very low pay. They don't belong to unions that can fight for them. They don't have any political power. If we do not watch out for their interests, who will?

The committee may be very well-intentioned in its current proposal, but it

is misguided. The \$1,750 threshold will provide tax relief for those who can afford to hire domestic help. It will not help, and will actually hurt, many of the low-income workers who now have taxes withheld on their behalf.

A recent Washington Post editorial, which with your permission, Madam Speaker, I am including in the RECORD, noted that 80,000 to 115,000 household workers a year could lose some coverage. What happens to all these people when they are too old and frail to work? They won't have IRAs sitting in the bank to help them through their retirement years. They could have been collecting welfare instead of cleaning houses. I begin to wonder if they would have been better off. Our society claims to place a high value on work, but reducing the participation of so many workers in the Social Security system sends a different message. We need to encourage better compliance with the law, not provide tax relief for employers.

Madam Speaker, I am pleased that some members of the Ways and Means Committee were able to see the injustice in this proposal and attempted to amend the provision during full committee markup. I commend them for their courage and willingness to take a stand on behalf of the working poor. This first attempt came within one vote of being successful, but this is just the beginning of a long legislative process. If there is no chance to deal with this on the House floor, there is still Senate consideration and a House-Senate conference. I pledge my support for efforts to scale back the threshold, and I urge my colleagues to do the same.

[From the Washington Post, May 3, 1993]
NOT THE ZOE BAIRD PROBLEM

The so-called Zoe Baird problem has been described as just about everything but what it first and foremost is—a problem of (a) tax avoidance that (b) costs some of the poorest people in the society Social Security benefits in their old age or if disabled. You hear it described as a child care problem, an immigration problem, a women's problem, an employer's problem—and yes, to some extent it is all those. But at benefit time it is not the employers who lose.

Lately it has been described as a paperwork problem. The forms are too hard. In fact it takes very little every three months to fill them out. Congress has nonetheless set out to simplify the task. One of the chosen methods is to cut some of the lowest-paid people in the economy out of the Social Security system. Yes, you heard us right. Read the sentence again. It's true.

To reduce the supposed paperwork burden, a House Ways and Means subcommittee has voted, among other things, to raise the wage threshold above which the Social Security tax must be paid. Current law is that you owe the tax for any household employee you pay more than \$50 a quarter. The subcommittee would make that \$1,750 a year. To reduce non-compliance, in other words, it would reduce the obligation to comply; you can't beat that. But, unfortunately, the effect would be to reduce future benefits as

well, since a worker gets no credit toward benefits from wages on which no tax is paid.

No one is sure how many workers would be edged out this way, but officials say on the strength of wages reported and taxes paid that anywhere from 80,000 to 115,000 household workers a year could lose some coverage (and if all household wages were reported and taxes paid, the figure would of course be higher). The thought is that a lot of the losers would be women who have several employers and work, say, one day every two weeks for each. An employer who paid a household worker \$50 for one day every two weeks would pay \$1,300 a year and owe no tax; the worker would get no credit. A worker with, say, eight such employers would still get no credit.

The Clinton administration, having, you might say, brought the problem of failure to pay this tax to national attention, has yet to take a position on the House bill. We look forward to what it and the champions of the working poor on the full Ways and Means Committee have to say on the subject of the shut-outs particularly. There are other aspects of the bill, including use of the income tax form to collect Social Security taxes owed for household employees. That may well be a good idea; a lesser increase in the Social Security threshold to weed out only occasional employees may also be defensible. But it's more than a matter of taxpayer convenience and tax simplification when this many tens of thousands of low-paid workers are put in the way of losing a basic benefit each year. The alleged inconvenience to the employers of hardworking, low-income household and other workers is surely the least of it. It is an outrage to think otherwise and an embarrassment to have to point this out to members of Congress and the administration undertaking to simplify the lives of the noncompliers and increase compliance with the code.

□ 1820

SITUATION IN HAITI GRAVE AS EVER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS. Madam Speaker, the situation in Haiti remains as grave as ever. Democracy has been dethroned in Haiti by a band of military thugs in concert with aristocrat parasites and drug smugglers. People have been dying ever since the first day that President Jean-Bertrand Aristide was driven from his rightful place as the President elected by 70 percent of the voters.

The atrocities committed in Haiti are as grave as the atrocities committed anywhere in the world. More than 3,000 people have died and they are continuing to suffer death, torture and imprisonment, even in the face of U.S. human rights observers.

The situation in Haiti is grave. The administration has disappointed all of us in its slow movement toward a resolution of the Haitian problem. The situation in Haiti is far simpler than the situation in Bosnia or Yugoslavia. It is closer to us. Just 90 miles from the

shores of the United States, there is Haiti. For some reason our press, radio and television, cannot find their way there. They go across the world to Yugoslavia. They go across the world even to Somalia and other places at great expense, but somehow the cameras cannot find Haiti. The reporters do not seem to be able to develop an interest in Haiti. But the situation is there. Human beings are being sacrificed.

There is no reason why we cannot move at minimal cost, almost nothing in dollar terms, at minimal political risk.

The people want back their President. Jean-Bertrand Aristide is as popular now as the day he was elected. He is as popular now as the day he was driven from his rightful place as the President.

It has been almost 20 months now since President Aristide was upon risk of assassination whisked out of the country.

The Congressional Black Caucus thinks we have had enough. Today the Congressional Black Caucus at its weekly meeting adopted a position calling for the return of Jean-Bertrand Aristide to his rightful place as the legal ruler of Haiti within 60 days, within 60 days from today, May 12, we are asking that Jean-Bertrand Aristide be returned by July 12, that steps be taken to guarantee his safety and that the people of Haiti be given the support of the international community in their quest for democracy, their long, long, quest for democracy.

We have come to this conclusion because we feel that the administration, despite its recent positive moves, despite the fact that it recently approached the United Nations and said it would like to offer a resolution calling for the use of a police force, an international police force of 500 people to go to Haiti. They took that step. Despite the fact that is a positive step forward, we are gravely concerned about the fact that when you inquire about the details of that move, you encounter a great deal of vagueness. We do not know for sure when the resolution is really going to be introduced and what the wording of it is. We do not know when the United Nations is going to act on it.

This is 20 months after Aristide was driven out of Haiti. We are still groping in the dark it seems for every little step.

We are treating Haiti as if the situation was a game. We are treating President Aristide as if he was a toy.

We are not serious about democracy in Haiti, about using the clout of the international community to return democracy to Haiti. We are not serious about assuming our role in the world as the last remaining superpower to be a force for good in guaranteeing the human rights of human beings everywhere.

We seem to have a double standard. We are drawing a line. The people of Haiti are not as important as the people of Bosnia. That is the implication of our move. The people of Haiti are not as important as the people of Yugoslavia.

The situation in Haiti is far simpler. It does not require air bombardment. It does not require a great use of ground troops under any circumstances. You do not have civil war. You do not have a conflict of great bodies of people, one group against another. You have the total population of Haiti, except for 7,000 army troops who have the guns. Everybody else is in favor of Aristide except the army and a handful of aristocrats who have always run Haiti as if it was their plantation, never paid any taxes, treated people like dogs, and are the last of the feudal systems probably in the whole world.

The Congressional Black Caucus would like to see us take some definitive steps to end this.

We are proud of the fact that we live in a country which has assumed the role of a superpower for good, a superpower ready to enforce high standards of morality in the world, a superpower ready to support human rights anywhere in the world, a superpower ready to take great risks in order to enforce certain standards of democracy and human rights.

I am proud of the fact that there is a controversy right now about whether we should go into Bosnia with air power which might lead to a ground war. I am proud of the fact that our Government is even considering taking action there, because we have no vested interest. There is no oil involved. There is uranium there. There is nothing we need there. It is not strategically located so that somewhere at sometime we may need to cross that area in order to put down a world conflict threatening the United States of America.

Any interest in Yugoslavia, Bosnia and all the related matters there is purely a high moral position. I am proud of the fact that our Nation has taken that high moral position and is ready to become fully involved, far more involved than any of the European nations which are right there on the border with Yugoslavia.

I am proud of the fact that we have assumed this position. I am proud of the fact that our Nation dispatched troops to Somalia in a strictly humanitarian venture for the purpose of restoring the human rights of the individuals, the citizens of Somalia. I am very proud of that.

I think that when history is written, the United States of America will be praised for thousands of years to come for the kinds of positions it has assumed, which are not the traditional vested interests or statecraft kinds of considerations where every nation is

expected to take steps to protect its own interests. We have no direct interest except the interest of humanity in Somalia, in Bosnia and Yugoslavia.

The same thing is true of Haiti. While our Government has taken a very principled position in Haiti, even the past administration on paper and in public took a very principled position that it would support the return of President Aristide, it would support the return of democracy in Haiti, our past administration took the position that it would not recognize the military government of Haiti. I praise them. I applaud President Bush for taking that position.

We took the position that there should be an embargo on certain products going into Haiti. We took some proud positions, some positions that were high moral positions, and we should be praised as a nation for that. The previous administration should be praised.

We did some terrible things also in terms of denying the Haitians the same kind of access to the country that we have given to the Hungarians, the Cubans and other people.

□ 1830

We put them in Guantanamo Naval Base, and we treated them very badly. We have done a number of things including finally putting a flotilla, a naval force, around Haiti to keep the people of Haiti in, which is totally illegal. We have done some bad things, too. We expected some of those outrageous things to end since a new administration was elected. Of course the new administration promised they would end them, but that would not happen.

Good things have happened, bad things have happened, with respect to Haiti, and we want to, as a Congressional Black Caucus, move to make certain that we get out of this vague middle ground and do the right thing with respect to the support of democracy in Haiti.

It has been more than 19 months since the President of Haiti, who was democratically elected by nearly 70 percent of the voters, was overthrown and forced to leave his nation under the threat of possible assassination. A coalition of murderous troops, drug smugglers and aristocratic parasites united to thwart the will of 7 million Haitian citizens. Guns, bullets, terrorism, and death were the weapons used by these smug and arrogant fascists. As in the case of Nazi Germany, Somalia, Kuwait, Yugoslavia, it is the same in Haiti. Overwhelming force is being used to enslave the civilian population.

The fact that Haiti, like Somalia, represents black on black tyranny means that the moral responsibilities of the Congressional Black Caucus are not lessened, but they are made greater. The atrocities being committed

against the people of Haiti are no less than the atrocities displayed daily in Croatia and Bosnia. The decentralized terror of Haiti which takes place under the cover of darkness and in remote corners of the country is as murderous as any savage and inhuman oppression anywhere in the world.

I repeat: Haitian diplomacy should not be considered again. President Aristide should not be treated like a toy. Outrage and revulsion are still appropriate reactions to the occupation of Haiti by this coalition of aristocratic parasites, military criminals, and drug smugglers.

In the past few days the prospects for negotiated settlements have been shattered, in my opinion, by the fact that they were ready to make every concession possible to the military thugs who overthrew President Aristide's government and took control with their guns and grenades. They have the ability to overwhelm the civilian population. We capitulated to these murderers who are responsible for more than 3,000 deaths. We were ready to offer them amnesty.

Part of the agreement was that nobody would be punished for all that has gone on before. President Aristide reluctantly would agree to this. Certainly he did not publicly oppose it in an attempt to go all the way and do everything possible to get a settlement that was a so-called peaceful settlement which would not necessitate the use of troops to restore democracy in Haiti.

What we do not realize is that this negotiated settlement was accepted one day and then rejected the next day by the military powers because they have so much to lose that they are never going to give up voluntarily their control of Haiti.

When Jean-Bertrand Aristide was elected as President, Madam Speaker, some things happened in Haiti that had never happened before. The government went after drug smugglers and tried to stop the smuggling of drugs through Haiti. Haiti is a major point of departure, a point of transshipment. They come through Haiti with drugs that are destined for the shores of the United States, drugs that are being fed to our young people in our cities and towns. A large part of it comes through Haiti, and, with the overthrow of Jean-Bertrand Aristide, more of it began to flow through Haiti than ever before.

The drug smugglers are getting richer every day. The drug smuggling operation has been decentralized. It used to be that primarily generals and colonels were involved in the illegal smuggling trade. Now we have a decentralization so that the captains and the sergeants also have their private operations with respect to smuggling drugs through Haiti into the United States.

Very authoritative sources have said that there is a \$200 million-plus drug trade pumping poison into the United

States. That is a conservative estimate. That \$200 million is being made in a year, over a year's period, by the Haitian drug smugglers; \$200 million is a tremendous amount of money in Haiti. Some people estimate that that is a very conservative estimate, and we are talking, probably talking, about a billion-dollar drug trade, drug smuggling trade.

With that much at stake, Madam Speaker, are we really naive enough to really believe that the Haitian military will ever voluntarily give up their power and their access to all of these illegal dollars?

Madam Speaker, I am going to submit an article entitled "Drug Money Snags Haiti's Peace Talks," which appeared in Sunday's New York Times on Sunday, April 25, 1993. In this article, which I would submit in its entirety, Madam Speaker, it explains why a settlement is not likely to happen. It starts by reading as follows, and I quote:

When the midnight skies here shuttered unexpectedly one night last week with the roar of jets taking off, people close to Haiti's military leadership dismissed what the planes carried as simple cargo. For cautious diplomats, contraband was the preferred term for what was carried on the unscheduled flights. These flights came on the eve of an expected agreement to settle Haiti's political impasse.

This article was written from Port-au-Prince by Howard French.

"Whatever the label," I quote from the article again:

Whatever the label, the assumption of many military and political experts and economists here is that the flights were part of the Haitian Army's booming trade in cocaine.

Accompanying this assumption is the belief that the fattening of the bank accounts of many officers has emerged as a thorny obstacle to any political settlement.

THE CRIMINALITY ANGLE

So far, discussions about restoring democracy in Haiti have centered on amnesty for military leaders for acts of political violence since the coup in September 1991 that deposed President Jean-Bertrand Aristide. There are also unresolved concerns about the need to protect all sides against reprisals.

And lurking largely unaddressed is how to wean the Army from the proceeds of a criminal drug enterprise that experts estimate brings in \$500 million or more a year.

"When others like Jean-Claude Duvalier and Prosper Avril were being forced out of power, they had already made their fortunes," said one diplomat here, discussing two recent dictators who were nudged into exile. "The United States could credibly threaten them not only with the loss of power, but with dispossession. Now you have a bunch of young officers who have just begun to taste fabulous wealth.

"What do you tell guys like these that they are risking—their lives?"

Further complicating a settlement, these experts say, is the breakdown of Army discipline. In the past, a handful of key figures lead the trafficking; now, it is widely believed, officers down to the rank of captain have become economic powers in their own right.

WAY OUTSIDE THE LOOP

"One thing that everyone seemed to be ignoring last week is that these are people who don't take their orders politely from Washington," said a businessman here with extensive contacts in the Army. "They have their own sources of revenue, their own arms, their own lobbyists and, short of the menace of direct intervention, they can hold on for a long time."

Diplomats and military experts say that the decentralization of drug trafficking can be seen in the smaller aircraft that have peppered the countryside with bales of drugs for months.

United States officials say they have been virtually powerless to do anything because the Drug Enforcement Administration, which routinely posts agents in Haiti, has not had a recognized Government to work with since Father Aristide's overthrow.

"The D.E.A. is very frustrated because they don't have anyone to work with in Haiti," said Representative Charles B. Rangel, Democrat of New York and leader of the House Caucus on Drug Abuse. "The country has become just a free port for this kind of thing. It is hard to imagine a more undisciplined military than you have in Haiti, and the drug problem goes straight to the top."

The Army commander, Lieut. Gen. Raoul Cedras, declined several requests for any interview.

ARMY REJECTS A "SWEETENER"

To sweeten the proposed political settlement, international donors led by the United States have pledged \$1 billion in economic assistance to Haiti. To further neutralize opposition among the rank and file, mediators have spoken of offering soldiers jobs in a reconstituted Army and a new professional police force.

Still, the military unexpectedly rejected this offer last week, and experts who have followed the talks now say that those "sweeteners" failed to account adequately for the corruption.

According to an international consultant who has studied the Haitian economy, over \$100 million was injected into Haiti's central bank last year from sources that were not accounted for. The funds are widely presumed to be drug money being laundered by officers.

"Let's be conservative," the expert said. "If they are surrendering half of their funds to the bank, they are keeping the other half abroad for themselves. That means these people have a goose that is laying \$200-million eggs each year. Do you think they are going to simply surrender that?"

People familiar with the Haitian military say that if a settlement is reached soon, as Washington still hopes, the planned integration of army members into a newly constituted force would be a recipe for disaster.

"There is nothing there that hasn't been corrupted," said one American. "Are you really going to take the same people who have been rigging things at the port for years, running all kinds of rackets, and turn them into policemen?"

A senior Western diplomat, still guardedly optimistic, said, "What is at stake here are the interests that have been running this society, not only the drug interests and the contraband, but everything. We are talking about building a new balance of power."

□ 1840

Madam Speaker, the point here is we now have some vital interests at stake with respect to the return of democ-

racy in Haiti. The drugs which we fight so hard against in this country; we have spent billions of dollars fighting drugs in one way or another in the criminal justice system and the medical system. Yet we are turning our back and watching the flow of extraordinary amount of drugs, cocaine, into this country, via Haiti, and we do nothing about it.

There is a simple correlation between action to restore democracy in Haiti and a cutoff of a large amount of the drug trafficking into the United States. To protect its children, the United States must take steps to end the utilization of Haiti as a transshipment center for drugs. To protect its credibility as an impartial and race-blind protector of democracy in this hemisphere and the world, the United States must take the necessary steps to rush Aristide to Haiti immediately.

Mr. Speaker, at this point I would like to enumerate the position taken by the members of the Congressional Black Caucus. We have called for a 6-point program, a 6-point process, for the return of President Aristide to Haiti. If this 6-point process is followed, President Aristide will be returned to Haiti by July 12. Starting from today, May 12, we are insisting that President Aristide be returned to Haiti in 60 days. Step one in this process is that since the Haitian coup leaders have made a mockery of the negotiations by refusing to accept the most generous possible amnesty terms, Gen. Raoul Cedras and the rest of the illegal military dictators in Haiti should be given a 10-day ultimatum starting from today.

The illegal military rulers should be told that at the end of the next 10 days they will no longer be accepted at the negotiating table and that a solution will be developed by the Organization of American States and the United Nations, supported by the U.S. Government, without them.

The illegal military rulers should also be informed that the failure to act within 10 days forfeits their right to any consideration of amnesty, and they would hereby from that date be deemed to be war criminals, guilty of the illegal overthrow of a lawfully elected government and guilty of presiding over the commission of more than 3,000 atrocities against the people of Haiti.

That is step one, a 10-day ultimatum. Within 10 days, if they do not come to the bargaining table and complete an agreement, the illegal murderous rulers of Haiti would no longer be a part of the process.

Step two: Within the same 10 days, starting today, the United States Government should take all necessary steps to halt the flow of drugs from Haiti into the United States. We think it is outrageous that the Drug Enforcement Agency makes the statement that they are helpless. They know the

drugs are coming in, but they are helpless.

Since when is the United States of America helpless, with the Coast Guard, the Navy, the Army, and the Marines? They cannot stop drugs from flowing into the country from Haiti if they want to? Why are we taking such a soft approach to what we know is happening throughout Haiti?

Agencies such as the Drug Enforcement Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, the others, should act in concert with military forces to eradicate the pipeline of drug poisons to the youth of America. They should begin that today.

Step three: Within 15 days from today the most effective possible enforcement of the embargo on strategic materials, such as oil, should be commenced. Ships presently in place to prevent Haitians from leaving their island should be utilized to enforce this embargo. Additional ships and planes should be deployed also to signal the military dictators that the U.S. Government is finally serious.

At the same time, the administration should freeze the assets of the coup leaders and revoke the visas of the coup leaders and their supporters. We have called for this for the last 20 months, since the overthrow of John Bertrand Aristide. Members of the caucus have called for a tougher approach to the people who financed the coup and to the military leaders.

We do have an embargo in force now, but it is like a sieve. We have been told that this sieve is very loose indeed, and anything that wants to get through to Haiti can get through.

There are regular oil shipments from other nations, not the United States, but regular shipments from France and some other nations. So the vital commodity of oil that is needed to keep the economy of Haiti going is very much there.

A number of other kinds of supplies are not going in, but the Haitian elite, the aristocratic parasites and members of the army, can come back and forth to the United States to buy what they need. They regularly come in and carry plane loads of goods back as part of their personal trip. This is going on day in and day out from Port-au-Prince to Miami.

Why not let these sponsors of the illegal coup know that we are serious by cutting off their privileges, by freezing their visas, and by freezing their accounts. Many of them have open bank accounts here in the United States, in addition to the hidden ones they have.

That is step three, which we would implement within 15 days.

Step four: Within 30 days from today the U.S. Government should announce a commitment to supply the necessary resources of the United States to the United Nations and to the Organization

of American States to form a corps of bodyguards for President Aristide. The corps of bodyguards shall be equal to the size of the Haitian Army, and it shall escort President Aristide upon his return.

The United States should not supply manpower for the corps of bodyguards, but only equipment. It should only supply equipment, supplies, and transportation. The corps will not serve as an invasion force, but only as a protection force that will use force only when challenged with force.

At the time of the announcement of the formation of the corps, the United States, the OAS, and the United Nations, shall commence an information and education campaign directed at the population of Haiti via radio, television, and possibly the air dropping of leaflets to explain what steps are being taken to facilitate the return of President Aristide.

In other words, we are saying that it is nice that the administration is now considering proposing a resolution to the United Nations for a police force of 500 people to go back and confront the 7,000-man Haitian Army. That is at least a step forward from where we were a few weeks ago.

□ 1850

But it is totally inadequate. These are vicious killers. These are people that have a great deal to lose, as I told you before. These are criminals, and they will not back down in the face of a 500-person police force.

Instead, we propose a corps of bodyguards, made up from French-speaking countries, Caribbean countries, other than the United States, to supply the manpower. We think that a force of this kind, which is not an invasion force, would not fire upon anybody, would not threaten anybody with arms, but make it clear that they do not intend to allow President Aristide or any other elected officials in Haiti to be threatened with force at all. That would be step four, and step four should be communicated in great detail to the population of Haiti.

Step five is that within 45 days from today, the United States, the Organization of American States, and the United Nations shall announce the exact arrangements for the return of President Aristide. Within 45 days, the exact arrangements should be explained in public, communicated to the people of Haiti. And of course, step six is that within 60 days, President Aristide shall return to his legal position in Haiti, accompanied by the corps of bodyguards. Sixty days from today is July 12, Monday, July 12.

The Congressional Black Caucus has taken this position fully aware of the fact that we do not have the power to dictate to the administration or to the Congress, but we think that it is long past time that a high moral ground

was assumed, that a firm position was taken and established for immediate action to return President Aristide to his rightful place in Haiti, and to show that we support democracy anywhere in the world, regardless of race.

There is no special situation dictated by Haiti. Haiti is as important as Kuwait. Haiti is as important as Bosnia and Herzegovina, Sarajevo, any other place in the world.

I close with just a couple of updates to demonstrate or indicate why we feel it is so important for us to take a firm position and to call for a definite timetable and to call for a definite date for the return of Aristide.

In the Associated Press wires, there is an article stating the following, that came in as of today, indicating the position that Secretary of State Warren Christopher has voiced concerning where the United States is presently on its policy for Haiti. And I quote:

Secretary of State Warren M. Christopher voiced hope Wednesday for a restoration of democracy in Haiti and a return to power of the elected President, the Rev. Jean-Bertrand Aristide. While U.N. officials reported plans to send a 500-man police force to the troubled Caribbean country were "well underway," Christopher met with U.N. Secretary-General Boutros-Ghali and then gave an optimistic account to reporters at the delegates entrance.

Quoting Mr. Christopher,

There is considerable progress on the Haitian matter. There are plans underway for a restoration of democracy and the ultimate return of President Aristide. We had a good discussion of this subject.

Christopher said the session, attended also by Dante Caputo, who represents the United Nations and the Organization of American States, and Lawrence Pezzullo, a U.S. adviser, considered procedures for an orderly transition. "I think it's an example of the significance of the United Nations," Christopher said. The Clinton administration and several U.S. allies are expected to urge the Security Council to authorize the deployment of an international police force in Haiti. Helping to return Aristide to power, he was overthrown in a violent military coup in September of 1991, would boost the administration's stock as a supporter of democracy. However, the price could be amnesty for Aristide's enemies in the military.

Aristide, on the other hand, has been reluctant to call for international intervention or the use of force. There is no indication when the resolution will be presented to the Security Council. Haiti evidently was the dominant topic in Christopher's meeting with Boutros-Ghali. The Secretary-General's office said they also talked about Bosnia and the Middle East, among other subjects.

Let me just stop and analyze this simple press statement. In the second paragraph we have the following sentence:

While the United Nations officials reported plans to send a 500-man police force to the troubled Caribbean country were "well underway," Christopher met with the United Nations Secretary-General and gave an optimistic account to reporters at the delegates entrance.

They reported that the plans were well underway.

In the paragraph at the bottom of the article there is a sentence which reads as follows:

There is no indication when the resolution will be presented to the Security Council.

In between there are several statements made which are exact carbon copies of statements that have been made in the Bush administration.

There are plans underway for restoration of democracy and the ultimate return of President Aristide. We had a good discussion on this subject.

We could lift that right out of the previous administration's last 3 months. They made similar statements several times.

Aristide, on the other hand, has been reluctant to call for international intervention or the use of force. There is no indication when the resolution will be presented to the Security Council. Haiti was a dominant topic, but other topics were discussed.

Immediately, it is clear that we are not moving progressively forward. The issue of amnesty is raised again, when 2 weeks ago the military rejected amnesty in exchange for an agreement. Why are we retreading the same territory? Why are we going over the same ground again?

Madam Speaker, I have met with several representatives of the administration. I have met with Pezzullo. I have met with the head of the National Security Council, met with other unofficial representatives. And we hear the same language over and over. We heard it for the last 2 months.

We do not think that the administration is serious about moving forward on Haiti.

Finally, the last article I would like to place in the RECORD is a report that also came in today from the Associated Press from Haiti, Port-au-Prince.

Soldiers in provincial Gonaives broke up a demonstration Wednesday by hundreds of slum dwellers who want the return of ousted President Jean-Bertrand Aristide, witnesses said. It was the second straight day of unrest in Gonaives, a port city 100 miles north of Port-au-Prince.

Hundreds of slum dwellers took to the street Wednesday morning, setting up a barricade of burning tires in L'Autre Bord Canal, a poverty-stricken quarter of Gonaives, according to telephoned accounts by witnesses.

Soldiers dispersed the demonstration and arrested one protester, the witnesses said.

On Tuesday, around 500 Gonaives high school students took to the streets shouting "Long live Aristide, Aristide or death."

In the presence of international human rights overservers, club-wielding soldiers broke up the protest and arrested three participants, witnesses said.

The students were later released when the human rights team interceded. The United Nations and the Organization of American States has placed about 130 monitors in provincial capitals across Haiti. The number of observers should reach 260 within six weeks, Mission head Colin Granderson said recently.

According to witnesses, this week's unrest appeared fueled by reports that the United Nations might prepare an international po-

lice mission for Haiti. Leaders of the protests called out for foreign intervention to help bring back Aristide.

The people of Haiti want the return of Aristide. They are going to use any break, any step forward as a sign of hope. And there will be increasing unrest in Haiti.

People who have been docile, frightened by the military, they know what they will do in the dead of night. If they will beat schoolchildren before U.N. observers, we may rest assured that the reports that they torture and kill people in the mountains at night are true.

□ 1900

People who have been cowed and frightened and terrorized will rise up in increasing numbers to demonstrate that they want democracy returned to Haiti. We are going to have more bloodshed, more deaths in the days to come. There is every reason for the U.S. Government, the Organization of American States, and the United Nations to act with immediate speed, to move as rapidly as possible to return President Aristide to his rightful place as the President of Haiti.

That resolve should be communicated right away. The Congressional Black Caucus' 60-day plan is an attempt to communicate the resolve of the caucus, and we think the majority of Americans, who believe in democracy and who believe in our country taking a high moral position on human rights anywhere in the world.

We want to communicate that to the people of Haiti and the people all over the world. We want to communicate that to the military thugs, to the aristocrat parasites. We want to communicate that to the drug smugglers.

We resolve that President Aristide should be returned to his rightful place within 60 days from today, which is July 12, 1993. That is the position of the Congressional Black Caucus. We will come to the floor of the Congress to attempt to have it adopted as a position of the U.S. Congress, and we intend to do everything possible to make certain that the American people from one coast to the other understand that this is the moral position we would like to see them support.

TRIBUTE TO OLIVER TAMBO

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. WATERS] is recognized for 60 minutes.

Ms. WATERS. Madam Speaker, I rise today in this House of Representatives to pay tribute to a great man, a fallen warrior in the battle of peace, equality, and democracy in South Africa. I am talking about Oliver Tambo, chairperson of the African National Congress, who died on April 24.

Madam Speaker, last week I returned from South Africa, where I was a mem-

ber of the official delegation named by President Clinton to pay our country's last respects to Oliver Tambo. While there, I had the opportunity to meet with Nelson Mandela and other ANC leaders with whom I've worked over the years in the struggle against apartheid in South Africa.

Though the death of Oliver Tambo, coming after the assassination of Chris Hani last month, is a terrible loss, the ANC is nevertheless forthrightly carrying on their program of negotiations designed to lead to one-person, one-vote in South Africa. Though Oliver Tambo and Chris Hani did not live to see their dream of a free South Africa, their work helped assure a future of freedom and opportunity for their children and grandchildren.

Oliver Tambo was born into a peasant family in the Transkei of South Africa on October 27, 1917. He attended a local Methodist mission school and the Holy Cross Mission School at Flagstaff before attending St. Peter's Secondary School in Johannesburg.

Mr. Tambo registered at the University of Fort Hare after receiving a scholarship, and earned a bachelor's degree in science. He returned to Johannesburg and worked as a science and mathematics teacher until 1947.

He was a founder of the African National Congress Youth League, along with, among others, Walter Sisulu and Nelson Mandela.

Oliver Tambo was always keen to study law and so, in 1948, he began training with a legal firm in Johannesburg. In December 1952, in the midst of the campaign of defiance of unjust laws, he and Nelson Mandela hung out their own shingle and opened the first African legal partnership in South Africa.

After serving in various posts of the ANC Youth League, Oliver Tambo was elected to the ANC National Executive Committee in December 1949. He was subsequently elected deputy president general. After the white minority regime's banning orders necessitated Walter Sisulu's withdrawal from the ANC leadership in 1954, Tambo took over as acting secretary general and was confirmed in that position the following year. In 1954 he was banned in terms of the Suppression of Communism Act, prohibited from attending public meetings, and required not to leave his magisterial districts.

In 1956 he and 156 others, including Nelson Mandela, were arrested and charged with treason. The charges were dropped in 1957. In 1959, however, Oliver Tambo was served with a second banning order, prohibiting him from attending public meetings for 5 years.

Since the ANC leadership was convinced that a ban on the organization was imminent—to be followed by arrests and imprisonment—the leadership decided that Tambo should leave the country to establish ANC missions

abroad and to rally international opinion against apartheid.

Oliver Tambo traveled tirelessly in working to isolate the apartheid regime abroad, summoning up the conscience of the world against that racist regime.

In 1965 Oliver Tambo was instrumental in setting up what later became the ANC's military headquarters in Tanzania. On the death of Chief Albert Luthuli in 1967, Tambo became acting president of the ANC. Later in 1967 the ANC leadership, imprisoned on the infamous Robben Island, suggested Tambo assume the full title of president-general of the ANC.

One measure of Tambo's success abroad can be seen in the fact, by 1989, the ANC had more official diplomatic representatives accredited around the world than the South African Government.

Mr. Tambo authored the Harare Declaration, adopted by the Organization of African Unity in March 1989. It was instrumental in clearing the way for the opening constitutional negotiations with the minority white regime.

Oliver Tambo returned triumphantly to South Africa after 30 years of exile in 1990. After Nelson Mandela's release from prison in 1991, Tambo became national chairperson of the ANC with Mandela elected as ANC president.

Oliver Tambo is survived by his wife, Mrs. Adelaide Tambo, the eldest daughter, Thembi, son, Dali, and the youngest daughter, Tselane.

Madam Speaker, Oliver Tambo's legacy will be complete, finally, when all South Africans—whatever their color or ethnic origin—can freely participate in charting their own destinies. His life, his belief in human dignity, and the liberation of his people humble us all and inspire us in our own efforts to win democracy and equality in South Africa.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PORTER (at the request of Mr. MICHEL) for today on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WALKER) to revise and extend their remarks and include extraneous material:)

Mr. DREIER, for 5 minutes each day, on May 12, 19, 20, 26, 27, and June 8, 9, 15, and 16.

Mr. KIM, for 5 minutes each day, on May 27 and June 16.

Mr. EWING, for 5 minutes each day, on May 18, 19, and 20.

Mr. BILIRAKIS, for 60 minutes each day, on July 20, 21, and 22.

Mr. BACHUS of Alabama, for 5 minutes on May 13.

(The following Member (at the request of Mr. COPPERSMITH) to revise and extend her remarks and include extraneous material:)

Mrs. MEEK, for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

- Mr. GALLO.
- Mr. RAMSTAD.
- Mr. GEKAS.
- Mr. BALLENGER.
- Mr. KLUG.
- Mr. CLINGER.
- Mr. BOEHLERT.
- Mr. KING.
- Mr. PORTER.
- Mr. DUNCAN.
- Mr. SMITH of Michigan.
- Mr. LEWIS of California.
- Mr. GINGRICH.
- Ms. MOLINARI.
- Mr. VUCANOVICH.
- Mr. SOLOMON in two instances.
- Mr. SCHAEFER.
- Mr. GILLMOR.
- Mr. TALENT.
- Mr. ROTH.
- Mr. FRANKS of New Jersey.
- Mr. SMITH of New Jersey.

(The following Members (at the request of Mr. COPPERSMITH) and to include extraneous matter:)

- Mr. TRAFICANT.
- Mr. UNDERWOOD.
- Ms. SLAUGHTER.
- Mr. POMEROY.
- Mr. RICHARDSON.
- Mr. KENNEDY.
- Mr. ACKERMAN.
- Mr. LEVIN.
- Mr. MANN.
- Mr. KANJORSKI.
- Mr. HALL of Ohio.
- Mr. SCHUMER.
- Mr. STUDDS.
- Mr. VOLKMER.
- Mr. HAMILTON in two instances.
- Mr. LANTOS.
- Mr. RUSH in two instances.
- Mr. DERRICK.
- Ms. HARMAN.
- Mr. TORRES.
- Mr. BROWN of California in two instances.
- Mr. VENTO.
- Mr. MURTHA in two instances.
- Ms. FURSE.
- Mr. CARDIN.
- Mr. PARKER.
- Mr. GEPHARDT.
- Mr. BACCHUS of Florida.
- Mr. HOCHBRUECKNER.
- Mr. DE LA GARZA.
- Mrs. LOWEY in three instances.

(The following Members (at the request of Ms. WATERS) and to include extraneous matter:)

- Mr. MURPHY.
- Mr. LIGHTFOOT.
- Mr. LEWIS of Georgia.
- Mr. KILDEE.
- Mr. STRICKLAND.

ADJOURNMENT

Ms. WATERS. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 8 minutes p.m.), under its previous order, the House adjourned until Thursday, May 13, 1993, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1213. A communication from the President of the United States, transmitting an amendment to the fiscal year 1994 request for appropriations for the Departments of Education and Agriculture, pursuant to 31 U.S.C. 1107 (H. Doc. No. 103-85); to the Committee on Appropriations and ordered to be printed.

1214. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of May 1, 1993, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 103-84); to the Committee on Appropriations and ordered to be printed.

1215. A letter from the Chairman, District of Columbia Retirement Board, transmitting the Board's annual report of activities for fiscal year 1992, pursuant to D.C. Code, section 1-732, 1-734(a)(1)(A); to the Committee on the District of Columbia.

1216. A letter from the Chairman, Federal Maritime Commission, transmitting the semiannual report on activities pursuant to the Inspector General Act, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1217. A letter from the Director, Office of Management and Budget, transmitting the annual report on the financial management by State and local governments of Federal financial assistance programs for the period ending January 31, 1993, pursuant to 31 U.S.C. 7507(b); to the Committee on Government Operations.

1218. A letter from the Comptroller General, General Accounting Office, transmitting the results of the audit of the principal financial statements of the U.S. Government Printing Office for the fiscal year ended September 30, 1992, pursuant to 44 U.S.C. 309(d); jointly, to the Committees on House Administration and Government Operations.

1219. A letter from the Acting Administrator, Federal Aviation Administration, transmitting the report of progress on developing and certifying the Traffic Alert and Collision Avoidance System [TCAS], pursuant to Public Law 100-223, section 203(b) (101 Stat. 1518); jointly, to the Committees on Public Works and Transportation and Science, Space, and Technology.

1220. A letter from the Director, Central Intelligence Agency, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1994 for intelligence and intelligence-related activities of the U.S. Government and the Central Intelligence Agency Retirement and Disability System,

and for other purposes; jointly, to the Committees on Intelligence (Permanent Select), Armed Services, Foreign Affairs, the Judiciary, and Post Office and Civil Service.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. JOHNSON of Connecticut (by request):

H.R. 2085. A bill to temporarily suspend the duty on N-(4-chlorophenyl)amino)carbonyl-2-difluorobenzamide, and for other purposes; to the Committee on Ways and Means.

H.R. 2086. A bill to extend the temporary suspension of duty on 2,6-Dichlorobenzonitrile; to the Committee on Ways and Means.

H.R. 2087. A bill to extend the temporary suspension of duty on 1-(4-Chloro-2-(trifluoromethyl)-phenyl)imino)-2-propoxyethyl)-1-H-imidazole, and for other purposes; to the Committee on Ways and Means.

By Mr. BALLENGER (for himself, Mr. PICKLE, Mr. ROHRBACHER, Mr. ARMEY, Mr. BARCIA, Mr. BOEHRER, Mr. BUNNING, Mr. BURTON of Indiana, Mrs. CLAYTON, Mr. COBLE, Mr. CONDIT, Mr. COX, Mr. DOOLITTLE, Mr. DUNCAN, Mr. EWING, Mr. FAWELL, Mr. PETE GEREN, Mr. GINGRICH, Mr. GRAMS, Mr. GUNDERSON, Mr. HANCOCK, Mrs. JOHNSON of Connecticut, Mr. SAM JOHNSON, Mr. KOLBE, Mr. KYL, Mr. LANCASTER, Mr. LINDER, Mr. MCCRERY, Mr. MCMILLAN, Mrs. MORELLA, Mr. PACKARD, Mr. PAXON, Mr. PETRI, Mr. POSHARD, Mr. SHAYS, Mr. SOLOMON, Mr. STENHOLM, Mr. TAUZIN, Mr. THOMAS of Wyoming, Mr. TRAFICANT, Mr. TAYLOR of North Carolina, and Mr. WOLF):

H.R. 2088. A bill to amend the Internal Revenue Code of 1986 in order to promote and improve employee stock ownership plans; to the Committee on Ways and Means.

By Mr. BROWN of California:

H.R. 2089. A bill to promote the use of State-coordinated health insurance buying programs and assist States in establishing Health Insurance Purchasing Cooperatives, through which small employers may purchase health insurance, and for other purposes; jointly, to the Committees on Energy and Commerce, Ways and Means, and the Judiciary.

By Mr. CRANE:

H.R. 2090. A bill to amend the Internal Revenue Code of 1986 to exclude tips from gross income; to the Committee on Ways and Means.

By Mr. DUNCAN:

H.R. 2091. A bill to amend section 507(a)(3) of title 11 of the United States Code to give priority to certain claims of persons that are independent sales representatives; to the Committee on the Judiciary.

By Mr. EVANS (for himself and Mr. PICKETT):

H.R. 2092. A bill to amend title 10, United States Code, to include chiropractic care as an authorized health care benefit under the Civilian Health and Medical Program of the Uniformed Services; to the Committee on Armed Services.

By Mr. GALLO:

H.R. 2093. A bill to encourage the use of clean fuels, encourage the development of a clean fuels refueling infrastructure, and reduce the dependency on foreign oil, and for

other purposes; to the Committee on Energy and Commerce.

By Mr. GIBBONS (for himself, Mr. SCHUMER, Ms. PELOSI, Mr. HOCHBRUECKNER, Mr. YOUNG of Alaska, and Mr. ACKERMAN):

H.R. 2094. A bill to provide for the transfer of funds from the Harbor Maintenance Trust Fund to support nautical charting and marine navigational safety programs, and other activities of the National Oceanic and Atmospheric Administration related to commercial navigation, and for other purposes; jointly, to the Committees on Public Works and Transportation, Merchant Marine and Fisheries, and Ways and Means.

By Mr. HAMILTON (for himself and Mr. BUNNING):

H.R. 2095. A bill to provide for the establishment of the Ohio River Corridor Study Commission, and for other purposes; to the Committee on Natural Resources.

By Mr. KENNEDY (for himself and Mr. STUDDS):

H.R. 2096. A bill to amend the Export-Import Bank Act of 1945 to promote the export of goods and services that benefit the environment; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KENNEDY:

H.R. 2097. A bill to suspend until January 1, 1997, the duty on certain chemicals; to the Committee on Ways and Means.

H.R. 2098. A bill to suspend until January 1, 1997, the duty on certain instant print cameras; to the Committee on Ways and Means.

By Mr. KLINK (for himself, Mr. MCHALE, Mr. MCMILLAN, Mr. MINGE, Mr. BARRETT of Wisconsin, Mr. BAESLER, Mr. HOLDEN, Ms. SCHENK, Mr. INGLIS, Mr. GOSS, Mr. BACHUS of Alabama, Mr. MANN, Mr. LEVY, Mr. EVERETT, and Mr. KREIDLER):

H.R. 2099. A bill to require the Congress to comply with the laws which it requires others to comply with; jointly, to the Committees on House Administration, Education and Labor, Government Operations, the Judiciary, Rules, and Public Works and Transportation.

By Mr. LEWIS of Georgia:

H.R. 2100. A bill to amend the Internal Revenue Code of 1986 to permit the use of certain agricultural byproducts in wine production; to the Committee on Ways and Means.

H.R. 2101. A bill to temporarily suspend the duty on certain piston engines entered on or before December 31, 1998; to the Committee on Ways and Means.

H.R. 2102. A bill to amend the Internal Revenue Code of 1986 to enable small, zero-coupon municipal bonds to be issued and later redeemed at an accreted value less an early redemption; to the Committee on Ways and Means.

H.R. 2103. A bill to amend the Internal Revenue Code of 1986 with respect to the depreciation period for taxedos held for rental; to the Committee on Ways and Means.

H.R. 2104. A bill to provide duty-free entry privileges to participants in, and other individuals associated with, the XXVI Summer Olympiad in Atlanta, GA, and for other purposes; to the Committee on Ways and Means.

By Mr. LEWIS of Georgia (for himself, Ms. MCKINNEY, Mrs. COLLINS of Illinois, Mr. MILLER of California, Mr. TOWNS, Mr. SERRANO, Mr. STOKES, Ms. WATERS, Miss COLLINS of Michigan, Ms. NORTON, Mr. HOCHBRUECKNER, Mr. CLYBURN, Mr. CONYERS, Mr. PETERSON of Minnesota, Mr. EDWARDS of California, Mr.

FILNER, Mr. FOGLIETTA, Mr. DEL-LUMS, Mrs. CLAYTON, Mrs. MINK, Ms. VELÁZQUEZ, Mr. WASHINGTON, Mr. THOMPSON, Ms. PELOSI, Mr. CLAY, and Mr. PAYNE of New Jersey):

H.R. 2105. A bill to establish a program to assure nondiscriminatory compliance with all environmental, health and safety laws, and to assure equal protection of the public health; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, Education and Labor, and Agriculture.

By Mr. LIGHTFOOT (for himself, Mr. ALLARD, Mr. BATEMAN, Mr. BUYER, Mr. CLINGER, Mr. FIELDS of Texas, Mr. HOBSON, Mr. LEACH, Mr. LIVINGSTON, Mr. PETRI, Mr. RAMSTAD, Mr. ROGERS, Mr. SCHIFF, Mr. SUNDQUIST, Mr. THOMAS of Wyoming, and Mr. WELDON):

H.R. 2106. A bill to establish a blue ribbon commission to eliminate duplicative and noncompetitive Federal regulations; to the Committee on Government Operations.

By Mr. MAZZOLI:

H.R. 2107. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the cost of installing automatic fire sprinkler systems in certain buildings; to the Committee on Ways and Means.

By Mr. MURPHY (for himself, Mr. FORD of Michigan, Mr. BOUCHER, Mr. WISE, Mr. BEVILL, Mr. HOLDEN, Mr. SANDERS, Mr. RAHALL, Mr. KLINK, Mr. MURTHA, Mr. ROGERS, Mr. KOPETSKI, Mr. KANJORSKI, and Mr. MOLLOHAN):

H.R. 2108. A bill to make improvements in the Black Lung Benefits Act; to the Committee on Education and Labor.

By Mr. RUSH (for himself, Mr. GONZALEZ, Mr. FRANK of Massachusetts, Mr. EVANS, Mr. DURBIN, Mr. PETERSON of Minnesota, Mr. TOWNS, Mr. GENE GREEN, Ms. EDDIE BERNICE JOHNSON, Mr. STUPAK, Mr. FINGERHUT, Mr. BARLOW, Ms. ROYBAL-ALLARD, Ms. MALONEY, Mr. GUTIERREZ, Mr. HINCHEY, Mr. KLEIN, and Mr. HYDE):

H.R. 2109. A bill to amend the International Revenue Code of 1986 to provide for the treatment of governmental plans under section 415 of such Code; to the Committee on Ways and Means.

By Mr. SCHUMER (for himself, Mr. TOWNS, and Mr. WAXMAN):

H.R. 2110. A bill to amend the Public Health Service Act and title XIX of the Social Security Act to provide for the prevention, control, and elimination of tuberculosis; to the Committee on Energy and Commerce.

By Mr. STRICKLAND:

H.R. 2111. A bill to amend the Internal Revenue Code of 1986 to provide for the permanent extension of qualified small issue bonds and to except certain expenditures from the limitation of such bonds; to the Committee on Ways and Means.

By Mr. STUDDS (for himself, Ms. FURSE, Mr. OLVER, Mr. KENNEDY, Mr. LAUGHLIN, Mrs. UNSOELD, Mr. MANTON, Mr. HUGHES, Mr. LANCASTER, Ms. ESHOO, and Mr. THOMPSON):

H.R. 2112. A bill to provide for the development and implementation of a national strategy to encourage and promote opportunities for the U.S. private sector to provide environmentally sound technology—including marine biotechnology—goods, and services to the global market, and for other purposes; jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

By Mr. TAYLOR of North Carolina (for himself, Mr. COBLE, Mr. BALLENGER, Mr. NUSSLE, Mr. SANTORUM, Mr. BOEHNER, Mr. DOOLITTLE, Mr. KLUG, and Mr. HEFLEY):

H.R. 2113. A bill to require approval by law of agency rules and regulations; to the Committee on the Judiciary.

By Mr. UNDERWOOD:

H.R. 2114. A bill to amend title 10, United States Code, to ensure equitable treatment for members of the Armed Forces from outside the continental United States in the provision of excess leave and permissive temporary duty in connection with the separation of the members from the Armed Services; to the Committee on Armed Services.

By Mr. DE LUGO (for himself, Mr. EDWARDS of California, Mr. FILNER, Mr. FRANK of Massachusetts, Mr. MFUME, Mr. SABO, Mr. SERRANO, Mr. PENNY, Mrs. MINK, Mr. MURPHY, Mr. CLAY, Mrs. COLLINS of Illinois, Mr. COLEMAN, Mr. PASTOR, Mr. RAHALL, Ms. WATERS, Mr. RANGEL, Mr. HASTINGS, Mr. BERMAN, Ms. MEEK, Mr. FALEOMAVAEGA, Mr. PETERSON of Minnesota, Mr. VENTO, Mr. DE LA GARZA, Mr. GONZALEZ, Ms. ROYBAL-ALLARD, Mr. DELLUMS, and Mr. UNDERWOOD):

H.J. Res. 195. Joint resolution proposing an amendment to the Constitution of the United States regarding Presidential election voting rights for residents of U.S. territories; to the Committee on the Judiciary.

By Mr. BEREUTER (for himself, Mr. HALL of Ohio, Mr. GILMAN, Mr. GEJDENSON, Mr. MFUME, Mr. PENNY, Mr. FRANK of Massachusetts, Mr. HASTINGS, Mr. HOEKSTRA, Mr. ACKERMAN, Mr. MCCLOSKEY, Mr. EDWARDS of California, Mr. OBERSTAR, Mr. DEUTSCH, Mr. TORRICELLI, Ms. MCKINNEY, Mr. PAYNE of New Jersey, Mr. MEEHAN, Mr. FINGERHUT, Mr. WHEAT, and Mrs. MINK):

H. Con. Res. 100. Concurrent resolution urging the President to redirect U.S. foreign assistance policies and spending priorities toward promoting sustainable development, especially the reduction of global hunger and poverty in environmentally sound ways; to the Committee on Foreign Affairs.

By Mr. SCHUMER:

H. Con. Res. 101. Concurrent resolution concerning the 26th anniversary of the reunification of Jerusalem; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HEFLEY:

H.R. 2115. A bill for the relief of Gorsha Michaelovich Sur; to the Committee on the Judiciary.

By Mr. PRICE of North Carolina:

H.R. 2116. A bill to authorize issuance of a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the United States for the vessel *Prince of Tides II*; to the Committee on Merchant Marine and Fisheries.

H.R. 2117. A bill to authorize issuance of a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the United States for the vessel *Aftersail*; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 18: Mr. EVERETT, Mrs. SCHROEDER, Mr. DIAZ-BALART, Mr. GILMAN, Mr. MURTHA, Mr. WYDEN, Mr. PETERSON of Florida, and Mr. POSHARD.

H.R. 25: Ms. MCKINNEY, Mr. RICHARDSON, Ms. FURSE, Ms. THURMAN, Ms. BROWN of Florida, Mrs. ROUKEMA, Mr. SERRANO, Mr. HASTINGS, and Mrs. CLAYTON.

H.R. 123: Mr. NEAL of North Carolina, Mr. WELDON, Mr. BARTLETT, Mr. HOEKSTRA, and Mr. KINGSTON.

H.R. 124: Mr. DORNAN, Mr. WELDON, Mr. BARTLETT, and Mr. HOEKSTRA.

H.R. 125: Mr. GREENWOOD, Mr. MURPHY, Mr. PETERSON of Minnesota, Mr. TOWNS, Mr. MILLER of California, Mr. HASTINGS, Mrs. CLAYTON, Mr. FROST, and Ms. NORTON.

H.R. 133: Mr. DICKS, Mr. JACOBS, and Mr. INGLIS.

H.R. 181: Ms. THURMAN.

H.R. 290: Mr. RAVENEL.

H.R. 324: Mr. KIM and Mr. McDERMOTT.

H.R. 349: Mr. FINGERHUT and Mr. COPPERSMITH.

H.R. 455: Mr. NEAL of North Carolina and Mrs. MORELLA.

H.R. 456: Mr. NEAL of North Carolina.

H.R. 462: Ms. CANTWELL, Mr. WILLIAMS, Mr. PETERSON of Florida, Ms. MCKINNEY, Mr. NADLER, Mr. DEUTSCH, Mr. TAYLOR of North Carolina, Mr. SARPALIUS, Mr. LAZIO, Mr. KANJORSKI, Mr. GILCHREST, Mr. DORNAN, Mr. EDWARDS of California, Mr. LEWIS of California, Mr. McKEON, and Ms. SLAUGHTER.

H.R. 508: Mr. RANGEL.

H.R. 544: Mr. LIPINSKI.

H.R. 551: Mr. SPENCE, Mrs. THURMAN, Mr. McNULTY, and Mr. MACTHLEY.

H.R. 553: Mr. DORNAN.

H.R. 585: Mr. JACOBS and Mrs. SCHROEDER.

H.R. 634: Mrs. VUCANOVICH.

H.R. 643: Mr. NADLER and Mr. FISH.

H.R. 667: Mr. CRAMER.

H.R. 739: Mr. SHUSTER and Mr. TAYLOR of North Carolina.

H.R. 784: Ms. DUNN and Mr. FISH.

H.R. 789: Mr. SMITH of Oregon, Mr. BUYER, Ms. SHEPHERD, Mrs. FOWLER, and Mr. DORNAN.

H.R. 799: Mr. GLICKMAN and Mrs. UNSOELD.

H.R. 830: Mr. DICKEY.

H.R. 840: Ms. NORTON, Mr. PETE GEREN, Mr. PETERSON of Minnesota, and Ms. FURSE.

H.R. 885: Mr. TALENT and Mr. SWETT.

H.R. 957: Mr. CLAY, Mrs. UNSOELD, Mr. TOWNS, Mr. DELLUMS, Mr. DEFAZIO, Mr. HASTINGS, Mr. SERRANO, Mr. McDERMOTT, Mr. SABO, Mrs. MINK, Mr. CONYERS, Mr. MURPHY, Mr. WATT, Mr. FLAKE, Mr. RANGEL, Mr. KOPETSKI, Mr. LEWIS of Georgia, Mr. HINCHEY, and Mr. SYNAR.

H.R. 967: Mr. BISHOP, Mr. CLYBURN, Mr. GUNDERSON, and Mr. DARDEN.

H.R. 999: Ms. FURSE.

H.R. 1026: Mr. PETRI.

H.R. 1094: Mr. OLVER, Mrs. MINK, Mr. HASTINGS, Ms. DANNER, Mr. ROYCE, Mr. TALENT, Mr. FILNER, Mr. BONIOR, and Ms. ROYBAL-ALLARD.

H.R. 1099: Mr. SCHAEFER.

H.R. 1108: Mr. HAYES of Louisiana and Mr. ARMEY.

H.R. 1116: Mr. TOWNS.

H.R. 1120: Ms. FOWLER, Mr. McDERMOTT, Ms. ROYBAL-ALLARD, and Mr. HYDE.

H.R. 1127: Mr. JACOBS.

H.R. 1270: Ms. EDDIE BERNICE JOHNSON.

H.R. 1276: Mr. STUMP and Mr. RAHALL.

H.R. 1322: Mr. DERRICK.

H.R. 1332: Mr. ABERCROMBIE, Mr. DEUTSCH, Mr. FISH, Mr. HEFLEY, Mr. KLINK, Mr. MACTHLEY, and Mr. WELDON.

H.R. 1355: Ms. FOWLER, Mr. COX, and Mr. SHUSTER.

H.R. 1392: Mr. PAXON and Mr. TAYLOR of North Carolina.

H.R. 1406: Mr. RICHARDSON, Mr. YOUNG of Alaska, Mr. JOHNSON of South Dakota, Mr. OBERSTAR, Mr. CLYBURN, Mr. KYL, Ms. MEEK, Mr. JOHNSTON of Florida, Mr. FORD of Tennessee, Mr. FILNER, Mr. STUMP, Mr. SCOTT, Mr. ENGLISH of Oklahoma, and Mr. KINGSTON.

H.R. 1419: Mr. RANGEL, Mr. LIPINSKI, and Ms. SLAUGHTER.

H.R. 1459: Mr. WALSH and Mr. MACTHLEY.

H.R. 1491: Mr. CHAPMAN, Mr. HUGHES, and Mr. KREIDLER.

H.R. 1552: Mr. SWETT, Mr. ROYCE, Mr. EVERETT, Mr. DICKS, Mr. SCHAEFER, Mr. BILBRAY, Mr. JACOBS, and Ms. SLAUGHTER.

H.R. 1566: Mr. GONZALEZ.

H.R. 1573: Mr. DELAURO and Mr. EVANS.

H.R. 1586: Mr. HUGHES, Ms. MALONEY, Ms. PELOSI, Mr. BLACKWELL, and Ms. FURSE.

H.R. 1595: Mr. HASTERT, Mr. MONTGOMERY, Mr. NUSSLE, Mr. CAMP, Mr. WALSH, and Mr. MACTHLEY.

H.R. 1608: Mr. CARR, Mr. HENRY, Mr. KILDEE, Mr. LEVIN, Mr. DE LUGO, Mrs. MORELLA, Mr. POSHARD, and Mr. UNDERWOOD.

H.R. 1627: Mr. HOUGHTON, Mr. COLEMAN, Mr. STEARNS, Mr. THOMAS of Wyoming, Mr. HEFNER, Mr. McCRERY, Ms. DANNER, Mr. GOODLING, Mr. McDADE, Mr. VALENTINE, Mr. BURTON of Indiana, Mr. DREIER, Mr. LEWIS of Florida, Mr. CLYBURN, Mr. GEKAS, Mr. DEAL, Mr. KANJORSKI, Mr. GINGRICH, Mr. SHUSTER, and Mr. GRAMS.

H.R. 1636: Mr. KING, Mr. EMERSON, and Mr. SENSENBRENNER.

H.R. 1645: Mr. VENTO and Mrs. CLAYTON.

H.R. 1697: Ms. ROYBAL-ALLARD, Mr. PALLONE, Mr. EMERSON, Mr. SISISKY, Mr. EVANS, and Mr. CAMP.

H.R. 1709: Mr. INGLIS, Mr. DOOLITTLE, and Mr. PASTOR.

H.R. 1718: Mr. DELLUMS, Mr. McDERMOTT, Mrs. CLAYTON, Mr. RANGEL, Mr. VALENTINE, and Mr. DE LUGO.

H.R. 1786: Mr. SCOTT.

H.R. 1795: Mr. DEUTSCH, Mr. LEVY, Mr. PETERSON of Minnesota, and Mrs. CLAYTON.

H.R. 1811: Mr. DORNAN.

H.R. 1812: Mr. DORNAN.

H.R. 1863: Mrs. JOHNSON of Connecticut, Mr. FROST, Mr. FAWELL, Mr. HOEKSTRA, Mr. BILBRAY, Mr. CRANE, Mr. McHUGH, Mr. WELDON, Mr. BUNNING, Mr. PAXON, Mr. FISH, Mr. SCOTT, Mr. SCHIFF, and Mr. KIM.

H.R. 1873: Mr. FILNER, Mr. INSLEE, Mr. FISH, Ms. DELAURO, Mr. VENTO, and Mr. DELLUMS.

H.R. 1887: Mr. BARRETT of Nebraska.

H.R. 1888: Mr. FRANKS of New Jersey, Mr. HORN, Mr. HEFNER, Mr. ROBERTS, Mr. BELENSON, Mr. THOMPSON, Mr. BAKER of Louisiana, Mrs. THURMAN, Mr. WOLF, Mr. TOWNS, Mr. GOSS, Mr. BOEHNER, Mr. CLAY, Mrs. MALONEY, Mr. OXLEY, Mr. WALSH, Mr. ZIMMER, Mr. BARTON of Texas, and Mr. PETE GEREN.

H.R. 1901: Mr. CLINGER, Mr. LIGHTFOOT, Mr. PETRI, Mr. PETE GEREN, Mr. FAWELL, Mr. WALSH, Mr. GALLEGLY, and Mr. LEVY.

H.R. 1928: Mr. QUINN, Mr. BOEHNER, Mr. RAVENEL, Mr. KING, Mr. WALSH, Mr. BLUTE, Mr. GALLEGLY, Mr. ANDREWS of New Jersey, Mr. BUNNING, Mr. SOLOMON, and Mr. MURPHY.

H.R. 1932: Mr. KING.

H.R. 1985: Mr. BONIOR, Mr. RICHARDSON, Mr. WISE, Mrs. LANCASTER, Ms. FURSE, Mr. SCHUMER, Mr. ABERCROMBIE, Ms. KAPTUR, Mr.

HINCHEY, Mr. McDERMOTT, and Mr. TRAFICANT.

H.R. 1991: Mr. BURTON of Indiana.

H.R. 2025: Mr. KOPETSKI, Mr. CRAPO, Mr. THOMAS of California, and Mr. HAMBURG.

H.R. 2066: Mrs. JOHNSON of Connecticut.

H.J. Res. 78: Mr. ANDREWS of Maine, Mr. DE LA GARZA, Mr. FRANKS of Connecticut, Ms. EDDIE BERNICE JOHNSON, Mr. KREIDLER, Mr. LEWIS of Georgia, Mr. McCLOSKEY, Mrs. MINK, Mr. MURTHA, Mr. NEAL of Massachusetts, Mr. ORTIZ, Mr. PETERSON of Florida, Mr. QUINN, Mr. ROBERTS, Mr. SMITH of Michigan, and Ms. SNOWE.

H.J. Res. 80: Mrs. BENTLEY, Mr. BORSKI, Ms. BYRNE, Mr. CARDIN, Mr. COSTELLO, Mr. DINGELL, Mr. FALEOMAVAEGA, Mr. FAWELL, Mr. HOBSON, Mr. PRICE of North Carolina, Mr. TANNER, Mr. TUCKER, Mr. VENTO, Mr. SMITH of Iowa, Mr. CHAPMAN, Mr. MICHEL, Mr. MURTHA, Mr. NEAL of North Carolina, Mr. REYNOLDS, Mr. RIDGE, Mr. SCOTT, and Mr. TRAFICANT.

H.J. Res. 111: Mrs. VUCANOVICH, Mr. RAMSTAD, Mr. WALSH, Mr. HAYES of Louisiana, Ms. THURMAN, Mr. BONIOR, Mr. HASTINGS, Mr. MORAN, Mr. HUNTER, Mr. CLEMENT, and Mr. MEEHAN.

H.J. Res. 122: Ms. MALONEY, Ms. ROYBAL-ALLARD, Mr. OLVER, Mr. MOAKLEY, Mr. EMERSON, Mr. MEEHAN, and Ms. MARGOLIES-MEZVINSKY.

H.J. Res. 137: Mr. SENSENBRENNER, Mr. JEFFERSON, Mrs. LLOYD, Mr. HUGHES, Mr.

ZELIFF, Mr. FORD of Tennessee, Mr. HAMILTON, Mr. SCHIFF, and Mr. EVERETT.

H.J. Res. 160: Mr. MEEHAN.

H.J. Res. 177: Mr. MAZZOLI, Mr. STARK, Mr. RANGEL, Mr. MILLER of California, Mr. GINGRICH, Mr. CONYERS, Mr. SABO, Mr. FROST, Mr. DE LUGO, Mr. PAYNE of New Jersey, Mr. LEWIS of Georgia, and Ms. PELOSI.

H.J. Res. 187: Ms. FOWLER, Mr. SUNDQUIST, Mr. EMERSON, Mr. JOHNSON of South Dakota, Mr. FISH, Mr. CLYBURN, and Ms. ROYBAL-ALLARD.

H.J. Res. 193: Mr. CONYERS, Mr. COLEMAN, Mr. KINGSTON, Mr. McDERMOTT, Mr. HINCHEY, Mr. MURTHA, Mr. WISE, Mr. LEWIS of Georgia, Mr. FISH, Mr. MOAKLEY, Mr. MATSUI, Mr. NEAL of Massachusetts, Mr. MARKEY, Mr. KLECZKA, Mr. JEFFERSON, Mr. BREWSTER, Mr. CLYBURN, Mr. JOHNSON of South Dakota, and Mr. PETRI.

H. Con. Res. 3: Mr. YOUNG of Alaska.

H. Con. Res. 29: Ms. ROYBAL-ALLARD.

H. Con. Res. 42: Mr. FISH and Ms. ROYBAL-ALLARD.

H. Con. Res. 48: Mr. FISH, Mr. PARKER, and Mr. INGLIS.

H. Con. Res. 49: Mr. ANDREWS of New Jersey.

H. Con. Res. 61: Mr. ANDREWS of New Jersey.

H. Con. Res. 74: Mr. DORNAN and Mr. FRANKS of Connecticut.

H. Con. Res. 76: Mr. HUGHES, Mr. ENGEL, Mr. FISH, Mr. MANZULLO, and Mr. DORNAN.

H. Con. Res. 79: Mr. POMBO, Mr. BALLENGER, Mr. FAWELL, Mr. EWING, Mr. PORTER, Mr. KIM, and Mr. HOEKSTRA.

H. Con. Res. 84: Mr. DELLUMS and Mr. FRANK of Massachusetts.

H. Con. Res. 85: Mr. DORNAN.

H. Con. Res. 92: Mr. McDADE and Mr. COLLINS of Georgia.

H. Res. 38: Mr. VENTO.

H. Res. 116: Mrs. MORELLA, Mr. BAKER of Louisiana, Mr. DEFazio, Mr. LAZIO, and Mr. ZELIFF.

H. Res. 117: Mr. DARDEN, Mr. PARKER, Mr. REED, and Mr. SWETT.

H. Res. 135: Mr. VENTO, Mr. LANTOS, and Mr. FRANKS of Connecticut.

H. Res. 156: Mr. SOLOMON, Mr. KLUG, Mr. EVERETT, Mr. EWING, and Mr. BEREUTER.

H. Res. 165: Mr. BERMAN, Ms. ESHOO, Mr. LEVIN, Mr. BEILENSON, Ms. PELOSI, Mr. GORDON, Ms. MARGOLIES-MEZVINSKY, and Mr. COBLE.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

35. The SPEAKER presented a petition of Eira I. Mattsson, Silver Spring, MD, relative to the anniversary of the end of World War I; which was referred to the Committee on Foreign Affairs.