

## HOUSE OF REPRESENTATIVES—Wednesday, July 20, 1994

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. TORRES].

### DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,  
July 20, 1994.

I hereby designate the Honorable ESTEBAN TORRES to act as Speaker pro tempore on this day.

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

### PRAYER

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

We pray, O God, that our thoughts will be born of a good spirit, that our words will have the ring of truth, our deeds will show forth with courage, our promises will be made with integrity, our motivations will be cleansed by honor, our commitments will be fulfilled and true, and all our aspirations will be marked by strength of character. O gracious God, You have given to each person the marks of humanity and civility, so bless us and keep us in Your truth, now and evermore. Amen.

### THE JOURNAL

The SPEAKER pro tempore (Mr. TORRES). The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

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

### PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Florida [Mr. MICA] come forward and lead the House in the Pledge of Allegiance.

Mr. MICA 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.

### THE FACTS ON THE ECONOMY

(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, when President Clinton took office in January 1993, the Nation's economy was stagnant, job growth was slow, and despite previous efforts the Federal budget deficit was still headed up.

Now, 18 months later, the picture looks quite different. To those who don't believe it, I ask you to listen to these facts:

Fact: The deficit is down. Measured as a percentage of our national income, our deficit is the second lowest of any advanced economy in the world—and next year it will be the lowest.

Fact: Some 3.8 million new jobs have been created since January 1993. That's more job growth in a year and a half than in the previous 4 years combined. That's 3,000 a day. And, these are all private sector jobs.

Fact: Unemployment has fallen, from 7.7 percent at the end of the Bush administration to 6 percent today.

Fact: The Federal Government is shrinking. Federal spending as a percentage of our national income is lower now than under President Bush or Reagan—the lowest since 1979. By 1999, we will have eliminated 272,000 Federal positions, and we'll have a Federal work force that's smaller than it's been since the Kennedy administration.

Fact: Consumer confidence is up—now at the highest level in about 4 years.

It's time to give credit where credit is due. The economic plan the President and Democrats in Congress passed last year is working. The facts about 18 months of economic progress prove it. Federal Reserve Board Chairman Alan Greenspan has said the economy is in the best shape in decades. His words: "The U.S. economy has recently been experiencing the ideal combination of rising activity, falling unemployment and slowing inflation."

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1873. An act to require certain payments made to victims of Nazi persecution to be disregarded in determining eligibility for and the amount of benefits or services based on need.

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

H.R. 4426. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1995.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4426) "An Act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1995" requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LEAHY, Mr. INOUE, Mr. DECONCINI, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mrs. FEINSTEIN, Mr. BYRD, Mr. MCCONNELL, Mr. D'AMATO, Mr. SPECTER, Mr. NICKLES, Mr. MACK, Mr. GRAMM, and Mr. HATFIELD, to be the conferees on the part of the Senate.

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

S. 2208. An act to authorize appropriations for fiscal year 1995 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

### THE CLANDESTINE CAUCUS

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

Mr. LINDER. Mr. Speaker, here in Congress, we have the Black caucus, the Hispanic caucus, the sportsmens caucus, the rural caucus, the space caucus, the steel caucus, the Sunbelt caucus, and now you can add the clandestine caucus.

The newly formed clandestine caucus is made up of the Democrat leadership and the entrenched committee chairman.

The public need not apply. Their objective is to protect their political agenda and the administration—out of sight of the Republicans, the media, and most importantly, the American people.

It is a busy season for the clandestine caucus, which is currently recrafting the Clinton health care plan behind closed doors and is holding the Whitewater papers under lock and key.

The clandestine caucus is concealing the work of the Congress from the American people. This approach typifies the arrogance of power found here in Washington. The clandestine caucus has forgotten that the American people pay their salary and will not be kept in the dark.

□ 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.

## ON BIPARTISANSHIP AND THE D.C. APPROPRIATION

(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, in 1991, Congress in votes of extraordinary bipartisan dimensions gave aid to the Capital City. BOB MICHEL, NEWT GINGRICH, JOE MCDADE, TOM BLILEY, and DEAN GALLO stood beside TOM FOLEY, DICK GEPHARDT, JAMIE WHITTEN, RON DELLUMS, and JULIAN DIXON.

In contrast to the overwhelming 1991 vote of 300 to 123, the District's appropriation barely made it out of the House last week. Ironically a much thinner bipartisanship proved essential. I am particularly grateful to the gentleman from Virginia, TOM BLILEY, for his special leadership and to the indefatigably skilled subcommittee chair, the gentleman from California, JULIAN DIXON.

The city needs to get its fiscal house in order quickly to avoid ever being taken to the congressional woodshed again. Yesterday's announcement that the District plans to produce a plan even before the congressionally set deadline is the right response. In turn, Congress must solve its part of the problem, especially the pending pension liability bill to address a prehome rule debt.

Last week was the kind of catastrophe from which a new beginning can be made. I thank my colleagues who helped to rescue the appropriation and make a new beginning possible.

## HEALTH CARE

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

Mr. GOODLATTE. Mr. Speaker, after a full year of trying to sell his big government health care takeover, it is clear that President Clinton's plan has fallen and it cannot get up.

It has fallen because the American people know better than to trust their families' health care to Washington bureaucrats. Americans have a gut instinct that clearly tells them Government seldom knows best. That folks ought to be able to choose their own doctors, their own coverage, their own treatments.

Unfortunately, the Democrat leadership and the administration are meeting secretly behind closed doors. You see their idea is to spring their big Government, health care takeover plan on Congress and the American people again at the last minute and then force a vote before anyone really understands the bill. That is the only way they can reach their goal of putting bureaucrats and politicians in charge of Americans' health care. And that is wrong.

□ 1010

## GATT REGULATIONS SHOULD NOT SUPERCEDE THE U.S. CONSTITUTION

(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, one bill can turn back the clock and reverse American law. It is called GATT; that is right, GATT. Under GATT, America's environmental laws can be challenged and reversed, and America's consumer laws can be challenged and reversed. In fact, under GATT foreign judges will decide if America's trade laws are legal. Unbelievable. Thomas Jefferson is literally rolling over in his grave.

Mr. Speaker, this is not about GATT, this is not about trade, this is about sovereignty. Any Congress that would allow the World Trade Organization to supercede or sit in judgment of the Constitution of these United States should be impeached. This is unbelievable to me. Think about it.

## WAY OVERBOARD

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

Ms. DUNN. Mr. Speaker, I want to read a quote about health care reform:

We need to do something about it, but we don't need to go overboard. Repair it, but be sure you don't break it further.

That is the opinion regarding health care of the constituents of one Democratic Member from Louisiana, according to the Washington Post.

Unfortunately, Mr. Speaker, the Clinton health care plan goes way overboard.

Instead of fixing the problems that plague our current system, the Clinton health care plan will create even more problems by mandating that government, control the health care decisions of every American citizen.

Mr. Speaker, the American people are worried about the Clinton health reform plan. They are afraid of what it will do to their health care quality. They are troubled by the long lines, the rationed care and the higher taxes.

For most Americans, the Clinton plan goes way overboard.

I urge my colleagues to listen to the American people. Repair our health care system, but be especially careful that we do not break it further.

## HIGH MARKS FOR PRESIDENT CLINTON AND DEMOCRAT SUPPORTERS IN CONGRESS

(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, as we all remember, the 1992 Presidential election turned on one central issue: the economy. Candidate Bill Clinton made the economy the centerpiece of his campaign and promised to make it the centerpiece of his administration.

Last week, 18 months into his Presidency, the President received his first report card on the administration's economic program and it included high marks across the board. The President's budget that Congress passed last year—without the help of a single Republican vote—has put our economy back on track.

We have cut spending and the bureaucracy. Spending is projected to be lower in the Clinton administration than during either the Bush and Reagan administrations. We have lowered the deficit for 3 years running for the first time since Harry Truman was in the White House.

We've created jobs—6,398 private sector jobs a day. And, we have also cut taxes for 15 million Americans through the earned income tax credit.

Yes, there is still work to be done. But, for President Clinton and Democrats in Congress who stood by him, the news is good. The economic program is working. We are creating jobs, lowering the deficit, cutting spending, and cutting taxes. And, we are keeping our pledge to middle-class Americans to make Government work for them again.

## THE ADMINISTRATION SHOULD WORK ON BIPARTISANSHIP IN HEALTH CARE REFORM, NOT ON PUBLICITY STUNTS

(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, some time ago, one of my friends from the other side of the aisle came to the well and said, "Let us take politics out of health care." Give me a break. The President and his little band of advisers have handled this issue just like a campaign operation. Now he takes to the country in a series of bus promotions for his federalized health plan.

When the people of Wyoming heard about the promotional parade to come to the State, to Cheyenne, it was labeled the "Phony Express." Mr. Speaker, the people of Wyoming want fundamental change in health care to assist families in having access and keeping costs down, but they want it kept in the private sector. Let us fix it, not federalize it.

Interestingly enough, the Wyoming sector of the caravan has been canceled. I guess the Democrat candidates in the West really are serious about distancing themselves from the President.

Mr. Speaker, the Phony Express is another example of a publicity stunt without giving the folks facts. Instead of \$20,000 a bus traveling the country, the administration should spend their free time trying to work out a bipartisan health care plan we can all support.

#### THE ADMINISTRATION'S WAR WITH ITS OWN PARTY

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

Mr. PAXON. Mr. Speaker, first we had this administration's war on the West. Then we had the administration's war on senior citizens, led by Dr. Joycelyn Elders. Now we seem to have the administration's war with its own party.

Yesterday, as the Democrat leadership in this House were reaffirming their commitment to employer mandates, we had the President apparently retreating, we think. Yesterday, as Mrs. Clinton was on national TV reaffirming the commitment to universal coverage, the President was retreating.

Mr. Speaker, there is no confusion, and there is no retreat among Republicans, and, fortunately, some Democrats in the House who believe in real health care reform based on the Rowland-Bilirakis model. We believe strongly and steadfastly in the cause of health care reform based on bringing prices down, costs down, and bringing greater coverage for the American people, but doing it without a Federal bureaucratic system that was originally proposed by this administration.

Mr. Speaker, we urge the President to look at Rowland-Bilirakis, to look at where Republicans stand united in the House and the Senate, on real health care reform. We urge him to move our way and move in the direction of the American people.

#### DEFEATING HEALTH CARE FRAUD

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

Mr. HOBSON. Mr. Speaker, last week, Senator BILL COHEN released a new report stating that this country loses \$100 billion each year to health care fraud. The blatant offenses against the Medicaid and Medicare systems cited by this report are common and everyday.

Such examples include a supplier overbilling by 600 percent for a diabetic monitor, and doctors billing for treatments they had never performed or had performed on patients who had died.

These are the kinds of thing that go on and on without detection for years. It is costly to taxpayers, and it is compromising our Nation's health care.

In the present system, there is no easy way to catch this abuse. But my colleague from Ohio, TOM SAWYER, and I have introduced a bill that will detect and eliminate much of this abuse and fraud. It is called the Health Information Modernization and Security Act. And it has already been incorporated into three out of four committee bills passed in the House and Senate.

With the time drawing short in this Congress to achieve comprehensive health care reform, there are several provisions worthy of inclusion in any bill that is passed. This is one of them, and I urge my colleagues to ensure its inclusion in any bill that passes this Chamber.

#### CELEBRATING THE 25TH ANNIVERSARY OF THE APOLLO 11 LUNAR LANDING AND THE SUCCESSES OF APOLLO MISSIONS.

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

Mrs. MORELLA. Mr. Speaker, today, we celebrate the 25th anniversary of the *Apollo 11* lunar landing and the victorious successes of our Apollo missions.

The Apollo missions were a triumph and a wave of reassurance for a Nation ill at ease on the battlefield of the cold war. It was a victorious answer in those extraordinary times to the challenge of sending a man to the Moon and returning him safely to Earth. It was a vivid, awe-inspiring testament to the capability and ingenuity of the human spirit.

It was also a glorious adventure in which a great number of Americans took part. During the Apollo era, America's space efforts grew at unprecedented rates. The Government hired the biggest and the best scientific force in history, and colleges and universities swelled with students pursuing science and engineering. In addition, it produced a Golden Age of American technology and advancement—an age that, today, we are attempting to recapture and begin anew as we move our space program into the new millennium.

In the past weeks, a clear message, inspired in part by the Apollo missions, has been sent to Congress—the American people want us in space. The dream is, indeed, still alive. As we commemorate this silver anniversary of the first lunar landing and remain committed to our Nation's space program, we are continuing this dream for our students, for ourselves, and for all humankind.

□ 1020

#### FLORIDA EVERGLADES THREATENED BY NOXIOUS WEED

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

minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, I would like to address an issue that is destroying the Florida Everglades. As you know the Everglades is a fragile ecosystem. At the present time a noxious weed, melaleuca, is infesting the Everglades. It is turning the Everglades' wetlands into a melaleuca forest. This is an environmental disaster which we must and can stop. By this same time tomorrow, an additional 52 acres will be infested with this horrible pest. Federal assistance in funding a melaleuca quarantine facility is essential.

Fortunately, the building of a melaleuca quarantine facility is well on its way. With the help of Congress, a \$1 million appropriation for this facility was included in the fiscal year 1994 energy and water appropriations bill. However, this is not enough. This morning, I am joined by Mr. DEUTSCH and 20 other members of the Florida delegation in asking for an additional \$3 million authorization and appropriation for this much needed facility. We are hoping that this legislation will be included in the Water Resources Development Act of 1994.

Today, we are introducing legislation that would authorize and appropriate funds for the melaleuca quarantine facility. The time to act is now. This legislation is vital for the preservation of the Everglades. We urge your support.

#### ROCK THE PRESIDENT

(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 yesterday urged young people to get involved in the health care debate. Called Rock the System, it's based on the Rock the Vote get-out-the-vote drive and is promoted by MTV.

But when young folks take a look at Bill Clinton's health care plan, they will want to Rock the President.

That's because the President's plan hits the young the hardest.

By mandating a community rating system, it makes younger people pay more for less, while making the older pay less for more.

The President's plan has many other flaws, as well. The employer mandates will make it even more difficult for younger Americans to get a job. The global budgets will promote rationing. And the price controls will make future innovations in health care delivery more difficult.

I am glad MTV is getting involved in the health care debate. Hopefully, by seeing what the President's plan will do for them, younger Americans will support with Republican efforts to implement real health care reform.

## THE WRONG PRESCRIPTION

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

Mr. EWING. Mr. Speaker, according to the latest poll, 86 percent of the American people have health care insurance and are happy with it. When the American people talk about reform, they do not mean radical restructuring. When they speak about universal coverage, they do not mean socialized medicine. And when they see cost containment, they do not want health care rationing.

Mr. Speaker, the Clinton plan is the wrong prescription for the problems of our health care system. I urge the President and the Democratic leadership to listen to the desires of the American people. Work with Republicans to achieve a commonsense health care reform now. Do not try and do it alone, behind closed doors. The American people will reject that at the polls in November.

## DO NOT INVADE HAITI

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

Mr. GOSS. Mr. Speaker, incredibly, the B-team of foreign policy advisors at the White House is still racing headlong toward a dangerous military operation in Haiti. Why? Not because Haiti represents a national security threat to the United States. Not because American interests in Haiti have been threatened. And not because American lives are at stake.

The answer seems to be that domestic political pressures from special interests have convinced the President that invasion may be his only choice. Fully two-thirds of the American people oppose U.S. military intervention, as would a majority of Members of this body if given a chance to express our will. Nevertheless, this morning's Washington Post outlines the ongoing groundwork being laid for an invasion.

Mr. Speaker, there are better solutions for Haiti. I urge my colleagues to join me in cosponsoring House Concurrent Resolution 269. Send the message to the President: Do not invade Haiti.

## THE 25TH ANNIVERSARY OF APOLLO MOON LANDING

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

Mr. GRAMS. Mr. Speaker, 25 years ago proving that we could go to the Moon and return safely was our goal.

Today, our ability to explore space is not in question, only our desire. Undoubtedly, the environment in which

the U.S. space program thrived in the sixties and seventies is long gone. The cold war is over. The public is wary of tax dollars ending up in black holes.

The question on many people's minds is, "Do we still need a space program?" My answer is an emphatic, "Yes."

While the results of modern day space exploration may not be as fantastic as the high profile Apollo flights, they are no less important in terms of ground-breaking scientific discoveries and spinoff technologies that positively impact our daily lives.

For example, the development of life-saving technologies such as programmable pacemakers and bioreactors for culturing ovarian and breast cancer cells have dramatically improved medical care. And environmental technologies such as water purification systems help us improve our world.

On the 25th anniversary of the greatest technological feat achieved by mankind, we must take pride in the many tangible benefits derived from the U.S. space program and the prospects and the promises of the future.

## HEALTH CARE SHOW GOES ON THE ROAD

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

Mr. BOEHNER. Mr. Speaker, the show is about to begin. The President and the First Lady are about to take their health care show on the road. But while they are on the road, they ought to listen to the American people who are making it very clear that they do not want Government running the Nation's health care, that they do not want rationing of their health care.

Instead of going out and huckstering the Clinton health care plan, I hope the President and Mrs. Clinton will listen to the American people and not go out there and act like stories that we used to hear about the snake oil salesman and the medicine man. They ought to listen to the American people.

I would say as this show begins, let the American people beware of those that are promising free lunches and things that they cannot deliver.

## FLEXIBLE TO THE POINT OF CONTORTION

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

Mr. SMITH of Texas. Mr. Speaker, today's Washington Post headline reads "President Signals Health Flexibility." You would think by now that the President's flexibility would hardly be news.

This administration has taken flexibility to the level of contortion in every other policy area. Now it seems that even the President's primary policy initiative can join the rest on the

back of a milk carton with a caption "Have You Seen This Policy?"

What is the President saying with his new flexibility? He is now saying that "universal" will mean less than everyone.

President Clinton now admits that 95 percent is his coverage goal. However, he is still saying he is willing to rip up America's entire health care system. That means the 85 percent of Americans who have coverage they like will be sacrificed on the altar of a big government program for the ostensible purpose of maybe covering 10 percent more.

The most logical way to improve the Nation's health care would be to help the 10 percent, not endanger the 85 percent, unless your real goal is something else.

President Clinton's new health policy still owes more to ideology than flexibility; the only difference now is that it is more evident.

## TAX CUTS, JOBS, AND SPENDING TITLE

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

Mr. KINGSTON. Mr. Speaker, whatever happened to the middle class tax cut? Where is it? Or did candidate Clinton actually promise to end tax cuts as we know them? Because, instead of getting a middle class tax cut, we have got a tax increase on Social Security, a tax increase on gas which affects every single American in this country, and a tax increase on subchapter S corporations and self-employed individuals, which has caused a sluggish recovery and a decrease in the number of new jobs created as compared to the jobs created under the Reagan-Bush administration, which was the largest peacetime expansion in the history of our country, with 18 million new jobs created.

Mr. Speaker, on top of this, we are going to increase spending approximately \$400 billion over the next 5 years. Because, you see, in Washington, when we talk about cuts, we actually mean a decrease in the projected increase. We are not talking about spending less money than we did the year before.

□ 1030

That is what a decrease is about, not the games we are playing now.

Mr. Speaker, let us not forget the middle class. They are paying for everything. Let us give them that tax cut. Let us fulfill the President's campaign promise.

## INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1995

The SPEAKER pro tempore (Mr. HUTTO). Pursuant to House Resolution

468 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. 4299.

□ 1031

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. 4299) to authorize appropriations for fiscal year 1995 for intelligence and intelligence-related activities of the U.S. Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, with Mr. WISE, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, July 19, 1994, the amendment offered by the gentleman from New York [Mr. GILMAN] had been disposed of, and the bill was open for amendment at any point.

Are there any further amendments to the bill?

Mr. GLICKMAN. Mr. Chairman, I move to strike the last word to tell my colleagues that there are basically two sets of amendments left. The gentleman from Massachusetts [Mr. FRANK] has an amendment on counternarcotics, and the gentleman from Florida [Mr. Goss] and myself will have a collection of amendments on the issue of secrecy. Then that is it, and we should be able to finish this bill, hopefully, within the next hour.

AMENDMENT OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Chairman, I offer an amendment which was printed in the RECORD.

The Clerk read as follows:

Amendment offered by Mr. FRANK of Massachusetts: Page 4, after line 23, add the following:

**SEC. 104. REDUCTION IN COUNTERNARCOTIC AND DRUG INTERDICTION FUNDS.**

The amounts authorized to be appropriated under section 101 for counternarcotic activities and drug interdiction, as specified in the classified Schedule of Authorizations prepared to accompany the bill H.R. 4299 of the One Hundred Third Congress, are hereby reduced by \$100,000,000.

Mr. FRANK of Massachusetts (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 Massachusetts?

There was no objection.

Mr. FRANK of Massachusetts. Mr. Chairman, let me just clarify for my colleagues, the chairman of the committee said that he and the ranking Republican had a collection of amendments on secrecy. He could not tell

Members exactly how many, because I think that is a secret. But it will become clear later on if Members will look very carefully. We do not want the enemy to find out how many amendments we have because who knows what that might lead to.

Mr. Chairman, what I want to do today is to discuss the urgent need for a change in the way we deal with narcotics. This Congress has spent a great deal of its time and energy concerned about crime, legitimately. It is frustrating because the major instruments in the battle against crime are not wielded from the Federal Capitol, they are State and local entities. But we are trying very hard to do our best to be helpful.

Unfortunately, I think we have in place a national policy regarding drugs which is significantly unhelpful. We have historically spent most of the money we spend dealing with drugs on a futile effort physically to keep various narcotics out of the United States. This is a very free country. We have a great deal of freedom of personal travel. We have people who are secure in their persons and in their possessions from unreasonable searches, and we have an economy that is extraordinarily open.

Given the number of people who come and go from the United States every day, given the amount of goods that are sent into the United States either in the company of individuals or shipped in, it is physically impossible for us substantially to affect the quantity of narcotics shipped into this country.

In fairness to the armed services and to the military auxiliaries and to the police and to all of the other agencies, given the freedom of the United States, if we told them that we wanted them to keep all horses out of the United States they would probably do a very good job and keep most of the horses out. Some would get smuggled in. As the entity gets smaller, particularly when it gets so valuable, it is fruitless. I do not believe that anyone has been able to point to any significant success in our efforts physically to reduce the availability of drugs in America. I want to repeat that, because I do not think there is a policy in the United States that has gotten more rhetorical support and more money and produced less. No one claims that we have made any significant dent in the flow that comes in.

What we do is divert enormous amounts of money from a strapped Government. What we should be doing is putting money into other places. I have proposed a cut of \$100 million because this policy is so futile, and I would say it is not my impression that the committee thinks that this policy is very effective insofar as it reduces drugs in America. One suggestion is it may be useful because it will raise the price so people have to steal more.

Mr. Chairman, what I would like to do is cut \$100 million and make that available. I cannot under the rules do that here, but there are three other purposes that seem to me much worthy, local law enforcement, deficit reduction, and drug treatment and education. So I would hope we would reduce this \$100 million that is being wasted on a futile effort that has been historically unsuccessful, for good reasons, because it cannot succeed, and make that money available for some combination which the House and the Senate would chose for deficit reduction, local law enforcement and drug treatment.

That is the purpose of this amendment and I hope it is adopted.

Mr. SHUSTER. Madam Chairman, I move to strike the last word. I rise in opposition to my good friend's amendment. I would suggest that indeed there are very specific examples of success in our efforts to reduce the quantity of illegal narcotics being sent into the United States.

Madam Chairman, let me be specific. First of all, the Federal Government last year seized 110 metric tons of cocaine, which is about 14 percent of the estimated production. In addition, cooperative Latin American governments seized an additional 130 metric tons of cocaine. These seizures would not have been possible without good intelligence. Intelligence is absolutely crucial, and the last thing we need to do is to reduce our efforts at providing good intelligence aimed at interdiction. This \$100 million cut would cripple our ability to interdict.

Let me go further. Total world seizures of cocaine alone last year was 265 metric tons' worth over \$40 billion on the street. This lost income to both the Cali and the Medellin cartels has had a significant impact on their operations.

Beyond that, there are other examples of intelligence successes with regard to our battle against the shipment of illegal narcotics into this country. The successful hunt for Pablo Escobar was only possible with the assistance of intelligence to find his pattern of activity and identify his various hiding spots.

In Bolivia, "Meco" Dominguez was captured, and in Peru another drug lord was captured. Suppliers of the Cali cartel were arrested, and this man is now serving a life sentence.

Indeed, the last thing we need to do is to reduce these efforts, and there are many specific examples of success.

My good friend from Massachusetts says that we should spend this money, this \$100 million in other ways. One of the ways he suggests we should spend it is more money into drug treatment. I wish drug treatment were successful, but the sad truth, the hard fact is that about 86 percent of all people who go into drug treatment programs end up back on drugs. There is only about a 14-percent or 15-percent success rate.

So as sad as it is, the harsh reality is that drug treatment does not work very well at all. So we should instead of taking money away from interdiction and putting it into programs that do not work very effectively, we should not be throwing up our hands in despair and in effect saying let them ship illegal narcotics into the United States.

□ 1040

Instead we should be intensifying our efforts, because, indeed, the facts are very clear that we have been able to put a significant dent in their efforts, and for that reason, if no other reason, for that reason alone we should reject the amendment.

I urge a vote against this amendment to cripple our drug-fighting efforts.

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. SHUSTER. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Madam Chairman, there is an interesting statistical quirk we have just seen. The gentleman said this is a very good program because we have seized 14 percent of the drugs which were made, and denigrated drug treatment because it only helps 14 percent of the recipients. So apparently 14 percent can be either a sign of enormous success or an indication of total failure depending on which side of the argument you are on.

Mr. SHUSTER. Reclaiming my time, I would point out to the gentleman the 14-percent figure only represented what our Government alone did, and when you look at what Latin America did, it was about another 15 percent you add on top of this worldwide, so the total figure is a higher figure, but beyond the statistics even more importantly is, in my view, the U.S. position should be that we are not going to throw up our hands and simply let the narcotraffickers ship their product into this country.

We should have an effort, a war, if you will, against these narcotraffickers, and we should do it because it is effective. It is not as effective as it should be. I would like it to be more effective, but we certainly should not throw up our hands in despair.

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

Madam Chairman, I do rise in opposition to this specific amendment.

Yet, at the same time, I think it is important for us to concede that a lot of us have been unsure about all of the dollars and where they have gone and resources we have used in the overall war on drugs, and I know that many of my colleagues on both sides of the aisle have said if we are going to have a war on drugs, we ought to at least declare it.

I know the total number of dollars we have spent has been questioned. Indeed, I should tell my colleague from Massachusetts that the Committee on Intelligence, the full committee, in its final hearing did question it and, indeed, we are demanding a report back from specific sectors of the Department of Defense with respect to the total allocation here.

It is not a matter of saying that we are going to rubberstamp in this legislation everything that someone has in terms of an idea about how we will utilize our funding. Nonetheless, I fought very hard not to cut the drug interdiction dollars, because I happen to represent a district through which many drugs are disseminated, and representing a district such as I do, we recognize the vast importance of providing dollars as the gentleman from Massachusetts suggests in the treatment, in education, and certainly in terms of the whole policing, because we think, many of us believe, that is a key component of it.

I should tell you Joint Task Force 6, which is also in my legislative district, certainly provides much of that kind of assistance. In fact, the El Paso intelligence community itself does well, EPIC, in providing resources, assets, and information to local law enforcement and throughout the entire United States. All 50 States now fully participate with the exchange of that kind of information.

It is not just a simple problem of saying we can only do one thing or the other. I am one of those that have always believed, like many of you, that we cannot just fight this war on drugs or this battle in only one place. It kind of reminds me of a football team, when you say, "Well, we are going to field a great football team. Oh, by the way, we are missing a guard, a tight end, a tackle. We cannot do those; we cannot afford those players. What we are going to do is just try to fight this contest with what we have and what is left." I do not think we can do that. I think we have got to do it all across the front. I think we have got to do it with education.

I share the concern of my colleague from Massachusetts about perhaps some of the lack of direction and funding that we have gone through, but I must say we should not give up the idea we can interdict drugs, as tough as that is, and I share his concern about the telling statistics about some of our failures. Yet, at the same time, I think were we not doing what we have done in the area of interdiction and law enforcement, the problem would be much, much greater than it is.

So I am proud of those people who have been out there on the front lines. I happen to represent a lot of them. I, for one, think a cut of this magnitude is not the appropriate thing to do. I would hope that my colleague and

those who will join him in voting for this amendment would only help us and provide us with the kind of follow-up procedures throughout the course of this year and stay with us on this issue, because I fought some of these cuts, and sometimes in a fairly lonely battle.

Mr. FRANK of Massachusetts. If the gentleman will yield further, I thank the gentleman for the very thoughtful proposal. I would just say, since we are dealing with drugs and to some extent cocaine, to carry out his football analogy, maybe we need more nose guards.

The fundamental point I would make is I am glad to hear he and others on the committee intend to hold people accountable.

I remember when it was first proposed to put the military heavily into this issue, the military resisted. They did not want to do it. Frankly, I am a little suspicious that some of their enthusiasm came from the fact that back then in the early 1980's they did not need it for budgetary purposes; now they do.

I am glad to hear what the gentleman said. I just wanted to say I will be glad to work with him in establishing criteria for success as to what we think is working, and its impact should be measured by what happens in the United States. I welcome that, and I will be available to cooperate with my friends, and I thank the gentleman.

Mr. COLEMAN. I will continue to urge, of course, my colleagues to vote against this amendment.

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

Madam Chairman, I rise in strong opposition to the amendment offered by the gentleman from Massachusetts to cut our Nation's vital drug intelligence and interdiction efforts. This amendment will cripple these vital functions in the battle against the scourge of drugs.

Drugs, I might add, are related to more than one-third of the violent crime, one-half of the murders in the United States, while adding billions to our health care costs, and destroying much of our inner cities and large numbers of our youth today. Our drug war cannot afford this cut and purported savings.

Any battle against drugs, or any other enemy for that matter, requires sound intelligence to be effective. We need eyes and ears in the front lines of this war against sophisticated drug cartels which do not operate in the open, or play by anyone's rules. Intelligence provides the much needed eyes and ears to combat those drug traffickers.

Sadly, we have already seen disastrous cuts, and unbelievable bungling by this administration in our overseas interdiction, and counternarcotics intelligence efforts. We cannot stand by,

and permit further erosion of our vital efforts against the international narcotics trade.

The amendment before us does just that, make no mistake about that.

The critics of our counternarcotics efforts continuously state that nothing works, the drugs pour in, and our drug problem just doesn't get any better. Those critics are wrong. We have made significant progress over the recent years.

But, let us examine the critics' arguments. I ask these critics, What would the impact be of tons of additional cocaine—for example, fiscal year 1992, 137 metric tons seized—on our city streets, schools, and to our young, if we did not get a handle on these narcotics overseas, before they reach the United States?

By the time drugs have reached the nickel and dime bags on our city streets and in our schools, we have in many ways already lost the battle. That is why our overseas counternarcotics and interdiction efforts are so important.

In fiscal year 1991 the total U.S.-foreign seizures amounted to 140 metric tons of cocaine, or 14.6 percent of worldwide cocaine production. In fiscal year 1992 we seized 137 metric tons of cocaine, or 14.1 percent of the world's production. Those impressive results didn't come from random luck, but they flowed from hard intelligence work, needed to defeat the traffickers.

Actions have consequences as you can see, and to the benefit of the traffickers clearly if we were to cut our successful interdiction and counternarcotics efforts.

We can only guess at the added costs in violent crime, health care, drug treatment, and loss of lives in American society today from more cocaine from Colombia or heroin from Burma and onto our streets, and in our schools, from this precipitous act of cutting our drug intelligence efforts.

Let us not further weaken our Nation's war against drugs by this severe cut in our counternarcotics intelligence and interdiction efforts. I urge my colleagues to defeat the amendment before us.

□ 1050

Mr. MICA. Madam Chairman, I move to strike the last word.

Madam Chairman and my colleagues, I rise today in opposition to this amendment. My colleagues, the House Committee on Foreign Affairs recently held joint hearings on United States drug policy in the western hemisphere. I had the opportunity to attend these hearings, and I wish that many of our other colleagues could have been there. Let me say that testimony that I heard revealed a drug policy of the United States which is in total chaos. What was revealed was shocking for the Nation and also for my State of Florida.

Cocaine air trafficking is up 20 percent. The heroin supply has increased 44 percent, other illegal drugs and narcotics are not far behind.

Now, we have before us today a proposal to gut our drug enforcement intelligence capability. At this time I really cannot think of anything that could be more ill-conceived or ill-thought-out by this congress than to go forward with the proposal advocated by the gentleman from Massachusetts.

I believe that we are on the verge, quite frankly, of an onslaught of illegal narcotics unlike anything this country has ever witnessed. And I am not one to stand here and say that I have not tried to do something about this situation.

Recently this spring I asked Chairman CONYERS of the House Committee on Government Operations to conduct an oversight hearing on the administration's drug policy. Over 130 Members, bipartisan Members, signed that request. To date there still has not been a total oversight hearing on the U.S. policy, which continues to be a disaster.

A step today, in adopting this amendment, would be another disaster. Let us look at what has happened. On May 1 this administration suddenly reversed its practice of sharing our intelligence and radar equipment to attack the planes of narco-terrorists. With just this one small step, Colombia, Peru, and Bolivia, where nearly 100 percent of the world's cocaine is produced, were kicked in the face and betrayed by a reversal of U.S. policy. This was another one of these twists and turns in our disorganized U.S. drug policy. Fortunately, the administration, after this hearing, did reverse itself and has decided again to continue its past policy of sharing this intelligence information.

We see from just this one incident the importance of sharing intelligence.

Now we have before us an amendment to cut \$100 million from our counter-narcotics and drug interdiction programs. My colleagues, with our international drug policy in disarray, with wholesale cutbacks in drug interdiction and enforcement mechanisms, with a genocide of young male African-Americans in this country, with mixed signals being sent to our children by this administration, with crime so closely linked to illegal drugs and narcotics—I ask is this really the time to consider a proposal like this, to cut our drug enforcement funds and our intelligence capability? I urge my colleagues today to defeat this amendment. I urge you to look at this whole drug policy, this disorganized policy, this sad message that is being sent to our country, and this bad message that would be sent by adoption of this amendment.

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

I rise in vigorous opposition to the amendment. We have been going through now a period of time in which we are talking about the cold war ending and whether or not additional funds are necessary. We do this in defense, now we are doing it in intelligence. But what is underlying here in this particular amendment has nothing to do with any of that. It has to do with a war that we are continually waging on the streets of every city of this country, every town, every rural and urban area.

No one is spared the scourge of the increase in drugs in this country. There are areas, though, that we can point to to say that we have had great success. We have had great success in our interdiction efforts. There is no question about it.

Just in my home district of south Florida, along the southeastern Atlantic coast of this country, flying out of Key West we have had a tremendous successful effort. Yet we are finding that we are having to every day get up and in some way defend what is working in this country.

Our interdiction efforts right now, we are getting \$20 of drugs off the street for every dollar that we invest. The intelligence effort is a vital, a vital part of this overall network in reducing the amount of drugs that are coming here to the United States.

With this vote it is not about defense contractors, it is not about saving military hardware, military machines; what we are talking about is investing in the young people of this country.

My colleagues from Florida mentioned the young African-Americans; we are talking about the people who are mostly impacted by drugs in this country, particularly cocaine. We have found that in inner cities the youth of this country, people who are having the hardest time to get up the American economic ladder and share in the American dream, their future is being dashed and it is being dashed because of the fact that the drugs are out there. It impacts not only in the drug use but it impacts in crime, in the future ability to go forward.

Let us not give up something that is working.

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentleman for yielding.

The problem is this: Everyone who has spoken against the amendment—and I think there are still two or three people from Florida who did not manage to get up yet—but everybody who has spoken against the amendment has talked about the amount of drugs we have seized. No one has talked about less drugs out on the streets, because there is a disconnect.

Now let me give an analogy: If we put out a lot of rain barrels, the next time it rained real hard we would collect a lot of rain. But no one would be made dry by that. We would then talk about our anti-rain policy because we collected all this rainwater. But the amount of rainwater that fell on people would not be affected.

Yes, we collect a lot of drugs, but given substitutability, given their flexibility, unfortunately I have seen no evidence that that has reduced the supply of drugs on the street.

What I am talking about is in fact trying to put money into programs that will be more effective, both law enforcement and treatment and education, than what we now do. The problem is not that we are not catching drugs out there, but that because it then comes up in another country and another country, people increase their efforts, that has not, in all this time, had a salutary impact on the situation in America.

Mr. SHAW. Madam Chairman, reclaiming my time, the gentleman from Massachusetts is certainly one of the more intelligent and articulate Members of this House, but he is not using his head on this one. What the gentleman is saying is, "Let us allow more drugs to come into the country." The gentleman from New York just a few minutes ago gave you a statistic about the amount of drugs that we are indeed taking off of the streets.

We are reducing the supply of drugs in this country by the efforts that we are undertaking here. And we are just talking about what we are taking out; what would be actually out there, grown and produced in addition to what we have taken out is anyone's guess. But we know, except for our intelligence effort that we would not only be interdicting the supply coming into the country but we would be encouraging others to produce more drugs, which would again increase the supply even more. It is unthinkable.

Mr. HYDE. Madam Chairman, will the gentleman yield to me?

Mr. SHAW. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding. I just think this is an interesting variation of the Joycelyn Elders school of fighting the drug scourge by defining it out of existence, turning our back on it, it will just go away.

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentleman once again.

Madam Chairman, the gap between what the gentleman from Illinois just said and reality is very great. I know he sort of strolled in late. No one is talking about that. That really de-mands the whole debate. If in fact we

are going to talk seriously, as others have done, that is one thing. What the gentleman from Illinois has just said has no relation to anything. No one is talking about ignoring it, no one is talking about defining it out of existence. What I was talking about was more law enforcement—

The CHAIRMAN. The time of the gentleman from Florida [Mr. SHAW] has expired.

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

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman continue to yield?

Mr. SHAW. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentleman.

Madam Chairman, the fact is that nothing in what I said remotely resembles what the gentleman from Illinois was talking about. The fact is that I was talking about more law enforcement, more education, more treatment. The problem is not ignoring drugs but how effectively to fight it.

□ 1100

I do not think that physically catching them overseas, unfortunately, has had any effect here. I think that I have not yet had anybody say to me, "Hey, we're in great shape in this city or that city, the other city because our interdiction has worked to the point that they cannot buy any drugs." Unfortunately that does not work. But that is the rational level—

Mr. SHAW. In reclaiming my time, Madam Chairman, I say to the gentleman, "You're misguiding this debate. We are not talking about putting more money into police protection. We are not talking about putting more money into education."

Mr. FRANK of Massachusetts. I am.

Mr. SHAW. The gentleman is, but that is not what the gentleman's amendment is saying. The gentleman is talking about let us cut what is working, and I think what the gentleman from Illinois [Mr. HYDE] is talking about is there are certain things in the previous administration in the drug war that are working. Let us not try to dismantle what is working. It is out there, and it is working, and I think it is tremendously important that we continue that.

Now we can go ahead and talk about appropriating money for the different things that the gentleman is talking about, and I would support him on many of those. But let us not take it out of something that is working. It is like going into an AA meeting with a case of whiskey. One does not do that. What one does is try to reduce the supply and continue the education. That is important. But do not continue the supply and make drugs more plentiful on the streets, make drugs greater in

volume at a reduced price so that more people are getting hooked and more people are getting caught up in this terrible trap.

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield just for 10 seconds?

Mr. SHAW. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Madam Chairman, the gentleman is correct. My amendment does not in itself provide more law enforcement and treatment money, but I believe in the current budget situation, if we do not make cuts somewhere, we do not have the ability to do that, and my intention would be to free up money to fight drugs in what I think is a more effective way.

Mr. SHAW. Madam Chairman, I fail to find logic in the gentleman's argument as far as decreasing the amount of moneys that we are spending here in interdiction and in intelligence. It is vitally important we reject this amendment.

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

Madam Chairman, let me just say that the gentleman from Massachusetts raises an amendment which I will oppose today, but I do think that he raises some important subjects that need to be talked about.

Now first, the reasons for opposing it are, one, funding for intelligence support in counternarcotics activities is coming down radically now. The amounts recommended by the committee are \$600 million less than what was authorized 4 years ago. Within the amounts recommended this year, Madam Chairman, more than \$50 million is fenced until a plan for making better use of radar in the detection and monitoring mission is received, so these moneys are coming down, and the amendment offered by the gentleman from Massachusetts [Mr. FRANK] would bring them down so significantly that, I think, they would have a profound effect on interdiction.

However, saying that, I do want to say that the committee's report reflects frustration with the management of and inability to measure success in the past counterdrug strategy which was centered on detection and monitoring of cocaine shipments in the transit zones. The funds recommended now are for a new strategy which places less emphasis on the transit zones and more focus on working cooperatively with governments and nations, particularly in the Andean region which are sources to identify traffickers and disrupt their organization.

Further, significant reduction will curtail ongoing activities which support the source-nation strategy of the Clinton administration, and further significant reductions will terminate intelligence collection programs focused on heroin and the development of

interagency efforts against heroin at a time when there are indications that heroin abuse is a growing problem in the United States.

So, I urge the rejection of the amendment, however, if my colleagues look in the committee report on pages 36 and 37, there is a long discussion about the inappropriate management of counternarcotics in recent years. One particular case involved counternarcotics strategy in Venezuela where, because of lack of cooperation between the DEA and the Central Intelligence Agency, large amounts of uncontrolled cocaine came into the United States, and what we found is, over the years, that there has not been the kind of management of counternarcotics programs which would prevent this kind of thing from happening, and it is very embarrassing when it happens—"60 Minutes" got hold of that particular one. But the fact of the matter is it is probably not the only one where there has been imperfect management.

The problem with counternarcotics is we are not dealing with saints or angels in terms of the relationships we have with people who are in the narcotics struggle, so I understand that we will sometimes have problems, and I also believe that the CIA has taken some response to the Venezuelan case to ensure that the DEA will have full access to operational information that is developed, and this is another example of better cooperation that is needed between the CIA, the DIA, and the FBI. But the fact of the matter is that there has been very serious management of the interagency narcotics problems, particularly in Latin America, and much improvement needs to be made.

So, Madam Chairman, notwithstanding the fact that the committee opposes this amendment, the committee does put the Central Intelligence Agency, the DEA, and the folks involved in the Defense Department on notice that we expect them to improve their management of these kinds of programs or in future years we are going to look less sympathetically on their budget request.

Finally, Madam Chairman, I would say this. The gentleman from Massachusetts [Mr. FRANK] indicates the programs do not work, and then there has been some discussion that there is a 14-percent efficiency factor in these kinds of things. Well, the fact of the matter is that the programs are needed, I believe, in order to let the cartels know that we are not going to give them carte blanche, open access, into this country. I mean the real problem, obviously, has to do with domestic usage, and interdiction probably will not stop very much when it is so profitable to bring in and sell illegal drugs into this country.

But do we just give up because we do not interdict very much of the narcotics coming in? Do we give up particu-

larly when countries like the Colombians, and the Peruvians, and the Ecuadorians, and the Bolivians are risking life and limb to try to stop the narcotics traffickers in their countries? I say, no, we cannot give up, and, if we do give up, we open the doors even further to the Cali cartel and the other cartels that want to bring drugs into this country. So, I think it would be a mistake to say it is not worth the effort. It is worth the effort. But I also think it is a mistake to think that the counternarcotics programs are being managed as well as they can be managed in the future.

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

Madam Chairman, if I were someone who did not know the author of the amendment better, I would say this is an irresponsible amendment, \$100 million out of our efforts to interdict drugs that are coming into this country. That, in my estimation is something that is literally indefensible. As a matter of fact, it is interesting that, as far as I know, only the author of the amendment has spoken in favor of the amendment and appears to have no support on his side of the aisle or ours.

The fact is that over the last few months, Madam Chairman, the white flag of surrender has been raised on the drug war from the cutting of the drug czar's office by some 85 percent, to the cuts in the personnel at DEA and FBI, to the authorization for foreign affairs in which we made severe cuts in the efforts of international drug interdiction, and now this amendment offered by the gentleman from Massachusetts [Mr. FRANK] certainly sends, I think, the wrong signal, not only to the American public, but, even more importantly perhaps, to the world at large, and particularly to the drug lords who prey on people in our country and others in selling their poisonous product.

It does not always have to be that way. As a matter of fact, when we had testimony recently from former DEA Administrator Judge Bonner, he pointed out some interesting statistics to indicate that the policy of a strong interdiction effort coupled with strong law enforcement can bring some very good results and can, in fact, show that we can cut down the use of illegal drugs. For example, from 1985 to 1992, Madam Chairman, the number of cocaine users in this country, according to the National Institute of Drug Abuse, was reduced from 5.5 million in 1985 to 1.3 million in 1992. Drops in other drug use besides cocaine happened as well. On other drugs we saw half a million users in 1990, a drop down to 300,000 users in 1992. In marijuana the use is down from 20 million users in 1990 to 9 million in 1992. We also saw the destruction of the Medellin cartel. Some people said that

the Medellin cartel would go on forever, and it has essentially been destroyed.

□ 1110

Why? Because we have had the courage to work with other countries to consider interdiction as part of the overall law enforcement effort.

My friend, the gentleman from Massachusetts, says that he wants to strike the law enforcement. Can anyone name one law enforcement agency that supports his amendment? Is there one law enforcement agency in this country that supports the Frank amendment to cut \$100 million from our efforts to interdict drugs?

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. OXLEY. Yes, I am glad to yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Yes, I have spoken to a number of police officials, police chiefs, who support this. I do not have the list with me, but I will get it for the gentleman. I have found a lot of people who are in the local law enforcement business who would very much prefer to have resources made available to them rather than have this. I will have the list available for the gentleman.

Mr. OXLEY. That is interesting because I have not talked to one serious law enforcement official who does not believe that the interdiction effort is part and parcel of a strong antidrug policy in this country. No one is saying that it is the total answer, but as the chairman of the committee indicated, it is certainly part of a very important element in keeping drugs out of this country and providing the kind of support to the countries that are on the line fighting drugs.

Will the gentleman concede that if his amendment were to pass and our interdiction efforts were lessened, more drugs, not less drugs, would come into this country?

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. OXLEY. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Yes, I would, and I would say, if I may finish my answer completely, that that would make unfortunately no difference in our drug problem. And I quote from the committee's report on page 37:

Others, however, believe that progress should be measured by reductions in the amount of drugs flowing into the United States and increases in the street price of the drugs that result. If the latter is used as a measure, then the war on drugs might be considered a failure.

I would say this is the conclusion in the committee report from which the minority members expressed no dissent in this report that I have.

So the point I am making is that unfortunately the amount of drugs that is

available in the street appears to be unaffected by these efforts. That is why I want to focus on efforts to deal with the problems in the street. I do not think that the interdiction would be considered a failure, and I think the committee has said that.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. OXLEY] has expired.

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

Mr. OXLEY. Madam Chairman, taking back my time, if the gentleman were to concede that there would be a 14-percent increase, if we believe the 14-percent figure, in the amount of drugs on the street, then clearly law enforcement would have an even more difficult problem if the gentleman's amendment were to pass than before.

My only point is that it makes it even more difficult because the street price would decrease and it would be easier for people to secure drugs, and we are going to have that many more people out there using illegal drugs and, by the way, committing at least half of the crime out there that we consider to be street crime.

We have a multibillion dollar crime bill that is in the conference committee, the President is trying to get us off the dime to pass it, we look at half of the crime being committed because of drugs, and then we are arguing about cutting \$100 million out of interdiction efforts if the gentleman from Massachusetts were to have his way.

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. OXLEY. Yes, I am glad to yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. But I say that actually that \$100 million is wasted because with all of this, it is not affecting drug use in this country.

And, by the way, on the argument that by substantially lowering the price we have made a big difference, in fact it is available, raising the price so people steal more is not necessarily, it seems to me, a mark of success. I agree that the real problem here is the crime that is generated by drugs, but it is the American drug policy that exacerbates this because this does not allow us to fight crime as successfully as we should.

The point is, as the committee report says, that the interdiction efforts are not having any significant effect on drug availability in the street.

That is why I would take that money and put it into other programs, law enforcement and education and treatment, that deal better with the consequences of its being here.

Mr. OXLEY. Madam Chairman, I would suggest simply that if a Member were to support the Frank amendment and really conclude that interdiction has been a failure and they are willing

to completely abandon our interdiction efforts, it would be a low point in the debate in this House. I am fully confident that the Frank amendment, should we have a rollcall vote, would be defeated, and I ask for its defeat.

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

Madam Chairman, I rise in strong opposition to the Frank amendment. Nothing in my mind could be more foolhardy than to cut our efforts to reduce the flow of drugs into the United States. There has been no abatement in the drug cartel's efforts to thwart U.S. supply reduction programs. I recently traveled to Panama and Colombia to review our counternarcotics programs, and the intelligence we provide to host nations in Latin America to facilitate their counternarcotics operations. I learned that they rely heavily on U.S. intelligence assets to provide them early warning and assist in their interdiction programs. Our assistance is critical; yet, Mr. FRANK wants to deny this assistance by reducing counternarcotics intelligence dollars.

Intelligence is vital to interdiction successes. Without early warning intelligence, we are looking for needles in a haystack among the thousands of cars, ships, and planes coming to the United States. With intelligence we know where to concentrate resources to improve the probability of interdiction. Federal Government and Latin American cocaine seizures totaled 240 metric tons last year. This number will surely drop if we cut drug intelligence spending.

What we need in the war on drugs is not a cut in funding, but better leadership. This has been clearest in the administration's most recent self-inflicted wound. On May 1, without prior consultation with other Federal agencies or departments, the Department of Defense terminated the passage of radar tracking intelligence to the governments of Peru and Colombia. This had the immediate effect of undermining the close working relationship between these governments and the United States. Equally important, these countries had begun effective air interdiction campaigns designed to stop the shipment of raw cocaine from Peru to Colombia, which relied upon our information to make their programs work. These programs had reduced the flow of cocaine, dislocated the traffickers, and raised their operating expenses. But because of an arguable legal interpretation, DOD ceased to pass tracking data on the flights.

At no time during the discussion of this problem did a senior administration official step in to address the issue and make a decision. The problem with counternarcotics programs is not counternarcotics intelligence, it is that, too often, no one is in charge and will make policy decisions. Indeed, as

Mr. FRANK knows since he read the classified annex to this year's authorization bill, the committee took very specific and direct action to address shortfalls in leadership arising from the radar incident.

Because this program is classified, we must discuss the effects of the proposed cut largely in generalities without detailing how specific counternarcotics programs will be endangered. Let me assure you, however, if this amendment passes, we will see an upsurge in drugs on our streets.

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

Mr. GLICKMAN. Madam Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Madam Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto end in 15 minutes.

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

Mr. COMBEST. Reserving the right to object, Madam Chairman, let me ask, how would we divide the time? Would the time begin after the gentleman from New Jersey [Mr. HUGHES] has finished, or before?

Mr. GLICKMAN. Madam Chairman, I would give the gentleman from New Jersey his full 5 minutes, and I would ask that all debate on this amendment end in 20 minutes. I would take 15 minutes, the gentleman from Massachusetts [Mr. FRANK] would take 5 minutes, and I would yield time to the gentleman from Illinois [Mr. HYDE] and the gentleman from Florida [Mr. YOUNG].

Mr. COMBEST. Madam Chairman, would we have time on this side?

Mr. GLICKMAN. Madam Chairman, let me amend my request. I ask unanimous consent that House debate end in 20 minutes after the gentleman from New Jersey has completed, with the gentleman from Texas [Mr. COMBEST] to have 10 minutes, the gentleman from Massachusetts [Mr. FRANK] to have 5 minutes, and I would retain 5 minutes.

The CHAIRMAN. The Chair understands the request relates to this amendment and all amendments thereto?

Mr. GLICKMAN. That is correct.

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

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. HUGHES] for 5 minutes.

□ 1120

Mr. HUGHES. Madam Chairman, let me first of all congratulate our distinguished colleague, the gentleman from Massachusetts [Mr. FRANK], for his

amendment. I am not going to support it, but I think he does us a great service, because I think the gentleman is partially right about many of his observations.

I think part of the problem with intelligence gathering in the counternarcotics area is like so many other aspects of our law enforcement component in this country, and that is we have so many agencies that are involved in the activity, few of whom speak to one another, share information, and basically try to reduce the kind of waste we see in this area, intelligence gathering, and in so many other areas.

My greatest regret over the years is that the so-called drug czar has never worked very effectively. They have never attempted to, unfortunately, eliminate the overlap and the duplication that exists in almost all of our enforcement agencies.

A few years ago when we developed the new center for intelligence gathering in the intelligence community, I think we made one of the biggest mistakes, although it has not been funded and has not been staffed like originally envisioned. Because again I think we are moving in the direction of balkanization of intelligence gathering. Hey, folks, they do not talk to one another. In the some 10 years I chaired the Subcommittee on Crime, throughout all the oversight hearings, I was amazed at how little cooperation there is among agencies. I think there is a little more than we have today, but it is certainly not what it should be. And I want to congratulate the distinguished chairman from Kansas of the Permanent Select Committee on Intelligence for the oversight hearings I am informed they have conducted.

I refer you to page 37 of the committee report, where they talk about the lack of coordination, and I read from the committee report:

The committee is concerned that coordination of counternarcotics intelligence efforts involve too many personnel spread among too many "centers." Although the CIA created a counternarcotics center a number of years ago, it is a center in name only. For example, the CIA center only has one detailee from the Defense Intelligence Agency. There are over 200 personnel in CIA's counternarcotics center, and a lesser number working at the DIA's Counterdrug Joint Intelligence Center. In addition, there are personnel in the Department of Defense joint task force centers spread around the country and defense department personnel at the Southern Command in Panama. These intelligence community resources do not include DEA, Coast Guard, Customs, and other associated agencies. The El Paso Intelligence Center, EPIC, which is supposed to comprise most of the law enforcement agencies in the El Paso center, "or the newly established National Drug Intelligence Center."

The fact of the matter is that we have basically balkanized the intelligence gathering in this country. Instead of attempting to bring all those

resources together in El Paso, as once envisioned, where we could bring all the agencies to one location, where they would have to feed that kind of intelligence, basically collate, disseminate it, not just to our domestic intelligence agencies, but throughout the world, what we are doing is collecting all that data, and each one basically hordes that data in many instances because it is their work product. They want to work those cases. And we have contributed to that, and we continue to contribute to that.

I hope that we reach the day when we understand that we can do a far better job than we have done. There has got to be one lead agency, in my judgment, and we should have one center for collecting that data and disseminating it.

I understand why the intelligence communities come across that information, but in many instances, the CIA, for instance, has different human resources. They have to create new resources. They are, I think, because of the nature of security, themselves compartmentalized and balkanized, and I think it is an absolute mistake.

So I think while the gentleman, I think, is not doing what I would like to see us do, I think he has pointed up the fact that there is a lot of waste in this program and that we can do a far better job than we have done. And intelligence gathering should be strengthened, not weakened. We need to invest more resources in the Foreign Cooperative Program, because the more information we can collect around the world at the source, I think the more we can disseminate, and prevent it from coming to this country and other countries.

Mr. GLICKMAN. Madam Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Madam Chairman, I think the gentleman raises an excellent point. The recent example with these ground-based radars in the Andean nations is a classic example of the kind of bureaucratic redtape that afflicts the drug war. This was at a higher level, but we ended the sharing of information overnight to countries which were fighting the drug war because of legal problems in this country, but without the kind of coordination that was necessary to effectively deal with the problem. That mistake at a high level has filtered down to much lower levels as well.

Mr. HUGHES. Madam Chairman, reclaiming my time, I would reject the amendment of the gentleman from Massachusetts [Mr. FRANK], but I think we need to get on with the business of getting our act together.

Mr. COMBEST. Madam Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Madam Chairman, my problem with the amendment offered

by the gentleman from Massachusetts, which I do understand, is that it raises the white flag on one aspect of the drug war, and that is on interdiction. We have to deal with supply as well as demand. I will concede, if there were not a demand, there would not be a supply. But there are many fronts in this war. And to just surrender on interdiction and say look, we are only stopping 14 percent of it, therefore let us give up the game and let us put the money on law enforcement and rehabilitation, frankly, and parenthetically I might add, rehabilitation has not been all that stellar an accomplishment, and for very good reasons. But I do not say give up on rehabilitation. I do not say give up on interdiction. But if we can stop this poison at its source, or in transit, before it gets distributed in this country, you will not need as much rehabilitation as evidently we do.

Now, the gentleman from Massachusetts [Mr. FRANK] has said the interdiction has failed miserably, or there have been no significant interdictions. And we have heard the opposite in terms of statistics from the gentleman from Pennsylvania [Mr. SHUSTER] and the gentleman from Texas [Mr. COMBEST], who have talked about this.

Mr. FRANK of Massachusetts. Madam Chairman will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Brief correction, since the gentleman got one of my sentences wrong: I did not say there has been no significant interdictions. I said the interdictions have had no significant effect in reducing the availability of drugs on the street.

Mr. HYDE. Reclaiming my time, if that is the posture of the gentleman, I think it is even more illogical, because what is interdicted does not get distributed on the street. It does not get cut, it does not get sold or given away. It remains in the government warehouses for destruction.

So I just think there is a logical fallacy in what the gentleman says.

The drug war has been faltering, and the problems with it have been well illustrated by the gentleman from New Jersey [Mr. HUGHES] and others. But what is required is leadership, a seriousness on the part of government to forget the turf wars and to get on the ball, to get with it, and to get serious. This has to be done, because we are dealing with enormous amounts of money, we are dealing with murder on the installment plan for our young people and for older people who are addicted. We need to spend more money learning how to rehabilitate people. Because, frankly, once you come out of this treatment, you are thrown right back into the environment that encouraged the addiction or the incentives for the addiction, and you have not really solved a problem.

But we need all of these means of attacking this terrible scourge. But do not surrender on interdiction. Make it work better, rather than just walking away and saying we will spend the money elsewhere better. We need to spend more money in many directions, but do not surrender on interdiction.

Mr. COMBEST. Madam Chairman, I yield 5 minutes to the gentleman from Florida [Mr. YOUNG].

Mr. YOUNG of Florida. Madam Chairman, I rise in opposition to the Frank amendment.

Madam Chairman, this is not a mere across-the-board cut such as we deal with so often here in the House on appropriations bills. This is a major cut. It is a cut that the country cannot afford to make.

While we debate about spending money for intelligence activities related to the drug effort, the drug lords do not have to worry about this. They do not have to sit around with competing agencies deciding what to do or when, or where to get the money. The drug lords do not have to go to a Committee on Appropriations to get an appropriation. They do not have to go to the House of Representatives or to the Senate. They do not have to go to a President to sign a bill.

□ 1130

The leader of the cartel makes a decision and that is the way it is. That makes them a very formidable enemy and a formidable target. It is important that we maintain our ability to the best of our ability to combat those who would infest this Nation and this world with illegal drugs.

They have their own intelligence capabilities, believe me. The drug lords, the drug cartels have intelligence that in some cases is more effective than ours because they are not handcuffed with the rules and the regulations that our drug enforcement agents are.

In addition, part of intelligence is technology. We have good technology in our intelligence community, but the drug lords have good technology as well and they do not have to get somebody's permission to buy it. They buy it because they have plenty of money, the money that comes from the poor individuals who put all of the money they earn or steal into purchasing these drugs.

The drug lords do not have those handcuffs. And they do have effective intelligence operations.

We cannot afford to let down our guard. We have got to continue this war against drugs. Maybe it is not easy. Some of the targets are difficult to work with because they are not fettered by the rules and regulations that our folks are.

We have heard some complaints and criticisms today about the effectiveness of this program. Yesterday during the debate on the major part of the in-

telligence authorization bill, we also had complaints about the intelligence community not doing as good a job as it could.

I think we could concede that. None of us is doing as good a job as we would like or as good a job as maybe we could. But here is what has been forgotten in this whole debate, whether it deals with dollars for drug enforcement or collecting intelligence against drug cartels or whether it is against a hostile military target. The truth of the matter is, Madam Chairman, while we hear about the mistakes and we hear about a failure from time to time, the truth is, because of the nature of the intelligence business, because of the necessity for secrecy, because of the importance of having these operations clandestine in order for them to work, the general public very seldom ever hears about the successes.

I would like to say here today, Madam Chairman, and to my colleagues, there are many successes in the intelligence work against the drug cartels. There are many successes in the intelligence activities in other areas of interest to our national security. And so we should not be lulled to sleep by a few errors or a few mistakes. We should continue aggressively to correct those errors and to prevent those mistakes, but let us not overlook the real honest fact that our intelligence community has done a pretty good job. The Nation is still free.

But because of the necessity for secrecy and clandestine operations, the general public seldom hears about those successes. And I say again, there are many.

Let us defeat this Frank amendment.

Let me add a couple of more points, why I think we should defeat this amendment.

A reduction of \$100 million in the NFIP and TIARA fiscal year 1995 counternarcotics budgets will prevent us from making the programmatic investments necessary to support the President's counternarcotics policy as specifically directed and laid out in the National Drug Control Strategy and Presidential Directives. Specifically, this reduction will force us to severely curtail highly successful counternarcotics interagency and regional efforts developed over the past 3 years to disrupt and dismantle major cocaine organizations which pose a threat to the United States.

This reduction will terminate essential human intelligence and technical collection programs to counter the heroin threat at a time when all indications point to an escalation of the heroin problem in the United States.

This reduction would terminate the development of interagency efforts similar to those used for cocaine to attack major heroin targets.

This reduction would eliminate effective support to the U.S. interdiction

coordinator and the national interdiction command and control structure at a time when more precise intelligence is required to direct scarce interdiction assets in the transit zones.

It would severely curtail our efforts to detect and assess emerging areas of coca and poppy production in support of policy decisionmaking.

The Frank amendment would severely diminish CIA's capability to assess the destabilizing effect of narcotics trafficking organizations on the political and social structures of countries.

This reduction would prevent critical research and development efforts and the application of sophisticated technology to support counternarcotics operations and analysis.

And it would disrupt the community coordination process currently in place between various Government agencies to use available resources efficiently and achieve cost savings. For example, the counternarcotics community has established interagency working groups in Imagery, HUMINT, SIGINT, and Open Source, which coordinate collection priorities and activities, as well as the Resource Task Force, which coordinates interagency resource planning as a subcommittee of the Committee on Narcotics Intelligence Issues [CNII].

The Frank amendment would be a major retreat in our battles against the sinister drug lords and must be defeated.

Mr. FRANK of Massachusetts. Madam Chairman, I yield myself the balance of my time.

I want again to read from the committee report, because the question is not whether or not we have succeeded in interdicting. We have. The question is whether the fact that some percentage of drugs grown or shipped is interdicted has any significant beneficial effect within the United States.

The fact is that some of my market economy friends have lost track of the power of the market economy.

Unfortunately, in this case, market forces sometimes work whether they are legal or illegal. We get substitution. We get a powerful drive to sell something that is very profitable. The problem with interdiction is not that it does not work on its own terms but that the success of interdiction has very little, if any, physical effect within the United States. And because resources are limited, the billions we spend on interdiction prevent us from putting more money into law enforcement, treatment, and education. These are the three separate issues.

We are not simply talking about treatment. That is very important. But so is education, which does seem to have significant effects and, I believe, is more responsible for the decline in the use of drugs than anything else, certainly more than interdiction.

The committee report itself says, this is the public committee report.

There are differing views on how progress in the war on drugs ought to be measured. If you measure by physical quantities interdicted or overseas drug people arrested, it succeeds. Others believe that progress should be measured by reductions in the amount of drugs flowing into the United States and increases in the street prices of the drugs that result. If the latter is used as a measure, then the war on drugs might be considered a failure.

That is the point. If one batch is interdicted, another batch replaces it. If it is shut down in one country, this is a big world, they will grow it in Myanmar. They will grow it here; they will grow it there. The problem with interdiction is that for a free society, with the free movement of people and goods that we fortunately have and do not want to give up, it is physically impossible significantly to reduce the availability of that very small and, sadly, very valuable quantity.

Therefore, we are wasting that money. I am not talking about cutting out all the money. We cannot get into specifics. Intelligence help and cooperation with countries that want to help would still be here. But the physical emphasis on interdicting is a mistake.

When this was first offered to the Defense Department in the early 1980's, as I remember, they did not want to do it. They said, this is not for us. This is not useful.

That was at a time when they were getting all the money they needed from Congress. Now that they are in a budget crunch, the Defense Department looks more favorably on this because it helps them support some of their arguments. But it is not the way to fight drugs. It is not effective.

The problem is that given that overwhelming demand that tragically exists, we get it in here. We stop it in one country, it comes through another. We stop this shipment, another shipment comes in.

That is the problem. The problem is practicality.

The power of market forces, even though in an illegal market, overwhelm the ability of law enforcement in the freest society in the world with the greatest exchange of goods that comes in and out to stop it.

Therefore, I believe we ought to begin the process of shifting resources. We will then decide among ourselves, there is deficit reduction. There is local law enforcement. There is education and there is treatment. All four of those seem to me to be preferable to the time wasting and money wasting policy that we now have.

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

Mr. GLICKMAN. Madam Chairman, I yield myself the balance of my time.

I do oppose the amendment. The President has proposed a new policy

which focuses less on interdiction and more on disruption in the growing countries, the Andean region countries. I think that is an appropriate change in policy.

I think this cut would be very disruptive at a time when we are going after the regions of Colombia and Bolivia, Peru, Ecuador, and remaining countries.

□ 1140

I also want to note to my colleagues that we have had in the committee serious problems with the management of intelligence-sharing relationships with other intelligence agencies and law enforcement agencies in the whole counter-narcotics area. We have requested that the Office of National Drug Control Policy. Mr. Brown's group, report no later than September 1 the details of the administration's supply reduction strategy. They have come up with a good strategy in generic terms. We want to see some meat on the bones of that policy.

Madam Chairman, we have asked them, No. 1, to provide how the United States will help build resolve to attack the drug problem in narcotics-producing countries and what each department and agency of the U.S. Government will contribute in terms of personnel and fiscal resources to achieve overall supply reduction goals.

No. 2, we have asked them the specific role of the U.S. Southern Command and how it will support U.S. goals and objectives.

No. 3, we have asked them for an assessment of the advisability of integrating cocaine eradication as part of a supply reduction plan.

No. 4, and most important to us, we have asked them the policy of the United States in providing intelligence support to narcotics-producing nations, particularly as it relates to providing U.S.-generated radar tracking data.

Madam Chairman, my concern is that our Government, both this administration and the past administration, has not conducted an evaluation for cost-effectiveness on the whole issue of intelligence support in the counter-narcotics effort. The new directive will help, at least on paper. We want to see the specifics. It is incumbent upon the intelligence community to implement measures of effectiveness for both national and tactical problems to do so quickly.

This would be hurt of the Frank amendment is adopted. For that reason I urge its rejection, but I do want to warn this administration and the agencies of the intelligence part of our Government, as well as the law enforcement part of our Government, that we do expect more effectiveness and better coordination in the operation of these programs.

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

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

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

RECORDED VOTE

Mr. COMBEST. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 18, noes 406, not voting 15, as follows:

[Roll No. 335]

AYES—18

Conyers	McDermott	Penny
DeFazio	Murphy	Schroeder
Edwards (CA)	Nadler	Synar
Frank (MA)	Norton (DC)	Velazquez
Jacobs	Obey	Visclosky
Kanjorski	Oliver	Yates

NOES—406

Abercrombie	Coleman	Gekas
Ackerman	Collins (GA)	Gephardt
Allard	Collins (IL)	Geren
Andrews (ME)	Collins (MI)	Gibbons
Andrews (NJ)	Combest	Gilchrest
Andrews (TX)	Condit	Gillmor
Applegate	Cooper	Gilman
Archer	Coppersmith	Gingrich
Armey	Costello	Glickman
Bacchus (FL)	Cox	Gonzalez
Bacchus (AL)	Coyne	Goodlatte
Baesler	Cramer	Goodling
Baker (CA)	Crane	Gordon
Baker (LA)	Crapo	Goss
Ballenger	Cunningham	Grams
Barca	Danner	Grandy
Barcia	Darden	Green
Barlow	de la Garza	Greenwood
Barrett (NE)	de Lugo (VI)	Gunderson
Barrett (WI)	Deal	Hall (OH)
Bartlett	DeLauro	Hall (TX)
Barton	DeLay	Hamburg
Becerra	Dellums	Hamilton
Bellenson	Derrick	Hancock
Bentley	Deutsch	Hansen
Bereuter	Diaz-Balart	Harman
Berman	Dickey	Hastert
Bevill	Dicks	Hastings
Bilbray	Dingell	Hayes
Bilirakis	Dixon	Hefley
Bishop	Dooley	Hefner
Blackwell	Doolittle	Herger
Bliley	Dornan	Hillard
Blute	Dreier	Hinchey
Boehrlert	Duncan	Hoagland
Boehner	Dunn	Hobson
Bonilla	Durbin	Hochbrueckner
Bonior	Edwards (TX)	Hoekstra
Borski	Ehlers	Hoke
Boucher	Emerson	Holden
Brewster	Engel	Horn
Brooks	English	Houghton
Browder	Eshoo	Hoyer
Brown (CA)	Evans	Huffington
Brown (FL)	Everett	Hughes
Brown (OH)	Ewing	Hunter
Bryant	Farr	Hutchinson
Bunning	Fawell	Hutto
Burton	Fazio	Hyde
Buyer	Fields (LA)	Inglis
Byrne	Fields (TX)	Inslee
Callahan	Filner	Istook
Calvert	Fingerhut	Jefferson
Camp	Fish	Johnson (CT)
Canady	Flake	Johnson (GA)
Cantwell	Foglietta	Johnson (SD)
Cardin	Ford (MI)	Johnson, E. B.
Carr	Ford (TN)	Johnson, Sam
Castle	Fowler	Johnston
Chapman	Franks (CT)	Kaptur
Clay	Franks (NJ)	Kasich
Clayton	Frost	Kennedy
Clement	Furse	Kennelly
Clinger	Gallegly	Kildee
Coble	Gejdenson	Kim

King	Mollohan	Serrano
Kingston	Montgomery	Sharp
Kleccka	Moorhead	Shaw
Klein	Moran	Shays
Klink	Morella	Shepherd
Klug	Murtha	Shuster
Knollenberg	Myers	Skaggs
Kolbe	Neal (MA)	Skeen
Kopetski	Neal (NC)	Skelton
Kreidler	Nussle	Slattery
Kyl	Oberstar	Slaughter
LaFalce	Ortiz	Smith (IA)
Lambert	Orton	Smith (MI)
Lancaster	Oxley	Smith (NJ)
Lantos	Packard	Smith (OR)
LaRocco	Pallone	Smith (TX)
Laughlin	Parker	Snowe
Lazio	Pastor	Solomon
Leach	Paxon	Spence
Lehman	Payne (NJ)	Spratt
Levin	Payne (VA)	Stearns
Levy	Pelosi	Stenholm
Lewis (CA)	Peterson (FL)	Strickland
Lewis (FL)	Peterson (MN)	Studds
Lewis (GA)	Petri	Stump
Lewis (KY)	Pickle	Stupak
Lightfoot	Pombo	Sundquist
Linder	Pomeroy	Sweet
Lipinski	Porter	Swift
Livingston	Portman	Talent
Lloyd	Poshard	Tanner
Long	Price (NC)	Tauzin
Lowe	Pryce (OH)	Taylor (MS)
Lucas	Quillen	Taylor (NC)
Machtley	Quinn	Tejeda
Maloney	Rahall	Thomas (CA)
Mann	Ramstad	Thomas (WY)
Manton	Rangel	Thompson
Manzullo	Ravenel	Thornton
Margolies-	Reed	Thurman
Mezvinsky	Regula	Torkildsen
Markey	Reynolds	Torres
Martinez	Richardson	Torricelli
Matsui	Ridge	Towns
Mazzoli	Roberts	Trafficant
McCandless	Roemer	Tucker
McCloskey	Rogers	Unsoeld
McCollum	Rohrabacher	Upton
McCrery	Romero-Barcelo	Valentine
McCurdy	(PR)	Vento
McHale	Rose	Volkmer
McHugh	Rostenkowski	Vucanovitch
McInnis	Roth	Walker
McKeon	Roukema	Walsh
McKinney	Rowland	Walters
McMillan	Roybal-Allard	Watt
McNulty	Royce	Waxman
Meehan	Rush	Weldon
Meek	Sabo	Wheat
Menendez	Sanders	Whitten
Meyers	Sangmeister	Williams
Mfume	Santorum	Wilson
Mica	Sarpalius	Wise
Michel	Sawyer	Wolf
Miller (CA)	Saxton	Woolsey
Miller (FL)	Schaefer	Wyden
Mineta	Schenk	Wynn
Minge	Schiff	Young (AK)
Mink	Schumer	Young (FL)
Moakley	Scott	Zeliff
Mollnari	Sensenbrenner	Zimmer

## NOT VOTING—15

Bateman	Inhofe	Stark
Clyburn	McDade	Stokes
Faleomavaega	Owens	Underwood (GU)
(AS)	Pickett	Washington
Gallo	Ros-Lehtinen	
Gutierrez	Sisisky	

□ 1203

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

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

So the amendment was rejected.

The result of the vote was announced as above recorded.

## AMENDMENT OFFERED BY MR. GOSS

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

The clerk read as follows:

Amendment offered by Mr. GOSS: At the end of Title III (page 5, after line 23), add the following:

## SEC. 303. DISCLOSURE OF CLASSIFIED INFORMATION BY MEMBERS OF CONGRESS

During the fiscal year 1995, no element of the United States Government for which funds are authorized in this Act may provide any classified information concerning or derived from the intelligence or intelligence related activities of any such element to a Member of the House of Representatives unless and until a copy of the following oath of secrecy has been signed by that Member and has been published in the CONGRESSIONAL RECORD.

"I do solemnly swear that I will not willfully directly or indirectly disclose to any unauthorized person any classified information received from any department of the Government funded in the Intelligence Authorization Act for Fiscal Year 1995 in the course of my duties as a Member of the United States House of Representatives, except pursuant to the Rules and Procedures of the House."

Mr. GOSS. Mr. Chairman, I am going to abbreviate this very quickly and then yield to my distinguished friend, the chairman of the Permanent Select Committee on Intelligence. But before I do, I just want to point out that this is a very simple amendment. We did it last year. It passed.

It merely requires that Members of Congress, the House of Representatives, who wish to have access to classified information, take an oath that they will not willfully and knowingly disclose classified information. It is that simple. We have been over this ground.

I am prepared to yield briefly to the distinguished chairman of the Permanent Select Committee on Intelligence.

Mr. Chairman, almost everyone who is given access to classified information must take an oath of secrecy and publicly affirm a commitment to keeping privileged information privileged. The notable exception, a fact that has perplexed me since I first came to the Hill, is Members of Congress. In fact, until recently, Members had to go through more channels to have access to information regarding the contents of cigarettes than for accessing the most sensitive information this country collects. Now we find that some Members, who in the past have not seemed overly concerned about protecting classified national security-related information, have jumped on board an agreement to require that Members seeking access to Whitewater investigation papers sign a confidentiality agreement and treat those documents as classified information. There is clearly something wrong with our priorities if providing cover for the White House is placed on a higher level than protecting matters of national security.

I would certainly hope that these same Members will today support an amendment designed to safeguard properly classified documents as well. The Goss-Hyde oath of secrecy amendment is simply designed to elevate Members' awareness of these points and underscore the importance of keeping America's secrets secret. It requires each Member wishing to receive transfers of classified information on an ongoing basis to sign and sub-

mit into the RECORD an oath that they will not willfully disclose classified information. This is so simple, but vitally important. When today's classified briefing becomes tomorrow's headlines it has far-reaching impact—impeding future efforts at information gathering, endangering those who put themselves at risk to collect that information, even compromising our national security.

Last year the Goss-Hyde amendment was adopted by a vote of 341 to 86, but only after being given the kiss of death with an amendment by my colleague, Mr. GLICKMAN. Mr. GLICKMAN's amendment would go beyond the purview of the House to alter the rules of the other body. The Goss-Hyde amendment deliberately and appropriately leaves rulemaking for the other body to its own Members. The Glickman amendment would also expand the simple oath of secrecy for House Members into an unworkable, unnecessary, and redundant provision for the executive branch. As a former executive branch employee, I can say from experience that executive branch employees accessing classified information are already required to sign disclosures and oaths in the process of receiving such material. Additionally, the Glickman language leaves open the question of logistics and important questions; like how those individuals in sensitive covert executive branch positions could fulfill the publishing requirement without blowing their cover.

I urge my colleagues to support the Goss-Hyde amendment; a simple but powerful measure designed to ensure that the responsibility House Members take on when they access classified information is at least placed on the same higher level as shielding cigarette companies or the White House from public embarrassment.

There is no need for the Glickman poison pill—the other body is responsible for its own accountability, obviously.

There is no excuse to exempt this body of Congress from laws and procedures we ask others to follow, especially in matters involving national security.

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

Mr. GOSS. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, this amendment of course requires before a House Member could attain access to classified information he would have to sign basically a secrecy oath which would be placed in the CONGRESSIONAL RECORD. The gentleman offered this last year. I amended it last year by including the Senate and the executive branch as well. The germaneness rules do not allow me to amend the gentleman's amendment.

As the gentleman knows, my amendment was accepted by the House by a vote of 262 to 171. So last year the House voted requiring parity between executive and legislative branches when it comes to mandating an oath of secrecy and publishing the fact that such an oath has been executed. I am going to go ahead and accept the gentleman's amendment this time because I will then offer a subsequent amendment which will cover the Senate and

the executive branch, which I understand both the gentleman from Florida and my colleague from Texas [Mr. COMBEST] have no objection to.

Mr. GOSS. The gentleman is correct.

Mr. GLICKMAN. That will be a separate section in the bill. That will do what I want, which is to bring parity so that it will not only be the House, but it will be the Senate and the executive branch who are covered as well. And based on the understanding that the gentleman does not object to that amendment, I accept his amendment.

Mr. GOSS. That is my understanding.

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

Mr. GOSS. I yield to the distinguished gentleman from Texas, ranking member on the committee.

Mr. COMBEST. Mr. Chairman, I rise in strong support of the Goss amendment. The amendment offered by my good friend from Florida [Mr. GOSS] complements action we took during consideration of the fiscal year 1992 Intelligence Authorization Act which led to adoption of a House Intelligence Committee rule requiring Members and staff to sign an oath of secrecy.

I believe that this amendment is very appropriate. When a Member signs this oath of secrecy, he or she is reminded that they may not disclose to any unauthorized person any classified information received from any Department or agency of the Government that is funded by this bill. This will be a positive step to heighten and acknowledge our resolve to prevent the unauthorized disclosure of classified information from the House.

Will this amendment completely prevent leaks from the House? Probably not, but it will ensure that every Member knowingly recognizes that he or she is breaking a solemn oath if classified intelligence information is disclosed other than in conformity with House rules. This will sensitize those who are not members of the Intelligence Committee to be careful about discussion of intelligence information raised during closed meetings.

I urge each of my colleagues to support the Goss amendment. It is good security and will demonstrate to those in the executive branch who provide information to the Congress that we are aware of their legitimate concerns that classified intelligence information be protected.

The CHAIRMAN pro tempore (Mr. PETERSON of Florida.) The question is on the amendment offered by the gentleman from Florida [Mr. GOSS].

The amendment was agreed to.

Mr. GLICKMAN. Mr. Chairman, I offer an amendment which was printed in the RECORD.

The Clerk read as follows:

Amendment offered by Mr. GLICKMAN:

At the end of title III (page 5, after line 23), add the following:

**SEC. 303. DISCLOSURE OF CLASSIFIED INFORMATION BY MEMBERS OF CONGRESS AND EXECUTIVE BRANCH OFFICERS AND EMPLOYEES.**

During the fiscal year 1995, no element of the United States Government for which funds are authorized in this Act may provide any classified information concerning or derived for the intelligence or intelligence-re-

lated activities of such element of a Member of Congress or an officer or employee of the executive branch of the United States Government unless and until a copy of the following oath of secrecy has been signed by the Member, or officer or employee, as the case may be, and has been published, in an appropriate manner, in the CONGRESSIONAL RECORD:

"I do solemnly swear that I will not willfully directly or indirectly disclose to any unauthorized person any classified information received from any department of the Government funded in the Intelligence Authorization Act for Fiscal year 1995 in the course of my duties as a Member of Congress (except pursuant to the rules and procedures of the appropriate House of the Congress), or as an officer or employee in the executive branch of the Government, as the case may be."

As used in this section, the term "Member of Congress" means a Member of the Senate or a Representative in, or a Delegate or Resident Commissioner to, the House of Representatives.

Mr. GLICKMAN (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 the objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GLICKMAN. Mr. Chairman, this amendment is the same language that was adopted by the House last year to include both the Senate and the executive branch. The amendment which we just passed by the gentleman from Florida [Mr. GOSS] includes the House. I see no reason why the House should take a different position on this issue than it took last year. I urge my amendment be adopted.

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

Mr. GLICKMAN. I yield to my colleague, the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, I appreciate the gentleman yielding. As was indicated, the amendment would certainly be acceptable on this side.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Kansas [Mr. GLICKMAN].

The amendment was agreed to.

Mr. MANZULLO. Madam Chairman, the gentleman from Massachusetts is 100 percent wrong in his effort to strip \$100 million from the interdiction budget of our intelligence agencies.

I represent the 16th Congressional District of Illinois, which includes the city of Rockford. Last year, Rockford gained the unfortunate distinction of leading the State of Illinois in per capita crime rate. This can be directly laid at the feet of the growth of gangs from larger urban areas expanding their territory to smaller and medium-size cities such as Rockford in the American heartland. These gangs are the tentacles of drug distribution networks that originate to a large degree from Latin America. These drugs are killing our children. Congress should vehemently oppose any attempt to diminish efforts to keep these murderers with their bags full of drugs away from our children.

Last month, the Foreign Affairs Committee held a hearing on the suspension of counternarcotics intelligence sharing with our friends in South America because of a dispute of what these countries might do with the information. Some in the Clinton administration believe that an U.S. Air Force airman could be sued by someone because he shared information with the Columbian or Peruvian military that stopped a shipment of drugs leaving their country by air. If that is our biggest problem, then we're in good shape.

Our counternarcotics policy must be an integrated, comprehensive strategy. We need drug eradication and interdiction outside our borders; tough law enforcement and swift prosecution inside the United States, and drug rehabilitation and education. Subtract resources from any one of these components and that's like sounding retreat on the drug war.

For all the talk by this administration about fighting crime, the President sends mixed signals to Congress. One minute we loudly hear of the immediate need for 100,000 cops on the beat. However, the next day I read buried in huge budget documents a request to cut the Drug Enforcement Agency by nearly \$2 million. No new agents have been hired since 1992. One of those agents could have been assigned to help Rockford with its growing drug problem. Fortunately, the Appropriations Committee last month added \$22 million to the President's meager request, including \$5 million for 132 new DEA agents.

Totaled together, the President's 1995 budget request for international antidrug programs is \$428 million, which is \$96 million cut from last year. That's not good. And, now the gentleman from Massachusetts wants to cut another \$100 million. I urge my colleagues to oppose this counterproductive amendment.

Madam Chairman, the drug war has not filed. We haven't really even begun to fight. Now is not the time to withdraw from the battle. It is time to give the DEA, the intelligence agencies, and our friends in counternarcotics operations in Latin America the support they need to complete the job. You can't fight a war without good intelligence. Let us fight the war on all fronts both at home and abroad. Oppose the Frank amendment.

The CHAIRMAN pro tempore. Are there further amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. TORRES) having assumed the chair, Mr. PETERSON of Florida, Chairman pro tempore 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. 4299) to authorize appropriations for fiscal year 1995 for intelligence and intelligence-related activities of the U.S.

Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, pursuant to House Resolution 468, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

□ 1210

The SPEAKER pro tempore (Mr. TORRES). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GLICKMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 410, nays 16, not voting 8, as follows:

[Roll No. 336]

YEAS—410

Abercromble	Bonilla	Coppersmith
Ackerman	Bonior	Costello
Allard	Borski	Cox
Andrews (ME)	Boucher	Coyne
Andrews (NJ)	Brewster	Cramer
Andrews (TX)	Brooks	Crane
Applegate	Browder	Crapo
Archer	Brown (FL)	Cunningham
Armey	Brown (OH)	Danner
Bacchus (FL)	Bryant	Darden
Bacchus (AL)	Bunning	de la Garza
Baesler	Burton	Deal
Baker (CA)	Buyer	DeLauro
Baker (LA)	Byrne	DeLay
Ballenger	Callahan	Derrick
Barca	Calvert	Deutsch
Barca	Camp	Diaz-Balart
Barlow	Canady	Dickey
Barrett (NE)	Cantwell	Dicks
Barrett (WI)	Cardin	Dingell
Bartlett	Carr	Dixon
Barton	Castle	Doolley
Bateman	Chapman	Doolittle
Becerra	Clay	Dorman
Bellenson	Clayton	Dreier
Bentley	Clement	Dunn
Bereuter	Clinger	Durbin
Berman	Clyburn	Edwards (CA)
Bevill	Coble	Edwards (TX)
Bilbray	Coleman	Emerson
Bilirakis	Collins (GA)	Engel
Bishop	Collins (IL)	English
Blackwell	Collins (MI)	Eshoo
Blute	Combust	Evans
Boehlert	Condit	Everett
Boehner	Conyers	Ewing
	Cooper	Farr

Fawell	Lambert	Quinn
Fazio	Lancaster	Rahall
Fields (LA)	Lantos	Ramstad
Fields (TX)	LaRocco	Rangel
Filner	Laughlin	Ravenel
Fingerhut	Lazio	Reed
Fish	Leach	Regula
Flake	Lehman	Reynolds
Foglietta	Levin	Richardson
Ford (MI)	Levy	Ridge
Ford (TN)	Lewis (CA)	Roberts
Fowler	Lewis (FL)	Roemer
Franks (CT)	Lewis (GA)	Rogers
Franks (NJ)	Lewis (KY)	Rohrabacher
Frost	Lightfoot	Rose
Furse	Linder	Rostenkowski
Galleghy	Lipinski	Roth
Gejdenson	Livingston	Roukema
Gekas	Lloyd	Rowland
Gephardt	Long	Roybal-Allard
Gerens	Lowey	Royce
Gibbons	Lucas	Rush
Gilchrist	Machtley	Sabo
Gillmor	Maloney	Sangmeister
Gilman	Mann	Santorum
Gingrich	Manton	Sarpalius
Glickman	Manzullo	Sawyer
Gonzalez	Margolies-	Saxton
Goodlatte	Mezvinsky	Schaefer
Goodling	Markey	Schenk
Gordon	Martinez	Schiff
Goss	Matsui	Schumer
Grams	Mazzoli	Scott
Grandy	McCandless	Serrano
Green	McCloskey	Sharp
Greenwood	McCollum	Shaw
Gunderson	McCrery	Shays
Gutierrez	McCurdy	Shepherd
Hall (OH)	McDermott	Shuster
Hall (TX)	McHale	Skaggs
Hamilton	McHugh	Skeen
Hancock	McInnis	Skelton
Hansen	McKeon	Slatery
Harman	McKinney	Slaughter
Hastert	McMillan	Smith (IA)
Hastings	McNulty	Smith (MI)
Hayes	Meehan	Smith (NJ)
Hefley	Meek	Smith (OR)
Hefner	Menendez	Smith (TX)
Herger	Meyers	Snowe
Hilliard	Mfume	Solomon
Hinchee	Mica	Spence
Hoagland	Michel	Spratt
Hobson	Miller (CA)	Stearns
Hochbrueckner	Miller (FL)	Stenholm
Hoekstra	Mineta	Stokes
Hoke	Mink	Strickland
Holden	Moakley	Studds
Horn	Mollnar	Stump
Houghton	Mollohan	Stupak
Hoyer	Montgomery	Sundquist
Huffington	Moran	Swett
Hughes	Morella	Swift
Hunter	Murphy	Synar
Hutchinson	Murtha	Talent
Hutto	Myers	Tanner
Hyde	Nadler	Tauzin
Ingalls	Neal (MA)	Taylor (MS)
Inhofe	Neal (NC)	Taylor (NC)
Inslee	Nussle	Tejeda
Istook	Oberstar	Thomas (CA)
Jacobs	Obey	Thomas (WY)
Jefferson	Olver	Thompson
Johnson (CT)	Ortiz	Thompson
Johnson (GA)	Orton	Thurman
Johnson (SD)	Oxley	Torkildsen
Johnson, E.B.	Packard	Torres
Johnson, Sam	Pallone	Torrice
Kanjorski	Parker	Towns
Kaptur	Pastor	Trafficant
Kasich	Paxon	Tucker
Kennedy	Payne (NJ)	Unsold
Kennelly	Payne (VA)	Upton
Kildee	Pelosi	Valentine
Kim	Peterson (FL)	Velazquez
King	Peterson (MN)	Vento
Klecicka	Petri	Visclosky
Klein	Pickle	Volkmer
Klink	Pombo	Vucanovich
Klug	Pomeroy	Walker
Knollenberg	Porter	Walsh
Kolbe	Portman	Waters
Kopetski	Poshard	Watt
Kreidler	Price (NC)	Waxman
Kyl	Pryce (OH)	Weldon
LaFalce	Quillen	Wheat

Whitten	Woolsey	Young (AK)
Wilson	Wyden	Young (FL)
Wise	Wynn	Zelliff
Wolf	Yates	Zimmer

NAYS—16

Brown (CA)	Hamburg	Schroeder
DeFazio	Johnston	Sensenbrenner
Dellums	Minge	Stark
Duncan	Owens	Williams
Ehlers	Penny	
Frank (MA)	Sanders	

NOT VOTING—8

Gallo	Moorhead	Siskiy
Kingston	Pickett	Washington
McDade	Ros-Lehtinen	

□ 1243

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

**AUTHORIZING CLERK TO MAKE TECHNICAL AND CONFORMING CHANGES IN H.R. 4299, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1995**

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4299, the Clerk be authorized to make such technical and conforming changes as may be necessary to correct such things as spelling, punctuation, cross-referencing, and section numbering.

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

There was no objection.

**GENERAL LEAVE**

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and to include therein extraneous material, on H.R. 4299, the bill just passed.

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

There was no objection.

**ANNOUNCEMENT OF INTENTION TO OFFER A MOTION TO INSTRUCT CONFEREES ON H.R. 3355, VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1993**

Mr. BONILLA. Mr. Speaker, pursuant to clause 1(c), rule XXVIII, I announce to the House that I intend to make the following motion tomorrow relative to the House conferees on this bill (H.R. 3355) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to allow grants to increase police presence, to expand and improve cooperative efforts between law enforcement agencies and members of the community to address crime and disorder problems, and otherwise to enhance public safety.

Mr. BONILLA moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to the bill HR 3355 be instructed not to agree to any provision having the effect of diminishing the amount of money made available to the United States Border Patrol Service from the amount provided in the House amendment.

#### ANTIREDLINING IN INSURANCE DISCLOSURE ACT

Mr. GORDON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 475 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

#### H. RES. 475

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1188) to provide for disclosures for insurance in interstate commerce. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and the amendments made in order by this resolution and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Energy and Commerce now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommend with or without instructions.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. GORDON] is recognized for 1 hour.

Mr. GORDON. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 475 is an open rule which provides for the consideration of H.R. 1188, the Antiredlining in Insurance Disclosure Act.

The rule provides for 1 hour of general debate to be equally divided and

controlled by the chairman and ranking minority member of the Energy and Commerce Committee.

The rule makes in order the Energy and Commerce Committee amendment in the nature of a substitute now printed in the bill as an original bill for purposes of amendment. The substitute shall be considered as read.

Finally, the rule provides for one motion to recommend with or without instructions.

Mr. Speaker, H.R. 1188 is an important piece of legislation. Everyone needs access to insurance—whether it be homeowners, automobile, renters, or business.

H.R. 1188 addresses concerns regarding insurance premium disparities which prevent some from having affordable access to insurance. The legislation requires insurance companies to disclose their insurance related activities in the country's 25 largest urban areas based on 5-digit ZIP Codes.

The information generated by the requirements of H.R. 1188 will help determine the extent of insurance availability in large metropolitan areas and will help determine what changes can and should be made to increase access.

Mr. Speaker, this is an open rule. Any Member with an amendment which is germane and does not violate House rules may offer it. I urge my colleagues to adopt this resolution.

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

Mr. Speaker, I thank the gentleman from Tennessee [Mr. GORDON] for having yielded this time to me.

Mr. Speaker, it took a while for us in the Committee on Rules. We anguished over it for a long period of time. But to the surprise of many of our colleagues, Mr. Speaker, we finally got it right. This is an open rule that does not require a preprinting of the amendments in the CONGRESSIONAL RECORD. It does not waive points of order against any part of H.R. 1188 or any prospective amendment at all.

□ 1240

Mr. Speaker, I would like to commend our friend, the gentleman from Michigan [Mr. DINGELL], and the ranking Republican member, the gentleman from California [Mr. MOORHEAD], for requesting a relatively clean rule. I also want to commend my colleagues on the Rules Committee who in a bipartisan way agreed not to impose a preprinting requirement for amendments. As Chairman DINGELL said in his comments before the Rules Committee a week ago Tuesday, this is a bill that has been out there for a long period of time, so it is unlikely that there will be any surprise amendments, at least from our side of the aisle.

Mr. Speaker, while the rule we are discussing is not controversial, the bill it makes in order, H.R. 1188, is very controversial. It is controversial not only because of the onerous reporting mandates it seeks to impose on the insurance industry but also because it illustrates the degree to which our committee system is in disarray.

Nowhere in rule X of the rules of the House is the jurisdiction of insurance clearly defined. The United States has one of the most archaic financial systems among the developed nations. A major reason for this is due to the ancient jurisdictional tug of war that has gone on between the Committee on Banking, Finance and Urban Affairs and the Committee on Energy and Commerce.

While the distinctions between commercial banks, investment banks, and insurance companies have been blurred by an evolving financial services market, the House is operating under a committee system that was developed at a time when the sale of war bonds was the principal function of our financial system.

Mr. Speaker, the House leadership should stop putting obstacles in the way of congressional reform proposals that could modernize the committee system and address these jurisdictional disputes. But if the leadership insists on being obstructionists, the least we should do is amend rule X to better define the responsibilities of the Committee on Banking, Finance and Urban Affairs and the Committee on Energy and Commerce.

Mr. Speaker, I insert the following information:

#### OPEN VERSUS RESTRICTIVE RULES 95TH-103D CONG.

Congress (years)	Total rules granted <sup>1</sup>	Open rules		Restrictive rules	
		Number	Percent <sup>2</sup>	Number	Percent <sup>3</sup>
95th (1977-78) .....	211	179	85	32	15
96th (1979-80) .....	214	161	75	53	25
97th (1981-82) .....	120	90	75	30	25
98th (1983-84) .....	155	105	68	50	32
99th (1985-86) .....	115	65	57	50	43
100th (1987-88) .....	123	66	54	57	46
101st (1989-90) .....	104	47	45	57	55
102d (1991-92) .....	109	37	34	72	66
103d (1993-94) .....	75	17	23	58	77

<sup>1</sup>Total rules counted are all order of business resolutions reported from the Rules Committee which provide for the initial consideration of legislation, except rules on appropriations bills which only waive points of order. Original jurisdiction measures reported as privileged are also not counted.

<sup>2</sup>Open rules are those which permit any Member to offer any germane amendment to a measure so long as it is otherwise in compliance with the rules of the House. The parenthetical percentages are open rules as a percent of total rules granted.

<sup>3</sup>Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules, as well as completely closed rule, and rules providing for consideration in the House as opposed to the Committee of the Whole. The parenthetical percentages are restrictive rules as a percent of total rules granted.

Sources: "Rules Committee Calendars & Surveys of Activities," 95th-102d Cong.; "Notices of Action Taken," Committee on Rules, 103d Cong., through July 19, 1994.

OPEN VERSUS RESTRICTIVE RULES: 103D CONG.

Rule number date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 58, Feb. 2, 1993	MC	H.R. 1: Family and medical leave	30 (D-5; R-25)	3 (D-0; R-3)	PQ: 246-176. A: 259-164. (Feb. 3, 1993).
H. Res. 59, Feb. 3, 1993	MC	H.R. 2: National Voter Registration Act	19 (D-1; R-18)	1 (D-0; R-1)	PQ: 248-171. A: 249-170. (Feb. 4, 1993).
H. Res. 103, Feb. 23, 1993	C	H.R. 920: Unemployment compensation	7 (D-2; R-5)	0 (D-0; R-0)	PQ: 243-172. A: 237-178. (Feb. 24, 1993).
H. Res. 106, Mar. 2, 1993	MC	H.R. 20: Hatch Act amendments	9 (D-1; R-8)	3 (D-0; R-3)	PQ: 248-166. A: 249-163. (Mar. 3, 1993).
H. Res. 119, Mar. 9, 1993	MC	H.R. 4: NIH Revitalization Act of 1993	13 (D-4; R-9)	8 (D-3; R-5)	PQ: 247-170. A: 248-170. (Mar. 10, 1993).
H. Res. 132, Mar. 17, 1993	MC	H.R. 1335: Emergency Supplemental Appropriations	37 (D-8; R-29)	1 (not submitted) (D-1; R-0)	A: 240-185. (Mar. 18, 1993).
H. Res. 133, Mar. 17, 1993	MC	H. Con. Res. 64: Budget resolution	14 (D-2; R-12)	4 (1-D not submitted) (D-2; R-2)	PQ: 250-172. A: 251-172. (Mar. 18, 1993).
H. Res. 138, Mar. 23, 1993	MC	H.R. 670: Family planning amendments	20 (D-8; R-12)	9 (D-4; R-5)	PQ: 252-164. A: 247-165. (Mar. 24, 1993).
H. Res. 147, Mar. 31, 1993	C	H.R. 1430: Increase Public debt limit	6 (D-1; R-5)	0 (D-0; R-0)	PQ: 244-168. A: 242-170. (Apr. 1, 1993).
H. Res. 149, Apr. 1, 1993	MC	H.R. 1578: Expedited Rescission Act of 1993	5 (D-1; R-7)	3 (D-1; R-2)	A: 212-208. (Apr. 28, 1993).
H. Res. 164, May 4, 1993	O	H.R. 820: Nat Competitiveness Act	NA	NA	A. Voice Vote. (May 5, 1993).
H. Res. 171, May 18, 1993	O	H.R. 873: Gallatin Range Act of 1993	NA	NA	A. Voice Vote. (May 20, 1993).
H. Res. 172, May 18, 1993	O	H.R. 1159: Passenger Vessel Safety Act	NA	NA	A: 308-0. (May 24, 1993).
H. Res. 173, May 18, 1993	MC	S.J. Res. 45: United States forces in Somalia	6 (D-1; R-5)	6 (D-1; R-5)	A. Voice Vote. (May 20, 1993).
H. Res. 183, May 25, 1993	O	H.R. 2244: 2d supplemental appropriations	NA	NA	A: 251-174. (May 26, 1993).
H. Res. 186, May 27, 1993	MC	H.R. 2264: Omnibus budget reconciliation	51 (D-19; R-32)	8 (D-7; R-1)	PQ: 252-178. A: 236-194. (May 27, 1993).
H. Res. 192, June 9, 1993	MC	H.R. 2348: Legislative branch appropriations	50 (D-6; R-44)	6 (D-3; R-3)	PQ: 240-177. A: 226-185. (June 10, 1993).
H. Res. 193, June 10, 1993	O	H.R. 2200: NASA authorization	NA	NA	A. Voice Vote. (June 14, 1993).
H. Res. 195, June 14, 1993	MC	H.R. 5: Striker replacement	7 (D-4; R-3)	2 (D-1; R-1)	A: 244-176. (June 15, 1993).
H. Res. 197, June 15, 1993	MO	H.R. 2333: State Department, H.R. 2404: Foreign aid	53 (D-20; R-33)	27 (D-12; R-15)	A: 294-129. (June 16, 1993).
H. Res. 199, June 16, 1993	C	H.R. 1876: Ext. of "Fast Track"	NA	NA	A. Voice Vote. (June 22, 1993).
H. Res. 200, June 16, 1993	MC	H.R. 2295: Foreign operations appropriations	33 (D-11; R-22)	5 (D-1; R-4)	A: 263-160. (June 17, 1993).
H. Res. 201, June 17, 1993	O	H.R. 2403: Treasury-postal appropriations	NA	NA	A. Voice Vote. (June 17, 1993).
H. Res. 203, June 22, 1993	MO	H.R. 2445: Energy and Water appropriations	NA	NA	A. Voice Vote. (June 23, 1993).
H. Res. 206, June 23, 1993	O	H.R. 2150: Coast Guard authorization	NA	NA	A: 401-0. (July 30, 1993).
H. Res. 217, July 14, 1993	MO	H.R. 2010: National Service Trust Act	NA	NA	A: 261-164. (July 21, 1993).
H. Res. 220, July 21, 1993	MC	H.R. 2667: Disaster assistance supplemental	14 (D-8; R-6)	2 (D-2; R-0)	PQ: 245-178. F: 205-216. (July 22, 1993).
H. Res. 226, July 23, 1993	MC	H.R. 2667: Disaster assistance supplemental	15 (D-8; R-7)	2 (D-2; R-0)	A: 224-205. (July 27, 1993).
H. Res. 229, July 28, 1993	MO	H.R. 2330: Intelligence Authority Act, fiscal year 1994	NA	NA	A. Voice Vote. (Aug. 3, 1993).
H. Res. 230, July 28, 1993	O	H.R. 1964: Maritime Administration authority	NA	NA	A. Voice Vote. (July 29, 1993).
H. Res. 246, Aug. 6, 1993	MO	H.R. 2401: National Defense authority	149 (D-109; R-40)	NA	A: 246-172. (Sept. 8, 1993).
H. Res. 248, Sept. 9, 1993	MO	H.R. 2401: National defense authorization	NA	NA	PQ: 237-169. A: 234-169. (Sept. 13, 1993).
H. Res. 250, Sept. 13, 1993	MC	H.R. 1340: RTC Completion Act	12 (D-3; R-9)	1 (D-1; R-0)	A: 213-191-1. (Sept. 14, 1993).
H. Res. 254, Sept. 22, 1993	MO	H.R. 2401: National Defense authorization	NA	91 (D-67; R-24)	A: 241-182. (Sept. 28, 1993).
H. Res. 262, Sept. 28, 1993	O	H.R. 1845: National Biological Survey Act	NA	NA	A: 238-188. (10/06/93).
H. Res. 264, Sept. 28, 1993	MC	H.R. 2351: Arts, humanities, museums	7 (D-0; R-7)	3 (D-0; R-3)	PQ: 240-185. A: 225-195. (Oct. 14, 1993).
H. Res. 265, Sept. 29, 1993	MC	H.R. 3167: Unemployment compensation amendments	3 (D-1; R-2)	2 (D-1; R-1)	A: 239-150. (Oct. 15, 1993).
H. Res. 269, Oct. 6, 1993	MO	H.R. 2739: Aviation infrastructure investment	NA	NA	A. Voice Vote. (Oct. 7, 1993).
H. Res. 273, Oct. 12, 1993	MC	H.R. 3167: Unemployment compensation amendments	3 (D-1; R-2)	2 (D-1; R-1)	PQ: 235-187. F: 149-254. (Oct. 14, 1993).
H. Res. 274, Oct. 12, 1993	MC	H.R. 1804: Goals 2000 Educate America Act	15 (D-7; R-7; I-1)	10 (D-7; R-3)	A. Voice Vote. (Oct. 13, 1993).
H. Res. 282, Oct. 20, 1993	C	H.J. Res. 281: Continuing appropriations through Oct. 28, 1993	NA	NA	A. Voice Vote. (Oct. 21, 1993).
H. Res. 286, Oct. 27, 1993	O	H.R. 334: Lumber Recognition Act	NA	NA	A. Voice Vote. (Oct. 28, 1993).
H. Res. 287, Oct. 27, 1993	C	H.J. Res. 283: Continuing appropriations resolution	1 (D-0; R-0)	0	A: 252-170. (Oct. 28, 1993).
H. Res. 289, Oct. 28, 1993	O	H.R. 2151: Maritime Security Act of 1993	NA	NA	A. Voice Vote. (Nov. 3, 1993).
H. Res. 293, Nov. 4, 1993	MC	H. Con. Res. 170: Troop withdrawal Somalia	NA	NA	A: 390-8. (Nov. 8, 1993).
H. Res. 299, Nov. 8, 1993	MC	H.R. 1036: Employee Retirement Act-1993	2 (D-1; R-1)	NA	A. Voice Vote. (Nov. 9, 1993).
H. Res. 302, Nov. 9, 1993	MC	H.R. 1025: Brady handgun bill	17 (D-6; R-11)	4 (D-1; R-3)	A: 238-182. (Nov. 10, 1993).
H. Res. 303, Nov. 9, 1993	O	H.R. 323: Mineral exploration	NA	NA	A. Voice Vote. (Nov. 16, 1993).
H. Res. 304, Nov. 9, 1993	C	H.J. Res. 288: Further CR, FY 1994	NA	NA	NA
H. Res. 312, Nov. 17, 1993	MC	H.R. 3425: EPA Cabinet Status	27 (D-8; R-19)	9 (D-1; R-8)	F: 191-227. (Feb. 2, 1994).
H. Res. 313, Nov. 17, 1993	MC	H.R. 796: Freedom Access to Clinics	15 (D-9; R-6)	4 (D-1; R-3)	A: 233-192. (Nov. 18, 1993).
H. Res. 314, Nov. 17, 1993	MC	H.R. 3351: Alt Methods Young Offenders	21 (D-7; R-14)	6 (D-3; R-3)	A: 238-179. (Nov. 19, 1993).
H. Res. 316, Nov. 19, 1993	C	H.R. 51: D.C. statehood bill	1 (D-1; R-0)	NA	A: 252-172. (Nov. 20, 1993).
H. Res. 319, Nov. 20, 1993	MC	H.R. 3: Campaign Finance Reform	35 (D-6; R-29)	1 (D-0; R-1)	A: 220-207. (Nov. 21, 1993).
H. Res. 320, Nov. 20, 1993	MC	H.R. 3400: Reinventing Government	34 (D-15; R-19)	3 (D-3; R-0)	A: 247-183. (Nov. 22, 1993).
H. Res. 326, Feb. 2, 1994	MC	H.R. 3759: Emergency Supplemental Appropriations	14 (D-8; R-5; I-1)	5 (D-3; R-2)	PQ: 244-168. A: 242-65. (Feb. 3, 1994).
H. Res. 352, Feb. 8, 1994	MC	H.R. 811: Independent Counsel Act	27 (D-8; R-19)	10 (D-4; R-6)	PQ: 249-174. A: 242-174. (Feb. 9, 1994).
H. Res. 357, Feb. 9, 1994	MC	H.R. 3345: Federal Workforce Restructuring	3 (D-2; R-1)	2 (D-2; R-0)	A: W (Feb. 10, 1994).
H. Res. 366, Feb. 23, 1994	MO	H.R. 6: Improving America's Schools	NA	NA	A: W (Feb. 24, 1994).
H. Res. 384, Mar. 9, 1994	MC	H. Con. Res. 218: Budget Resolution FY 1995-99	14 (D-5; R-9)	5 (D-3; R-2)	A: 245-171. (Mar. 10, 1994).
H. Res. 401, Apr. 12, 1994	MO	H.R. 4092: Violent Crime Control	180 (D-98; R-82)	68 (D-47; R-21)	A: 244-176. (Apr. 13, 1994).
H. Res. 410, Apr. 21, 1994	MO	H.R. 3221: Iraqi Claims Act	NA	NA	A. Voice Vote. (Apr. 28, 1994).
H. Res. 414, Apr. 28, 1994	O	H.R. 3254: NSF Auth. Act	NA	NA	A. Voice Vote. (May 3, 1994).
H. Res. 416, May 4, 1994	C	H.R. 4296: Assault Weapons Ban Act	7 (D-5; R-2)	0 (D-0; R-0)	A: 220-209. (May 5, 1994).
H. Res. 420, May 5, 1994	O	H.R. 2442: EDA Reauthorization	NA	NA	A. Voice Vote. (May 10, 1994).
H. Res. 422, May 11, 1994	MO	H.R. 518: California Desert Protection	NA	NA	PQ: 245-172. A: 248-165. (May 17, 1994).
H. Res. 423, May 11, 1994	O	H.R. 2473: Montana Wilderness Act	NA	NA	A. Voice Vote. (May 12, 1994).
H. Res. 428, May 17, 1994	MO	H.R. 2108: Black Lung Benefits Act	4 (D-1; R-3)	NA	A: W (May 19, 1994).
H. Res. 429, May 17, 1994	MO	H.R. 4301: Defense Auth., FY 1995	173 (D-115; R-58)	NA	A: 369-49. (May 18, 1994).
H. Res. 431, May 20, 1994	MO	H.R. 4301: Defense Auth., FY 1995	NA	100 (D-80; R-20)	A. Voice Vote. (May 23, 1994).
H. Res. 440, May 24, 1994	MC	H.R. 4385: Natl Hiway System Designation	16 (D-10; R-6)	5 (D-5; R-0)	A. Voice Vote. (May 25, 1994).
H. Res. 443, May 25, 1994	MC	H.R. 4426: For. Ops. Approps, FY 1995	39 (D-11; R-28)	8 (D-3; R-5)	PQ: 233-191. A: 244-181. (May 25, 1994).
H. Res. 444, May 25, 1994	MC	H.R. 4454: Leg Branch Approp, FY 1995	43 (D-10; R-33)	12 (D-8; R-4)	A: 249-177. (May 26, 1994).
H. Res. 447, June 8, 1994	O	H.R. 4539: Treasury/Postal Approps 1995	NA	NA	A: 236-177. (June 9, 1994).
H. Res. 467, June 28, 1994	MC	H.R. 4600: Expedited Rescissions Act	NA	NA	PQ: 240-185. A. Voice Vote. (July 14, 1994).
H. Res. 468, June 28, 1994	MO	H.R. 4299: Intelligence Auth., FY 1995	NA	NA	A. Voice Vote. (July 19, 1994).
H. Res. 474, July 12, 1994	MO	H.R. 3937: Export Admin. Act of 1994	NA	NA	A. Voice Vote. (July 14, 1994).
H. Res. 475, July 12, 1994	O	H.R. 1188: Anti. Redlining in Ins	NA	NA	NA

Note.—Code: C-Closed; MC-Modified closed; MO-Modified open; O-Open; D-Democrat; R-Republican; PQ: Previous question; A-Adopted; F-Failed.

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

Mr. GORDON. Mr. Speaker, for the purpose of debate only, I yield such time as he may consume to the gentleman from Massachusetts [Mr. KENNEDY], the chairman of the Subcommittee on Consumer Credit and Insurance.

Mr. KENNEDY. Mr. Speaker, I rise in strong support of the rule that the Committee on Rules put out on this important issue.

Insurance redlining in America is a very serious problem. Our committee had the first hearings in this Congress

pertaining to this issue, going back a year last February when we heard from a number of insurance commissioners throughout the country on the terrible scourge of insurance redlining that takes place around the United States. In fact, we were provided testimony by Mr. Garimendi from the State of California who actually provided us with maps he had obtained from insurance companies where crayons were used to outline black, brown, yellow, and gray areas, parts of the State of California, where major insurance companies had told their agents not to write insurance policies.

We have heard insurance agents testify time and time again over several hearings indicating in fact that they have been told by their companies not to write to blacks, that blacks do not pay back their policies and blacks are bad policy risks. We have an ACORN study indicating that this is a wide-scale problem all across America.

The fact of the matter is that everyone who is familiar with how upward mobility works in America understands very clearly that one of the sad facts of American life in our American cities, in our poor and black and minority neighborhoods, is that there is a

much less percentage of home ownership and small business ownership that exists in those communities than exists in other neighborhoods.

People ask, why? They say that the blacks cannot pay back their bills, that they are bad credit risks. The fact of the matter is that we cannot find a bank and we cannot find an insurance company in many of the black neighborhoods in America. Yet every major study by both the banking industry and the insurance industry indicates that minorities actually pay back their loans and poor people pay back their loans at better rates than wealthier people do. That leads us to the conclusion that the only viable reason why people do not in fact write insurance policies and make bank loans in these communities is because of racial prejudice.

Now, what we are trying to do in this legislation is get to the cause of that racial prejudice and have the insurance companies tell us what in fact is going on and where they write insurance. This is modeled directly after the Home Mortgage Disclosure Act which comes out of the Banking Committee, legislation that I got passed in this body 5 or 6 years ago that has done an enormous amount of good at leveraging bank funding of small business ownership and home ownership in the minority community.

That legislation was lost at the subcommittee level and lost at the full committee level, but it came out here on the floor and with Republican support we were enabled to gain the kind of evidence that allows us to ask the banks very simply where they are making their loans. That is what is necessary in the insurance industry.

The bankers are the first to tell us that one of the major problems they have in this country is that they cannot write a bank loan to an individual unless that individual has insurance. If there are no insurance companies that are writing policies in the minority neighborhoods, the blacks cannot get bank loans, brown people cannot get bank loans, and people with yellow skin cannot get bank loans in America, and the reason for that is because insurance companies are not writing policies in those neighborhoods.

All this bill does is ask for information. It asks for information that tells us in a very specific way where these insurance policies are being written. It asks the American people and the American insurance industry to tell us very clearly whether or not policies are being written in specific neighborhoods. The legislation that the Banking Committee proposes is very different than the legislation coming out of the Energy and Commerce Committee. It is different in several ways. First of all, the Committee on Energy and Commerce probably said in front of the Rules Committee the other day

that their information does not ask questions about race and gender. Well, if they do not ask questions about race and gender, I pose the question, how the heck are you ever going to find out whether or not racial discrimination takes place?

They ask for information on a ZIP Code basis. But anybody who looks at ZIP Codes in America understands that there can be ZIP Codes that include poor black neighborhoods in the inner city as well as wealthier white suburbs. So if all the insurance companies have to do is tell us whether or not they are writing policies with certain ZIP Codes, that will never tell us whether in fact racial discrimination takes place.

We ask for it on ZIP Code+4, which is on a much smaller neighborhood level or on a census tract basis. We ask for lost data. We have heard testimony from a range of different insurance commissioners around the country that came before us and told us that despite the fact that insurance companies will tell the American public and anybody that asks that the reason that they do not write policies in these neighborhoods is because the blacks are poor risks, that their homes get robbed more often and they have greater losses, if we look at the actual information that is collected by several States around the country right at the moment, the exact opposite is the truth.

The Banking Committee version asked for that information. The Energy and Commerce Committee version does not ask for lost data. If we do not get lost data, we will get information from the insurance companies indicating that they are not writing these policies because these people are bad risks.

Fundamentally, the reason why we have to get at this is to find out whether or not we are really serious about seeing upward mobility in America. We have all sorts of policies that say we are going to invest in the Third World all across this planet, but we have a Third World in America that we turn our backs on. What we are trying to do is to get our major institutions to take a step forward, end racial prejudice, and invest in these communities. That is what this is all about. We need the help of this body. We need people to take a moral stand on this issue. Certainly we can pass a bill around here that does not ask for any of the detailed information that is required and necessary in order to draw the proper conclusions.

□ 1250

But if you are serious about getting at whether or not this kind of racial prejudice exists, you have to get the detailed information that the Committee on Banking, Finance and Urban Affairs' version asks for.

Finally, I would submit that there is a major question before the body as to

whether or not this information would be housed at the HUD agency or housed at Commerce. This is a jurisdictional question between the Committee on Energy and Commerce and the Committee on Banking, Finance and Urban Affairs. I think it is a critical question.

The HUD agency, Housing and Urban Development, has run several programs, including the programs that pertain to flood insurance and housing insurance and mortgage insurance and homeowner's insurance. They are in charge of determining whether or not that kind of racial prejudice takes place in our housing industry. They have housing inspectors that go out and make these determinations.

The Commerce Department has none of these provisions. Certainly they collect some information on foreign insurance companies. It has nothing to do with racial prejudice or the kinds of issues we are discussing in this bill.

The Secretary of HUD has asked for this to be a priority of his tenure at HUD. He has reorganized that agency in a way that has allowed him to make this a priority of his, and he has talked to me on several occasions, including testimony before our committee, which the Energy and Commerce version never got from Ron Brown, asking that this information be given to HUD, that he wants to make this a front and center piece of his administration's attack on racial discrimination in the housing industry.

Mr. Speaker, please give this issue serious thought. If you really wanted to end racial discrimination in the insurance industry, we need to collect this data, and we need to have the data housed at the HUD agency. If we get these data housed at HUD, if we get the detailed information, we can go a long way toward ending racial discrimination in the housing policy and small business lending that currently exists in this country.

Mr. DREIER. Mr. Speaker, I yield 7 minutes to the gentleman from Appleton, WI [Mr. ROTH], a hard-working member of the Committee on Banking, Finance and Urban Affairs.

Mr. ROTH. Mr. Speaker, the legislation before us will, if passed, drive up consumer insurance costs. That is the bottom line.

The bill would begin an unnecessary Federal takeover of regulating the Nation's property and casualty insurance business.

This legislation is premised on bad public policy. Why? Evidence of widespread redlining in insurance is anecdotal only.

Testimony presented to the committee by Eric Englund, president of the Wisconsin Insurance Alliance, said:

Stripped naked, the insurance industry exists to sell and service insurance.

Old or young. Rich or poor. White or black. Urban or rural. We'll take your money. We'll cover your risk. We'll pay your claim. . . .

Redlining is not the problem. The problem is the way in which the verbiage of racism impedes the evolution of additional practical solutions to problems inherent in urban living.

I urge my colleagues to vote against this bill. The best that may be said about this bill is that it could be a lot worse.

As reported, H.R. 1188 would require insurance companies doing business in 25 of our largest cities to report annually to the U.S. Government the total number of policies written, earned premium, and total number of new policies, cancellations, and nonrenewals. It would require companies to disclose the number and location of agents in each city. All this mass of data would be reported by ZIP Code. Others in the Congress would require the reporting by census tract—far more costly to insurance companies—and consumers. This is government regulation gone wild.

In fact, some well-intentioned insurance leaders have been persuaded to support this bad bill as reported for fear that the even more obnoxious version might be enacted.

Even the bill before us, however, would lead to escalation of consumer insurance costs, more-not less-regulation, more Federal bureaucracy, unnecessary Federal spending, duplication of State antidiscrimination laws, and duplication of State data collection.

My State, Wisconsin, is in the forefront of States who require reporting detailed homeowners and automobile insurance sales data as to location of customers as to cancellations.

For more than a year, the National Association of Insurance Commissioners has been collecting similar data from every State. Its first, interim report on urban insurance availability and affordability will be available at the end of 1994.

If you review the bill you'll see that the bill is so defective it will cause legal chaos in the field of civil rights litigation. It fails to define redlining satisfactorily. It fails to define what is and is not legal behavior. And it fails to give direction for use of the data once it is collected.

This legislation is just plain unnecessary at this time. The Nation has far greater priorities.

The bill would lead to an unwarranted dual Federal-State system of insurance regulation. It would be imposed on top of the present effective State system.

So, once more, the Congress would arrogantly stick its nose into our State-regulated property and casualty insurance industry. State regulation for this industry is basically effective and appropriate. Federal supervision is not needed.

This bill would unnecessarily make the Federal Government bigger and more costly—and the facts are that

this government already is too big and costs far too much.

To be sure, the federal insurance program that would be provided here might start small. But history teaches us that over time it would grow and never die.

Its laudable goal is to eliminate perceived rate, geographic, and racial discrimination in the sale of property and casualty insurance, especially homeowners' insurance.

This legislation, however, epitomizes everything that is bad about current legislative practice and policy in Congress today. The bill mandates needless spending of additional millions of dollars of federal money—up to \$4 million a year—that we don't have. It imposes unnecessary costs on insurance providers that are certain to be passed on to consumers. It tries to address a possibly imaginary national problem.

While the committee heard anecdotal testimony, including witnesses at a field hearing in Milwaukee, no case has been made that the insurance industry is guilty of widespread redlining as a form of racial discrimination. The committee reviewed several studies ostensibly designed to prove whether widespread redlining exists in urban areas. The studies, all flawed, failed to do so.

The industry has been unfairly indicted by anecdote. It is like Justice Potter Stewart's definition of obscenity: "I know it when I see it."

The facts are that one study presented to the committee clearly shows that property insurance is widely available in urban markets. Furthermore, the States already outlaw discrimination in the marketplace, including redlining. This new Federal legislation would be redundant.

This bill would do to insurance companies what Congress already has done to banks through the infamous Home Mortgage Disclosure Act, known informally as the HMDA Act. We all know HMDA has produced a zillion pieces of paper for the Federal Reserve to take care of and analyze endlessly with mostly inconclusive and controversial results.

But we do not seem to learn anything from the past. This bill simply lacks definition of what behavior is and is not legal. This legislation would amount to welfare for lawyers in terms of litigation that would be almost certain to result from misuse of collected data.

Data collected under this bill could be used to involve insurance companies in costly legal battles defending every marketing and underwriting decision made in the inner-city.

Insurance companies could be accused of redlining when they either have a poor risk history in a certain area or just are not doing a very good job of marketing.

Every company would be tempted to establish a legal defense fund—even the

White House has one these days. Legal costs, of course, would be passed on to the consumers.

My information is that the data that would be collected and disclosed by this legislation has already been requested by the National Association of Insurance Commissioners, an organization of State officials.

There is no need to rush enactment of this legislation when the States at their own expense already are investigating urban insurance underwriting practices.

I urge the House to summarily reject this faulty, costly bill until better evidence justifies its enactment.

Mr. GORDON. Mr. Speaker, for the purpose of debate only, I yield 3 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Speaker, I rise on this measure as a member of the Subcommittee on Consumer Credit and Insurance. It is a subcommittee of the Committee on Banking, Financing and Urban Affairs, and it is that subcommittee which has traditionally had jurisdiction in this area.

□ 1300

I believe that what we are talking about here is very basic and fundamental. The jurisdiction of the Committee on Banking, Finance and Urban Affairs in the area of property and casualty insurance has never really been challenged. The committee has historically overseen efforts to monitor and ensure the availability of property and casualty insurance. The urban property insurance program of the 1960's and early 1970's were run out of HUD and overseen solely by banking.

What we are attempting to do here today is to monitor information which is critical to the issue of redlining. This body has made substantial progress on the issue of redlining with regard to the banking industry and how loans are made into various communities. But until now the issue of redlining in the insurance industry has never been clearly brought into focus, and it is time that it be brought into focus.

That is what we are attempting to do here, to ensure that people have available to them loans that will provide them with the ability to improve property and to acquire property. And as the chairman of the subcommittee made clear just a few moments ago, their ability to do that is seriously impaired, in fact it is made impossible in many instances, as a result of the unavailability of insurance.

In order to correct this problem, we need to have very simple and fundamental data. We need to know where insurance is being provided, in which communities it is being provided so that we can clearly determine in what communities conversely it is not being provided.

The only way to do that in a meaningful way is to collect the data in a way that it will be usable. If we collect it on the basis of ZIP Codes, it is not usable, because the ZIP Code covers an area that is too large. ZIP Codes cross neighborhoods, and they make the data relatively unimportant and not usable.

But if we collect it on the basis of census tracts, as we would like to do, then that data becomes usable in a very meaningful way.

Fundamentally that data ought to be available through HUD. HUD is the agency which traditionally collects this data with regard to banking and in every other area it is the agency that has jurisdiction over housing, the agency that has jurisdiction over property and casualty insurance now, currently. And the data ought to be housed there.

If we put the data into the Commerce Department, the Commerce Department is not equipped to deal with it. And we will then be collecting the data in a way that does not make any sense and will not have any real meaning or any significance.

So this information ought to go to HUD. It ought to be collected in a meaningful way on the basis of census tracts rather than ZIP Codes, and it ought to be done in a way that will make some real sense so that we can develop this information to determine where redlining is taking place in this society.

It is taking place in this country now; we know that. But in order to counteract those efforts, we need to know where exactly it is taking place.

So it makes sense to collect this data in that way and put it into HUD so it can be used in a responsible and meaningful fashion.

Mr. GORDON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Wisconsin [Mr. BARRETT].

Mr. BARRETT of Wisconsin. Mr. Speaker, I encourage my colleagues to support this amendment because it will mean a much fairer and more effective insurance redlining law.

This legislation is crafted to bring the marketing practices of the insurance companies into the open so we can see whether redlining actually occurs. Unfortunately, the bill as currently written would not provide us with enough information.

The loss data reporting requirements are particularly important to a redlining law. Anyone who has followed the redlining debate over the years knows that insurance companies claim their rates are higher in certain areas because losses are greater there. But studies have shown just the opposite, that loss rates are actually lower in areas where premiums are the highest.

The only way to resolve this debate is to have the insurance companies provide their loss data. If indeed the companies' claims that losses are higher in

central cities are true, then they should be tripping over themselves trying to provide us with the loss data. What have they got to hide?

This amendment is also important because it will expand the number of metropolitan areas covered by the law from 25 to 75. This is a compromise between the bills passed by the Energy and Commerce and Banking committees. The banking bill would have included the largest 150 metropolitan areas, plus 50 rural areas.

According to the lists that I have seen, the area I represent—the Milwaukee area—has been ranked either 24th or 26th. I can tell you that redlining is a huge concern in my area. If it is a major concern in the 24th or 26th largest metro area, then it must be a concern in the 40th, 60th, and 75th largest areas as well. There is no reason why the law should not apply for the people who live in these areas.

The voluntary census tract and "ZIP+4" provisions are also a compromise between the Energy and Commerce and Banking bills. The Banking Committee bill would have required census tract reporting in all areas. This amendment would simply give the secretary charged with administering the bill the flexibility to require census tract or ZIP+4 reporting in areas where five-digit ZIP Codes do not provide an accurate picture of a community's neighborhoods.

As someone who represents a very diverse area, I know that one ZIP Code can include a predominantly white, upper middle class neighborhood and a predominantly African-American, poor neighborhood. In cases like this, reporting by five-digit ZIP Code is simply inadequate.

The amendment would also provide us with valuable information on race and gender. These provisions are no different from those in the Home Mortgage Disclosure Act [HMDA]. Any information disclosed would be completely voluntary on the part of consumers.

Let us pass as redlining bill that will truly make a difference. Insurance redlining is a serious problem that deserves to be dealt with seriously. Please join me in supporting this amendment.

Mr. DREIER. Mr. Speaker, I have no further requests for time. As I said earlier, this rule is a marvelous model for our Committee on Rules to follow. It is an open rule, which I think should be the pattern used for other legislation that comes forward.

I urge a "yes" vote on this rule. The legislation itself is terrible. I oppose that, but I do support an open amendment process.

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

The SPEAKER pro tempore (Mr. TORRES). Pursuant to House Resolution 475 and rule XXIII, the Chair declares

the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1188.

□ 1307

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 consideration of the bill (H.R. 1188) to provide for disclosures for insurance in interstate commerce, with Ms. DELAURO in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentlewoman from Illinois [Mrs. COLLINS] will be recognized for 30 minutes, and the gentleman from Florida [Mr. STEARNS] will be recognized for 30 minutes.

The Chair recognizes the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I rise in support of H.R. 1188, the Antiredlining in Insurance Disclosure Act. This is landmark legislation, which is supported by a diverse coalition including the NAACP, the American Insurance Association, Citizen Action, the Economic Empowerment Foundation, the Independent Insurance Agents of America, the Coalition of Bar Associations of Color, and the Council of Insurance Agents and Brokers.

This bill is a truly bipartisan bill. It was reported by the Committee on Energy and Commerce by a voice vote with strong support on both sides of the aisle. I particularly want to thank the hard efforts of our full committee chairman, JOHN DINGELL, and the work of the ranking minority member of our subcommittee, Mr. STEARNS, and the ranking minority member of the full committee, Mr. MOORHEAD. I also want to express my appreciation to the former ranking minority member of our subcommittee, Mr. McMILLAN, who has been extremely helpful in moving this bill forward. I firmly believe that this bipartisan effort has immeasurably helped to make passage of this bill possible.

I have been listening to the debate on the rule, and I think it confirms that this bill is a compromise. We heard some Members say that the reporting requirements should be increased, and others who want to do nothing. In fact, the bill has the broad support because we found the middle ground.

Over the last year, the Commerce Subcommittee has examined redlining practices of insurance companies. At the subcommittee's two hearings, we heard very disturbing reports about a variety of practices insurance companies use to deny access to insurance to the residents of our urban areas.

For example, Illinois Public Action testified that there are 52 State Farm offices and 32 Allstate offices in a predominantly white congressional district in Chicago. But in the Chicago portion of my district, according to Public Action, there are only six State Farm offices and two Allstate offices outside the downtown area, but there are several in the suburban portions.

Beyond anything we heard at our hearings, I can tell you about insurance redlining. It is an evil practice. It is nasty. As Ben Chavis, executive director of the NAACP, put it in his letter endorsing H.R. 1188, "Insurance redlining is a pernicious practice that must be stamped out."

Believe me, despite the remarks of some Members, who during debate on the bill, said redlining does not exist, I can assure you that insurance redlining is alive, well, and thriving. Many of my constituents must live with it every day. One need only drive through certain low-income areas and see residential communities that have deteriorated, areas that can't get insurance. They have been allowed to deteriorate not only because they have become economically and socially deprived, but to a large degree because accidents and hazards that most of us can be insured against were not covered by homeowners and/or automobile insurance which was denied them solely because of their location. Without insurance, there is no hope.

Redlining is a vicious circle. When you are denied the right to buy insurance, real property and businesses begin to deteriorate. When that occurs insurance becomes even harder to get. Residents and jobs flee, contributing to a vicious circle of despair. Fair access to affordable insurance is a keystone in our efforts at community quality control and urban revitalization.

Regrettably, many of my constituents are too poor to own their own home. Homeownership is the great American dream, but for them, it is a far off and often unattainable desire, so they must rent. However, whether they are homeowners or renters, they want to work, they want to be economically independent, they want jobs. Many jobs that were once found in major cities have been fleeing to the suburbs. Folks wanting to work, and able to work, need access to the job. Now you may be of the opinion that mass transit can solve this problem, but I stand here to tell you that mass transit is often not available or adequate to the locations or at the optimum schedule for getting the workers to and from these jobs. They need an automobile.

While many Americans may be unable to afford to own a home, but they can afford to own a car. It is their lifeblood. It is their access to a job. It is their access to a better way of life. It is their only access to the American dream. But if you own a car, you need

insurance. Access to affordable auto insurance is a major problem in many urban areas of our country, including Chicago. That is why I included reporting of auto insurance as an essential part of H.R. 1188. That is why I am at a loss to understand the effort by some to strike auto insurance from the bill. To do so simply does not make any sense—particularly now, when everyone is talking about welfare reform encouraging people to work rather than to remain on the public dole. The ability to obtain automobile insurance goes to the heart of accessibility to job opportunities.

There is plenty of evidence of redlining behavior by insurance companies. For example, the NAACP has a lawsuit pending against American Family Mutual Insurance Company. That is the case where the sales manager was recorded as telling an agent, "I think you write too many blacks. You gotta sell good, solid premium paying white people." Do you know how offensive that statement is? How insulting?

To combat redlining, I introduced legislation H.R. 1188, the Anti Redlining in Insurance Disclosure Act. As amended by the Committee on Energy and Commerce, this act will require insurance companies to disclose information about their insurance activities in the 25 largest urban areas, such as the breakdown of policies sold and agent location by ZIP Code. These disclosure requirements would apply to automobile and homeowners insurance, and would last for 5 years, extendable by the Secretary of Commerce for 2 additional years. In addition, the Secretary of Commerce would conduct a 2-year pilot project to collect information on small business commercial insurance in the five largest cities.

The information generated by this legislation would help determine the true nature and extent of redlining, but more importantly, the public disclosure of this information would also serve as a powerful disincentive against discriminatory behavior.

At the subcommittee markup last July 28, the bill was amended to meet industry objections. I was not thrilled with all these amendments, but they attracted broader and bipartisan support to the bill and enabled the legislation to move forward. At the same time, I believe the bill, even in its amended form, is a tremendous step forward. It will provide a significant amount of data that is simply not publicly available today—data that will help us determine the true nature and extent of redlining. The bill was improved at the full Committee, when I successfully offered an amendment to establish a pilot project for the collection of information on commercial insurance.

During the legislative process, we worked and consulted with all sides in fashioning this bill. There was exten-

sive consultation with consumer and community groups, the insurance industry, the National Association of Insurance Commissioners, and relevant Federal agencies. We worked with Members on both sides of the aisle. Nobody is completely satisfied with this bill, but most can support it. As the consumer group Citizen Action put it, the bill "is a significant improvement over the status quo."

Now this bill is no panacea. It is not going to solve all insurance redlining problems overnight. No bill will, but it is an important step forward. It will help those charged with enforcing insurance laws by highlighting areas where insurance is most difficult to get. It will enable a more thorough investigation of possible redlining.

Now some may say this bill is not good enough. Let us wait until next year, or let us leave it to the States.

I am not optimistic that we would do any better by leaving it to the States. There are a few State insurance departments which are really concerned about redlining, and this bill does not preempt those States from taking action. Thus while this bill does not interfere with what States may do, it ensures a baseline level of disclosure nationwide.

My constituents and yours suffer daily the indignities of insurance redlining. They want to start seeing some relief now. We here in Washington can argue about the perfect bill, but our constituents want results. We can wait forever for State legislatures to pass the perfect bill—or even any bill, but our congressional districts want results.

Madam Chairman, I must also point out that, when this bill is considered for amendments, I will have to oppose all amendments.

If I had my druthers, I would like to have been able to strengthen this bill, but, my first priority must be to pass this much needed legislation. The bill in its current form reflects a broad, pragmatic consensus. Unfortunately, the kinds of changes that some of my colleagues might want to make would produce a bill that would destroy that consensus and could not be enacted.

□ 1310

The bill in its current form can be enacted and should be enacted. It would provide a lot of information about insurance practices that is simply not available today. If we attempt to improve this bill in a manner that it is not passable, none of this information will become available. We would have shot ourselves in the foot and the perfect would have become the enemy of the good.

Madam Chairman, let me expand on one point. The bill requires data reporting on insurance activities with respect to the 25 largest metropolitan areas, and establishes a pilot project of

reporting with respect to commercial insurance in the 5 largest metropolitan areas. In determining either the 25 largest or the 5 largest metropolitan areas, as applicable, the Secretary of Commerce should use population figures from the 1990 census. Thus, the Secretary should designate either the 25 largest or the 5 largest metropolitan areas, as applicable, in rank order based on the 1990 census. For purposes of determining the rank order, the ranking of metropolitan areas should be based on metropolitan areas as defined by the Office of Management and Budget as of December 31, 1992.

Let me also note that section 6 of the legislation directs the Secretary to promulgate implementing regulations. Those regulations may provide for adjustments and exceptions for classes of transactions where necessary and proper to effectuate the purposes of the reporting and disclosure requirements and to prevent circumvention or evasion or to facilitate compliance.

There may be some limited situations where the reporting requirements of this legislation are not necessary, in light of the purposes of the legislation, with respect to certain specialized types of insurance policies. For example, some insurance companies offer specialized insurance policies to cover antique or specialty automobiles that are not used for general transportation purposes. Since the reporting of data on these particular types of specialized insurance policies does not appear necessary to effectuate the purposes of this legislation, this may be one area where the Secretary may want to consider using the exemption authority of section 6.

Madam Chairman, I urge support of this legislation and I reserve the balance of my time.

Mr. STEARNS. Madam Chairman, I yield myself 7 minutes.

Madam Chairman, I rise today to discuss H.R. 1188, the Antiredlining in Insurance Disclosure Act. In the context of insurance sales, redlining is, unfortunately, a term tossed around without much thought to its meaning. The most common, and most realistic definition of redlining in insurance sales is the practice of routinely and deliberately denying certain classes of individuals insurance coverage simply because of their race, gender, ethnic origin, or socioeconomic status. It is important that anyone who might be engaged in this practice be absolutely clear on one point—redlining is a violation of both Federal civil rights laws and State insurance laws and it will not be tolerated. Any corporation or individual found engaging in racial discrimination of any kind should be prosecuted to the fullest extent of the law.

Madam Chairman, you will hear many Members come to the floor today and describe why the House must approve strengthening amendments to

this legislation, so that it will be an effective civil rights enforcement bill. As well-intentioned as my distinguished colleagues may be, I think they are missing the point—H.R. 1188 is not a civil rights enforcement bill.

Arguably, H.R. 1257, the Banking Committee's redlining bill was designed to provide information for civil rights enforcement. However, the Banking Committee's bill is not the one on the floor today, and even if it was, it reached its conclusion by presupposing an answer to the question asked by H.R. 1188; namely, whether or not individuals are discriminated against in insurance sales simply due to their race or where they live.

The Energy and Commerce Committee decided to structure H.R. 1188 in the manner before the House today because none of the evidence submitted to the committee, or even any of the evidence or testimony printed in the Banking Committee's hearings, was sufficient to warrant large-scale intervention. Much of the evidence was anecdotal in nature, which any public policy expert will tell you is dubious at best, and the vast majority of those studies purporting to be scientific in nature were grievously flawed.

For instance, the Commerce Subcommittee, on which I serve as ranking Republican member, heard almost half-a-dozen stories of individuals who alleged that they were denied insurance because of their race, ethnic background, or gender. Two different consumer groups submitted different studies alleging widespread discrimination in the sales of insurance. However, another study received by the subcommittee showed that among minority homeowners in the inner-city, an average of 98 percent carried either basic or comprehensive homeowners' insurance policies and 86 percent said that it was either very or somewhat easy to obtain insurance. All of these studies cannot be correct.

That is why a coalition of subcommittee Republicans and Democrats joined together to ensure that H.R. 1188 answered the question posed by the subcommittee's hearings—does redlining in insurance sales exist? To focus the bill on this question, we modified the bill in four simple ways:

First, we reduced the number of urban areas included in the study from 150 to 25. That still represents almost two-thirds of the Nation's metropolitan population, which is a sample far larger than needed to see if a problem exists.

Second, we only required reporting on the basis of 5-digit ZIP Codes instead of census tracts. Currently, no insurer uses census tracts for any of their activities. Requiring reporting by census tracts, of 9-digit ZIP Codes which are later converted into census tracts by the Government, would be extremely costly to either insurers or the

Government, meaning that insurers would have to raise premiums or the Government would have to raise taxes.

Third, we eliminated requirements that insurers report unnecessary data, such as demographic information or loss data. Demographic information about geographic areas, like racial and gender composition, is already widely available—we can even get it on our own computers through House Information Systems. And lost data represents highly proprietary information, the release of which could represent the loss of trade secrets for insurers. Loss information reported on a 5-digit ZIP Code basis or smaller also represents too small a sample to be statistically significant.

Finally, and perhaps most importantly, we ensured that this was indeed a study, and not a data gathering exercise that would continue in perpetuity. We added a 5-year sunset provision, ending the study unless the Secretary of Commerce decided that more data was needed, in which case the program would definitely end after a total of 7 years. We believed that this, like any other program, should be subject to the normal authorization and appropriation process, and Congress should have an opportunity to review the study's findings to determine whether there is a need for continued data collection.

H.R. 1188 and the proposals by some of my former Banking Committee colleagues will provide roughly the same information. So what do we gain with the approach taken by H.R. 1188? The short answer is about \$21 million.

As you can see from the chart, the Congressional Budget Office had strikingly different estimates for the cost to the Government of H.R. 1188 and the Banking Committee's redlining provisions. Even under CBO's worst case scenario, the Banking Committee's proposal was \$21 million more expensive than H.R. 1188. If you ask why, the CBO best answered that question in their cost analysis of the Banking Committee bill: "Most of the estimated cost associated with—the redlining portion of the bill—would be attributable to the large amount of information that would be collected, analyzed, and made available to the public." That is the same information that members of the Banking Committee will be seeking to require through their amendments.

In these times of fiscal austerity, we need to be even more conscious than usual about the cost of what we do in this House. H.R. 1188 represents a bipartisan compromise that will answer the same questions answered by the data that Democratic members of the Banking Committee want to collect. And it does it more effectively and at a lower cost than anything proposed by the Banking Committee, either in their bill or through their amendments.

I believe that H.R. 1188 as it stands before the House represents the best

possible compromise for everyone. Changing too much in either direction will cause Members to lose their already strained enthusiasm for this legislation. I urge my colleagues to oppose all amendments to H.R. 1188 and to support its final passage only if it remains intact.

□ 1320

Madam Chairman, I include the chart referred to in my remarks, as follows:

OFFICIAL CBO COST ESTIMATES FOR H.R. 1188 AND TITLE II OF H.R. 1257

(Budget authority in millions)

	Fiscal year					Total
	1994	1995	1996	1997	1998	
H.R. 1188 (high estimate) ...	\$4.0	\$4.0	\$3.0	\$3.0	\$3.0	\$17.0
H.R. 1188 (low estimate) ...	3.0	3.0	1.0	1.0	1.0	9.0
H.R. 1257 (Title II) .....	0.7	3.2	3.1	15.0	16.0	38.0

Source: Official CBO cost estimates included in the respective committee reports.

Madam Chairman, I reserve the balance of my time.

Mrs. COLLINS of Illinois. Madam Chairman, I yield 3 minutes to the gentleman from North Dakota [Mr. POMEROY], the former insurance commissioner of North Dakota and former president of the National Association of Insurance Commissioners.

Mr. POMEROY. I thank the distinguished gentlewoman for yielding me the time.

Madam Chairman, I have served as an insurance regulator. For 8 years I was elected by the people in North Dakota to regulate the business of insurance as conducted in that State. During that period of time I was elected by my regulatory colleagues to serve as president of the National Association of Insurance Commissioners, the umbrella organization closely coordinating the regulatory initiatives of the State. My brother was elected to the position of insurance commissioner succeeding me in that post giving me an ongoing, close view of regulatory issues as seen by State regulators. Frankly, I have a great deal of confidence in State regulation and in the National Association of State Insurance Commissioners which coordinates carefully State regulation of this important national commerce.

In that light, I have typically been very skeptical of Federal initiatives on insurance regulatory issues, believing that they were well-intentioned but ill-considered, they did not work well, they were duplicative of activity taking place at the States or worse yet a jurisdictional grab from something better controlled at a State level. I do not find H.R. 1188, however, to fall within that realm of traditional objections I have had to Federal initiatives. I believe H.R. 1188 is a balanced, careful approach to a serious public policy issue.

Frankly, I wish more data was presently available. I wish the State com-

missioners had generated, had taken the initiative and given us more data so we might evaluate the very serious allegations attendant to the redlining issue. I think the approach taken by the Committee on Energy and Commerce is an appropriate course, and I mark it in stark contrast to the initiatives urged by the Committee on Banking, Housing and Urban Affairs.

The Committee on Energy and Commerce does not presume guilt, does not foist upon the industry and ultimately upon the insurance consumers of this country increased costs for exhaustive data collection efforts based on some anecdotal reports. Rather, it takes a careful, studied, balanced view certainly designed to give us the type of data that we will need to evaluate the seriousness of the issue and formulate appropriate public policy in the future should it come to that.

□ 1330

As we look at those who just say all we want is information, all we want is information, we have got to understand that regulatory burdens upon an industry add costs to consumers, every consumer in this country. There is no allegation of red-lining in North Dakota but you can bet North Dakota consumers are going to pay higher premiums if the farflung regulatory objectives of the Banking Committee are amended into this legislation.

So I would close by urging my colleagues, support H.R. 1188, a balanced approach, and oppose the amendments offered this afternoon to the bill.

Mr. STEARNS. Madam Chairman, I yield 5 minutes to the distinguished gentleman from California [Mr. MOORHEAD], ranking member of the Committee on Energy and Commerce.

Mr. MOORHEAD. Madam Chairman, I rise today in support of H.R. 1188, the Anti Redlining in Insurance Disclosure Act, and urge my colleagues to oppose all amendments. This legislation is the product of months of hard work by Chairwoman COLLINS, Chairman DINGELL, Congressman STEARNS, and others. It represents a bipartisan compromise to find an efficient and cost effective approach to the troubling issue of redlining. It is a bill that is supported by both consumer groups and businesses.

There is a great deal of confusion over the extent of redlining in the inner-city. Some studies indicate that redlining is a localized problem that can be amply prosecuted under current law. Other studies suggest that redlining is more widespread. There is enough confusion about this issue that the NAIC has recently issued a data call to learn more about this problem.

H.R. 1188 creates the least intrusive means of collecting data relevant to the question. Insurance companies already collect policy information based on ZIP Codes. By matching up policy

information from the Nation's largest metropolitan areas with existing census data, the Department of Commerce can determine whether there are any significantly underserved population areas. This collection effort will end after 5 years, to insure that no permanent government bureaucracy is created.

Some of my colleagues would like to upset the fragile coalition supporting this legislation by imposing additional mandates. For example, an amendment will be offered to force insurance companies to gather information by census tract. This amendment is unnecessary, burdensome, and expensive. According to the Congressional Budget Office, data collection by census tract would increase the cost of this legislation by as much as \$29 million. I believe that we have a duty to the taxpayers to minimize all new regulations and expenditures.

In closing, I would like to commend my colleagues who have worked so hard to craft this legislation. In particular, my thanks go to Chairwoman CARDESS COLLINS and ranking Republican member CLIFF STEARNS who has pulled everyone together to forge an effective compromise. Congressmen SLATTERY, ROWLAND, MCMILLAN, and GREENWOOD, as well as the full committee chairman, Mr. DINGELL, have all made critical contributions.

H.R. 1188 is the least intrusive, cost-effective approach to understanding redlining. Adoption of any amendments will tear apart the fabric that holds this bill together. I urge my colleagues to oppose all amendments and to pass the bill as it stands.

Mrs. COLLINS of Illinois. Madam Chairman, I yield 3 minutes to the gentlewoman from Missouri [Ms. DANNER].

Ms. DANNER. Madam Chairman, I rise today in support of H.R. 1188. This bill strikes an equitable balance between the needs of the Federal Government and the needs of insurance companies across the United States.

H.R. 1188 requires insurers to report specific information regarding homeowners, automobile, and fire insurance policies, by 5-digit ZIP Code. These are the most common policies in force in our country today, with virtually every household in the Nation maintaining at least one of these policies and many households maintaining multiple policies.

H.R. 1188 requires insurers to report this data for the 25 largest metropolitan statistical areas, which represent 58 percent of the urban population of our country and 46 percent of the total U.S. population.

The bill also calls for the Department of Commerce to conduct a study of small business insurance availability. Because of the differences between small businesses and their insurance needs, no one policy fits all. The Secretary will be charged with the duty of

first determining an appropriate definition of small business for insurance purposes and the kinds of coverage most common among small businesses and then completing the study with a comprehensive examination of small businesses in the five largest MSA's.

An important element of the bill requires the data to be reported in the aggregate as opposed to an individual policy basis. This will prevent the disclosure of individual policyholders' names. Aggregate data reporting will also assist the data collectors by reducing the volume of computer space needed to process and analyze the materials.

Furthermore, requiring insurance companies to gather and report data on 50 additional cities, will not provide better evidence that redlining is or is not occurring, but it will sharply increase the costs that insurance companies must incur—a cost which will inevitably be passed on to the consumer.

Last, this legislation will sunset after 5 years unless the Secretary reports to the Congress that further study is necessary. This is an important element of the bill for all taxpayers. If insurance companies are redlining, 5 years of data will certainly tell us so. If they are not, the American taxpayer does not need to perpetuate another Government bureaucracy.

Madam Chairman, this bill collects more than ample data needed in order to determine if a redlining problem exists. I rise in support of H.R. 1188 and I urge my colleagues to reject all amendments to this bill.

Mr. STEARNS. Madam Chairman, I yield 3 minutes to the distinguished gentleman from New York [Mr. FISH], the ranking member of the Committee on the Judiciary.

Mr. FISH. Madam Chairman, as many Members of this House know, I have long been a supporter of State regulation of insurance. At the same time, during my many years in the Congress, I have been a strong supporter of civil rights legislation. In this context, I rise in support of H.R. 1188, the Antiredlining in Insurance Disclosure Act, sponsored by Congresswoman CARLISS COLLINS.

The gentle chairlady has worked with her subcommittee to carefully design a bill which will provide the Federal Government with adequate data to determine if a redlining problem exists in this country's urban communities. Some have made allegations that insurers are refusing to sell their products in minority or low-income neighborhoods. The Collins bill will collect data from the 25 largest metropolitan statistical areas [MSA's] which represent 59 percent of the urban population of this country. The Department of Commerce will then analyze that data and report back to the Congress.

There are some issues that require action at the Federal level—a Federal

perspective. H.R. 1188 will help us determine if there is a national redlining problem with respect to sales of insurance in urban America. Redlining is a serious issue, particularly if it is done because of race or economic status. For decades, insurers have not been permitted to collect any information regarding policyholders' race or ethnicity. The data collected as a result of this bill when coupled with data collected by the U.S. Census Bureau will allow us to determine if there is an insurance availability problem in urban communities. It is proper that information regarding an individual's race or ethnicity be collected by the Federal Government such as is done by the Census Bureau.

However, it would not be proper for insurance companies to ask their policyholders, or potential policyholders, to identify their race or ethnicity, even on a voluntary basis as one amendment seeks to do. Many policyholders would be offended by such a question and would refuse to answer. It would most probably make policyholders believe race information was being used to determine their premium charge or insurability. Mrs. COLLINS and her subcommittee realized that requiring insurers to ask for race information was not the appropriate approach. That data is best collected by the Federal Government and is currently available through the Department of Commerce.

In conclusion, Madam Chairman, H.R. 1188 is a fair and balanced measure. It will provide the necessary data at the least cost to insurers and at the least cost to consumers of insurance products. I urge my colleagues to support this bill and reject all amendments.

□ 1340

Mr. STEARNS. Madam Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GREENWOOD], who serves with me on the committee.

Mr. GREENWOOD. Madam Chairman, the Energy and Commerce Subcommittee on Commerce, Consumer Protection, and Competitiveness, on which I serve, held two public hearings last year to determine whether redlining on a racial or an ethnic basis is occurring in the United States. I was not able to attend the field hearing in Chicago, but did participate in the hearing in Washington.

Frankly, I was not convinced that redlining is in fact occurring to any significant degree. What the evidence did seem to suggest was that, not surprisingly, insurers were basing their marketing strategies on the basis of profitability, not ethnicity. But the advocates of this legislation believe redlining occurs regularly, so they have devised a bill to collect massive amounts of data for analysis and study to root it out.

If redlining is occurring, we ought to find out about it. We ought to put an

end to it, because it is wrong. It seems to make the most sense to limit data collection to places where there are actually allegations of redlining. I offered such an amendment, but it was defeated in the Commerce subcommittee and in the full committee.

The bill before us now collects data from 25 metropolitan statistical areas. That means records must be submitted to Washington for every auto, homeowner and fire insurance policy sold to virtually half of the population of the country, a very large sample, indeed.

Now, in my mind, that puts the needle of redlining in a haystack of paperwork where it will never be found. Certainly sampling half of the Nation's insurance sales ought to be enough to discover if redlining is occurring. What we must do today is to resist amendments soon to be offered that would extend this data collection even further from the 25 metropolitan statistical areas in the bill to 75. That proposal takes the needle from the haystack and puts it in the hayfield.

H.R. 1188 represents a compromise, Madam Chairman, and I urge Members to resist amendments that would make it even more burdensome, costly, and impossible to administer.

Mrs. COLLINS of Illinois. Madam Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. SLATTERY], a distinguished Member of the Subcommittee on Commerce, Consumer Protection, and Competitiveness.

Mr. SLATTERY. Madam Chairwoman, I rise in support of H.R. 1188, the Anti Redlining in Insurance Disclosure Act.

I have been actively involved in this legislation on the Committee on Energy and Commerce, and I am pleased it is receiving the attention it is today on the floor of the House. I commend the gentlewoman who chairs the subcommittee and ranking minority member on the subcommittee also for their hard work on this legislation.

During the subcommittee consideration of this legislation, I worked with several of my colleagues to develop a bipartisan compromise that can pass Congress this year. The en bloc amendment I offered, which gained unanimous support by the subcommittee, cleared up many of the outstanding concerns of the industry.

H.R. 1188 would require insurers selling policies in large urban areas to report statistical data to the Department of Commerce in order to determine the extent of so-called redlining practices. Let me just say I believe this legislation is very important, because there are serious and legitimate allegations about redlining practices across this country. I am convinced that the five-digit ZIP Code is the best geographical unit for this type of data collection. ZIP Codes are universal. Insurance companies do not currently organize data by census tracts, and many small

companies do not compile data with nine-digit ZIP Codes. Use of five-digit ZIP Codes is the most sensible approach and will not cause undue financial burden on the industry.

I am pleased this measure does not require companies to report loss data. It is important that we do not legislate in a manner which would require companies' trade secrets to be revealed to competitors. By requiring data reporting in the 25 largest metropolitan statistical areas, we will be able to ascertain the extent of redlining. I believe these MSA's, which comprise 58 percent of the Nation's metropolitan population, will provide a more than adequate sample.

Small insurance companies, those with less than 1 percent market share per line statewide, which write primarily rural policies would not be required to report more than summary data. Insurance companies will be allowed to report data on an aggregate basis, which will maintain the policyholders' confidentiality.

The measure includes a provision to sunset the act after 5 years, but allows the Secretary of Commerce to extend it for one 2-year period. After that time has expired, Congress can review the studies and then determine whether the legislation should be reauthorized.

This may not be perfect legislation. It is like all other compromises that we deal with in this body, but the fact of the matter is this is the best legislation that we can put on the President's desk this year.

I happen to believe very strongly this is a serious problem that needs to be dealt with. I believe the data we are collecting with this legislation will give us a clear picture as to the dimension of this problem, and if it is as serious as some suggest that it is and as I believe that it is in some areas of this country, then we will have the data to document it and be able to move forward with the vigorous action that this Congress and State legislatures across the country could deal with.

So I commend the Committee on Energy and Commerce for bringing this legislation to the floor today and urge my colleagues to support it.

Mrs. COLLINS of Illinois. Madam Chairwoman, I yield 5 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Madam Chairwoman, I thank the gentlewoman for yielding me this time.

Madam Chairman, I would like to point out that it has been basically a one-sided debate that has occurred on the House floor over the course of the last 45 minutes or so, because the Committee on Banking, Finance and Urban Affairs has not been allowed on the House floor to be able to make its case in terms of the alternatives that have been supported in the Committee on Banking, Finance and Urban Affairs to

deal with the very serious problem of insurance redlining.

First and foremost, I have heard Members mention that we cannot go from ZIP Code to census tract because of the cost. The fact of the matter is that many of the insurance companies around the country already use the ZIP Code+4 category which suffices to get the information that is required to make the determination.

It is very clear that you cannot make the determination as to whether or not redlining exists if you only take zip codes. ZIP Codes in many cities around the country involve urban areas that are in many cases very, very poor that extend out to wealthy suburbs, and therefore simply because an insurance company happens to write policies in a ZIP Code does not tell you whether or not racial discrimination is taking place. Certainly you can get bipartisan support for such a bill, because it does not do a darn thing.

If we are really interested in finding out whether or not racial discrimination exists in the insurance industry, you have got to take it to a point where you are finding out whether the prejudice exists.

In terms of the cost, the fact of the matter is the cost of these programs, if you buy the CD-ROM, is a very, very inexpensive proposition. In many cases, first of all, I should point out, the banking industry already does this at the census-tract level.

Second, the fact is that the information that we have gotten from both software companies at our committee hearings as well as from the industry itself indicate the cost to this industry will be minimal, and it basically requires a computer programmer to punch a button on a computer screen to convert it from census tract to ZIP Code.

I appreciate the fact that there is not a lot of racial discrimination in the State of North Dakota, and the fact is we had a Member here who mentioned the fact that this was not something that he felt was particularly a big problem. But North Dakota does not have the same kind of problems that we have in Boston or in Philadelphia, Chicago, or Detroit or in places like Los Angeles where the problem of insurance redlining exists. Obviously, there may be costs to straightening out an industry that has been racially prejudiced in terms of how it is writing its policies.

That might, in fact, mean some discomfort for the insurance industry in North Dakota. I am sorry for that discomfort. The fact of the matter is the insurance commissioner in North Dakota currently has changed since the gentleman from North Dakota [Mr. POMEROY] has left North Dakota, and now requires the information we are asking for in this bill.

So I am pointing out that if we are really interested in getting the kind of

information that will allow us to make these determinations, we need to have census tract versus ZIP Code. We need to ask for information on race and gender. Of course, if you do not ask for information on race and gender, certainly you get bipartisan support, because it does not tell you anything.

If you want to find out whether or not it exists, you have got to ask for information about race and gender.

If a minority or someone, or a woman, does not want to tell you or a man does not want to tell you their race or gender, fine, then they can exempt themselves from having to write the information, but it allows us to ask the question. If we are serious about getting to the point whether there is discrimination, we need to have information on loss data.

□ 1350

The insurance industry is obviously going to tell us that the reason why they do not write policies is because the blacks are bad risks. Well, my goodness, let us at least find out whether the information we have gotten from the various insurance regulators who have come before our committee are telling us the truth when they tell us that in fact the minority community gets charged higher rates and has less losses.

I also would like to point out that in the amendment that the Committee on Banking, Finance and Urban Affairs is offering in order to deal with some of the paperwork burdens, we exempt many of the small companies. That does not exist in terms of the Committee on Energy and Commerce version.

This is fundamentally, when all is said and done, a question of whether or not we are going to get at the root cause of racial discrimination in the policy-writing of insurance companies in America and whether or not, in your opinion, if you think that the Energy and Commerce Committee has taken enough of your committee's jurisdiction, then I would suggest you vote for the Energy and Commerce version. If you think they have had enough, then vote for the Banking Committee's version.

Mr. STEARNS. Madam Chairwoman, I yield myself such time as I may consume.

I have just a few comments in reference to the gentleman from Massachusetts' [Mr. KENNEDY's] comments. I think the question is, if the Members want a more intrusive Government program, then they would vote for the Kennedy bill. But if they want less Government intrusion and they want a bill that costs less for what at the moment appears to be an imaginary problem, they should vote for H.R. 1188. It is not clear to us that a lot of the investment that has been put into a lot of the cities and is not in certain areas is not because of any discrimination

but perhaps is because of the risk involved or because of the status of the situation in terms of the real estate and many other factors. But I think H.R. 1188 starts to proceed with a very concrete study, with less Government intrusion, and has bipartisan support.

So at this point we have heard from both sides of the aisle and we have bipartisan support for a bill that is less intrusive, costs less, and at this point would bring to bear all the information we need within a 5-year sunset.

I must point out that the bill that Mr. KENNEDY supports does not have the 5-year sunset, and I think that most Members of Congress who have had any experience in dealing with the Federal Government would like to have at least a sunset provision.

Madam Chairwoman, I reserve the balance of my time.

Mrs. COLLINS of Illinois. Madam Chairman, I yield 1 minute to the gentleman from New York [Mr. TOWNS].

Mr. TOWNS. I thank the gentleman for yielding this time to me.

Madam Chairman, let me just say that I have heard the discussion here about the fact that this bill does not do anything, that this bill is too weak and this bill does not answer the questions.

Let me just say that all of us probably have or would have liked to have gotten some things into the bill, but this was the strongest bill that we could get at the time and passed in the House.

I think this bill is not weak, it is not useless, as some people have said. It requires insurance companies to provide the Department of Commerce with certain information about the car, about the homeowner, fire and allied profit insurance. They provide it in the 20 largest metropolitan areas around. That to me is extremely important. I hope that the calmer colleagues will look at this and recognize that the time has come that we need to do something about discrimination.

This bill addresses that issue. This is a bill that has bipartisan support. I do not think we should sit around and talk about what could be done. I think the thing we should do now is to vote this bill out.

The CHAIRMAN. The time of the gentleman from New York [Mr. TOWNS] has expired.

Mr. STEARNS. Madam Chairman, I yield an additional minute to the gentleman from New York.

Mr. TOWNS. I thank the gentleman for yielding this time to me.

I would like to say that I have listened to all of the discussions over the past few months, people saying that this is not strong enough, that we should do more, we should go further. But I think we have to be realistic. If we can pass this bill, I think we should. It has bipartisan support. I think we should move ahead with it. I think it answers a lot of the questions. I am very concerned about discrimination.

When I listen to people in my area, as I have also listened to people going around this country, they are saying to us we should do something. They do not want us to twiddle our thumbs and talk about things to do down the road; they are talking about things we should do now.

We are prepared to go forward with this today. The bipartisan support is very important. I thank the gentlewoman from Illinois [Mrs. COLLINS] and the gentleman from Florida [Mr. STEARNS] and the members of the full committee for the work they have done, as well as the staff.

This bill makes a lot of sense.

Mr. STEARNS. Madam Chairman, I thank the distinguished gentleman for his comments. And to show the bipartisanship here for this bill, it is my willingness at this time to yield 4 minutes from our side to the distinguished chairman of the Committee on Energy and Commerce, the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Madam Chairman, I thank the gentleman from Florida for yielding this time to me.

Madam Chairman, after long labor, much delay, and, quite frankly, a fair amount of externally induced obfuscation, the Committee on Energy and Commerce has brought before this body H.R. 1188.

Madam Chairman, I want to begin by commending the distinguished gentlewoman from Illinois [Mrs. COLLINS], the chairman of the subcommittee, for her leadership on this matter. She is the first to author this legislation. She has long been working against redlining and against racial discrimination in housing and in all other matters. She deserves the commendation and the support of this body for the fact that she has brought this legislation to the floor and has achieved the success which she has.

Madam Chairman, her accomplishment is all the more remarkable in that it is bipartisan, that this legislation has come out of the committee with the strong support of the membership on both sides. It is still more important in that this is legislation which can pass and which can become law. It is supported by a wide diversity of groups including the NAACP, the Citizen Action, the Economic Empowerment Foundation, and the Coalition of Bar Associations of Color. It is also supported by large and responsible segments of the insurance industry as well as many individual insurance companies, such as the National Association of Mutual Insurance Companies, Alliance of American Insurers, American Insurance Association, Independent Insurance Agents of America, Professional Insurance Agents of America, and a number of other industry groups.

Madam President, this bill is an extraordinary accomplishment. It shows

the support, because of the diligent effort of the distinguished gentlewoman from Illinois [Mrs. COLLINS], of both industry, civil rights groups and community groups. It is a piece of legislation which is supported on both sides of the aisle. It is unique in that it builds upon the reporting requirements which we have traditionally had with regard to reporting to the Department of Commerce, which is the traditional agency which receives economic and business information so that the judgments of this Government can be bottomed on a solid informational base.

□ 1400

The distinguished gentlewoman from Illinois [Mrs. COLLINS] has also come up with a package which enables this country for the first time to get adequate information with regard to redlining, how extensive the practice is, how pervasive it is, and how it has impacted upon every part of the country. She has achieved a large enough data sample, and she does it on the basis of the traditional reporting methods which are used by the insurance industry, so that the insurance industry can without excessive costs transmit to the Government the information which this body and the Government as a whole will need to arrive at necessary judgments as to what action should be taken.

This legislation enables the Congress and the Government of the United States to achieve the information which is needed to commence the attack upon redlining if there is a finding on the basis of intelligently-achieved information that this is a practice that needs particularly corrective action. And it also helps us to define the information in a way which will enable us to begin to address the crafting of a proper relief for the wrongdoing, if such there be. It also enables this country to achieve it at the lowest cost, not only to the industry but also to the Government of the United States.

I believe that this is responsible legislation. It can become law. It can begin to address a problem which has long been a matter of concern to every decent American.

That the gentlewoman from Illinois [Mrs. COLLINS] has achieved the extraordinary accomplishment of achieving the support of the Government, of the agencies downtown, of the industry, of civil rights communities and groups, and others. This shows that she has performed an extraordinary accomplishment in the public interest. She deserves the commendation and support of this body.

Mr. STEARNS. Madam Chairman, may we be informed as to how much time remains?

The CHAIRMAN. The gentleman from Florida [Mr. STEARNS] has 9 minutes remaining, and the gentlewoman from Illinois [Mrs. COLLINS] has 4 minutes remaining.

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

Mrs. COLLINS of Illinois. Madam Chairman, I yield 2 minutes to the gentleman from New York [Mr. MANTON].

Mr. MANTON. Madam Chairman, I rise today in strong support of H.R. 1188. This measure will provide reliable data from the property and casualty insurance industry in a timely manner. In turn, this data can be used to determine whether there is a problem with insurance cost and availability in our Nation's largest urban areas.

This legislation is designed to disclose what insurance is being sold, where it is being sold, who is selling it, and how much it costs the consumer. All of this information will help us determine whether or not insurance is being made available to all consumers.

H.R. 1188 also provides for the public disclosure of the data collected. The Secretary of Commerce would annually compile aggregate data by ZIP Code, and would include tables showing aggregate insurance patterns.

It requires studies of the more complex issues of commercial insurance, agent appointments and terminations, insurance applicants, and the effectiveness of the data collection.

I would like to commend my colleagues, Congresswoman COLLINS and Chairman DINGELL, for their efforts on this legislation and I urge my colleagues to support its passage.

Mr. STEARNS. Madam Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Connecticut [Mr. FRANKS], who also serves on the subcommittee with us.

Mr. FRANKS of Connecticut. Madam Chairman, I thank the gentleman for yielding this time to me.

Does insurance redlining exist in our inner cities in 1994? Let us hope that the answer to that question is no, but Madam Chairman, we need to know.

I have been an outspoken critic of initiatives that would make race a significant factor in measures perceived as favoring African-Americans, that is, racial gerrymandering of districts and quotas for the death penalty, but Madam Chairman, I will be quick to point out potential instances when people of color are being placed at a total disadvantage.

Insurance redlining could be one of those dreadful examples. I trust, Madam Chairman, that it is not a problem in our society, but we need to explore the possibility that it does exist, and, if so, eradicate it.

Potential redlining would hurt economic development where it is needed the most, in our inner cities. If insurance rates are unreasonably high, people will not do business in these areas.

H.R. 1188 is a way of putting in place a system of checks and balances to make sure that insurance is readily available to all Americans at a reasonable rate. This will keep our citizens

gainfully employed and American goods and services competitive.

Mr. STEARNS. Madam Chairman, I yield myself 6 minutes for my closing statement.

Madam Chairman, I feel it is important to take the floor again to discuss what is probably the most common question I get about H.R. 1188 from my fellow Republicans: Why is H.R. 1188 worth supporting? It is a very good question.

I have made no secret of the fact that I am not nearly as convinced as some of my colleagues that redlining is the problem that some believe it to be. I vehemently oppose any effort to impose some kind of enforcement mechanism that would prevent redlining because it is premature to enact some enforcement mechanism before we even know if there is a problem.

That is not what H.R. 1188 does. I know that because when the Commerce Subcommittee Republicans joined with subcommittee Democrats to work with Chairwoman COLLINS to amend this legislation, we firmly believed that enforcement was not the route to take. It was too expensive and entirely unjustified.

H.R. 1188 is a 5- to 7-year long study period. For all of the talk of census tracts and zip codes and MSA's, H.R. 1188 is really only a study. It is complex and difficult to understand at times, but it is just a study.

Energy and Commerce Republicans were willing to work with Democratic proponents and opponents of the legislation to craft this limited study because we were told that it was something that most of the insurance industry was willing to live with, that it would be supported by the original sponsor of redlining legislation in the House, Chairwoman COLLINS, and that it would answer the questions that many of us had about redlining. And, we understood that the alternative, Mr. KENNEDY's bill, was highly intrusive, and would have cost the Government, the taxpayers, and consumers far too much in the way of increased taxes and premiums.

I feel the need to emphasize just how fragile this coalition is. The Republicans who support H.R. 1188 regard the bill as reported out of the Energy and Commerce Committee as the outer limit of what is acceptable. In order to maintain our coalition, we made a non-negotiable demand of our Democrats—accept no amendments or the Republicans will walk away from this bill. Our Democrats agreed and in return we agreed that we would also oppose any and all amendments—technical, substantive, or otherwise.

I would urge all of my colleagues to oppose all amendments to this legislation. No amendment can change this bill for the better in a way that would be acceptable to both Democrats and Republicans.

Before closing, I would like to acknowledge the help of a number of people who enabled us to get to this point. As I said before, Chairwoman COLLINS has been extremely gracious in her dealings with the members of the subcommittee, and she should be applauded for her dedication to this issue. None of this would have been possible without the help of Democrats like Mr. SLATTERY, Dr. ROWLAND, and Chairman DINGELL. On the Republican side, CARLOS MOORHEAD, the ranking Republican of the full Energy and Commerce Committee, ALEX McMILLAN, and JIM GREENWOOD all deserve a great deal of thanks for their help. Staff were also instrumental in doing the legwork on this legislation, particularly Richard Huberman of Mrs. COLLINS' staff and Janet Potts of Mr. DINGELL's staff, as well as our own minority committee staff, Doug Bennett, Hugh Halpern, and Mary Moore Hamrick, who, unfortunately, is no longer with the committee.

In closing, I would just like to reiterate the importance of opposing amendments to this legislation. If so much as a single amendment is approved by the House, I can assure those who would like to see this legislation pass that Republican votes in favor of H.R. 1188 will be virtually nonexistent.

Madam Chairman, I yield back the remainder of my time.

□ 1410

Mrs. COLLINS of Illinois. Madam Chairman, I yield such time as he may consume to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN. Madam Chairman, I rise today to express my strong support for H.R. 1188, the Anti Redlining in Insurance Disclosure Act. I would like to commend Chairman DINGELL and Chairman COLLINS for their leadership and hard work on this important bill, as well as the gentleman from Florida [Mr. STEARNS] and the gentleman from California [Mr. MOORHEAD].

As a member of the Energy and Commerce Committee, which has jurisdiction over this issue, I strongly encourage my colleagues to support H.R. 1188. This legislation will help determine the nature and extent of insurance availability and whether insurers discriminate on the basis of race, income, or ethnic origin.

The bill requires insurers to disclose information on the sales of automobiles and property insurance policies in 25 large urban areas. H.R. 1188, unlike the Roybal-Alard amendment, has been carefully crafted by the Energy and Commerce Committee in a manner that will not compromise consumer confidentiality.

H.R. 1188 is a balanced approach that deserves the support of this body. If you are serious about combating redlining in America, support H.R. 1188 and oppose all amendments.

Mrs. COLLINS of Illinois. Madam Chairman, I yield 2½ minutes to the gentleman from Georgia [Mr. ROWLAND], a distinguished member of our subcommittee.

Mr. ROWLAND. Madam Chairman, I rise in support of the Anti Redlining and Insurance Disclosure Act, H.R. 1188.

The Committee on Energy and Commerce has worked hard to craft a balanced and cost-effective solution to study and address the problem of redlining in insurance. This solution, which is before us today, has support from both sides of the aisle. It is a bipartisan bill.

H.R. 1188 requires the disclosure of information about every substantial insurance transaction of nearly half of the U.S. population. In doing so, it will draw a broad enough picture of industry practices for us to determine if insurance is being denied to people on the basis of discrimination. And, if we find such discrimination, it will allow us to design remedial measures to address the types of discrimination this information reveals.

The reporting requirements of H.R. 1188 are extensive, and compliance with these requirements will be expensive for insurance companies. But the benefits to the American people, in the form of greater protection for civil rights and greater protection from abusive industry practices, will be well worth it.

Today's bill, H.R. 1188, is an important step forward for all Americans, and I urge my colleagues to support it.

Mrs. COLLINS of Illinois. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, let me say to the Members that H.R. 1188 is a well-crafted, well-balanced piece of legislation that we have considered. All persons, groups, organizations, civil rights, insurance companies, everybody who is concerned about insurance matters, have worked with them and fashioned this piece of legislation that is extremely well balanced. I do hope that every Member of this body will support this legislation.

Ms. NORTON. Madam Chairman, I want to commend Representative CARLISS COLLINS, chair of the Subcommittee on Commerce, Consumer Protection and Competitiveness, and Representative JOHN DINGELL, chair of the Committee on Energy and Commerce, for their leadership in reporting H.R. 1188 to the floor so expeditiously. This is a vital bill for this country. To illustrate the point, I want to discuss a recent episode of alleged insurance redlining in the District of Columbia and how H.R. 1188 would address the problem.

On November 28, 1993, the Washington Post published a report on alleged insurance redlining in the District of Columbia and Maryland by the GEICO Insurance Co. The article highlighted allegations made by several GEICO employees that the insurance company screened out blacks for auto and home insurance, gave preferential treatment to customers from white neighborhoods, and retaliated against employees who complained about such practices. Employees further alleged that, in violation of District of Columbia law, GEICO used District residents' job status in deciding what premiums to charge for auto insurance, the result being that a low-wage employee with a clean driving record would be given a worse rate than a professional employee with violations on his or her record.

The District's insurance commissioner will soon begin a market conduct study of GEICO's insuring practices in the District of Columbia. It is anticipated that the study will focus on whether GEICO's underwriting practices are discriminatory, whether the application of these guidelines has discriminatory effects, and whether the rates of insurance applications, cancellations, rejections, and non-renewal are substantially disproportionate across certain minority ZIP codes.

This data will begin to allow the District to get a more accurate picture of the scope of redlining problems in the metropolitan area. Insurance redlining, however, is not just a problem in the District of Columbia, but is a problem in major metropolitan areas across the Nation. H.R. 1188, the Antiredlining in Insurance Disclosure Act, would require annual reporting by large insurers like GEICO of the number of households and vehicles insured, policies issued, premiums earned, insurance agents employed, policies canceled, and policies not renewed by the company. The collection of such data nationally is the only way to comprehensively address this problem, and must be done if we are to fulfill our responsibility to fight racial discrimination in all its forms and guarantee equal opportunity to all citizens.

The passage of this bill is critically important to my constituents and to minorities nationwide, and I voice my strong support for the bill.

Ms. PRYCE of Ohio. Madam Chairman, today we are here to debate whether or not to amend H.R. 1188. First, let me begin by saying that H.R. 1188 already goes well beyond what is necessary to combat alleged redlining in insurance underwriting. I can say this, as I have something of a passing knowledge on insurance issues, having started my legal career as a hearing officer for the Ohio Department of Insurance.

To begin with, what is it that the legislation seeks to accomplish? If it wants to eradicate discrimination along the lines of race, religion, or national origin, there are already adequate civil rights and unfair claims practices laws, both Federal and State, to combat cases of classic redlining. These laws guarantee everyone equal opportunity. Nothing guarantees equal outcomes. Besides, it is well documented that insurance is available to virtually everyone who wants to purchase it. Recent studies indicate that over 97 percent of urban property owners have insurance.

Regarding the purpose of this legislation, proponents say we need this bill to gather data to determine, through a number of studies, whether discrimination exists in insurance underwriting. Basically, Congress wants to see if a problem exists. However, has anyone asked what will be the likely result of the study, once it is completed, or how we will remedy the problem?

Does creating a system that does not correlate risk to cost make sense? Would stripping personal behavior and responsibility from the insurance underwriting process force most Americans to subsidize, through higher premiums, the risky lifestyles or behavior of the very few? I believe it would. I also do not believe that this will solve the real problem.

What the proponents of this type of legislation really want is to community rate property

and casualty insurance. By that I mean that they want everyone to pay the same price for the same coverage, regardless of risk, geographic or otherwise.

Community rated property and casualty insurance would be a bad deal for the vast majority of Americans. The ultimate result would be that the cost of most people's auto and homeowner's policies would increase substantially in order to subsidize those who were at a greater risk for loss.

However, even if I could be convinced of H.R. 1188's merits, these amendments certainly go beyond what is necessary, and truly cause me to question the real purpose of this legislation. For example, one of these amendments would make insurers report loss data to the Federal Government.

This bill should not require reporting of company-specific loss data. These data are irrelevant to the purpose of the bill, which is ostensibly to combat facial discrimination along the lines of race, religion, and national origin in insurance underwriting practices.

Additionally, loss data would only be available on the basis of a rating territory, which is, at best, based on a group of five digit ZIP Codes. Also, loss data on a census tract basis, which is sought by many supporters of this legislation, is unavailable and would be statistically meaningless. Furthermore, loss data are irrelevant to determine whether insurers are in fact writing policies in urban areas, which is, at least on the surface, what proponents of antiredlining legislation say is their main concern.

Currently, individual insurers are required to provide loss data to State regulators only on the basis of a rating territory, and only when necessary to justify rate changes, not as a routine matter. Loss information is relevant only if the Federal Government is going to begin second-guessing insurance rates; a matter which Congress has already delegated to State insurance departments. Maybe I misunderstood the purpose of the legislation, but I did not understand it to create a costly and duplicative Federal insurance regulatory bureaucracy.

Madam Chairman, the bottom line is insurers are not statistical agencies. As a routine matter, statistical reports are submitted to regulators in the aggregate, combining the data of many insurers. Additionally, it should be noted that loss data are valuable competitive information and constitute trade secrets. The disclosure of loss data could seriously undermine competition in the insurance market. A breakdown in competition would only harm consumers by increasing the cost of insurance. Madam Chairman, I urge my colleagues to vote against any amendments to H.R. 1188 and vote no on final passage.

Mr. FOGLIETTA. Madam Chairman, I rise in strong support of H.R. 1188, the Anti Redlining in Insurance Disclosure Act.

As chairman of the Congressional Urban Caucus, I support this bill which will erase the red lines that cut through the heart of many inner-city communities.

In far too many cities, homeowners who need property insurance are being ripped off and turned down by insurance agents because they live on the wrong block or in the wrong neighborhood or have the wrong skin color or speak with an accent.

But the impact of these red lines is devastating. Without access to insurance, people cannot buy a home.

Without insurance, new businesses cannot be opened, and existing businesses are endangered.

Without insurance, housing cannot be built and critical repairs cannot be made.

We talk about empowerment but we need practical resources, like insurance, to turn this talk into reality.

Let's walk the walk by ending discrimination and allow all neighborhoods to attain the American dream of home ownership.

I urge my colleagues to support H.R. 1188. Mr. GENE GREEN of Texas. Madam Chairman, I rise today in support of H.R. 1188, the Anti Redlining in Insurance Disclosure Act. This bill will help to solve some of the problems experienced by residents of our Nation's inner cities who have for too long paid higher premiums for insurance or have not been able to obtain coverage.

This legislation will require the annual disclosure of insurance practices of the largest insurance companies in our Nation's 25 largest metropolitan areas. Smaller insurance companies would not be required to file comprehensive reports, rather they would simply have to furnish a summary of their services.

As a Representative from Houston, I have many constituents who have experienced difficulty in obtaining insurance and many suspect that certain neighborhoods are denied coverage based on the demographics of the residents who live there. While some disagree with the idea that racism may be to blame for the difficulty in obtaining insurance, we must at the very least collect the data necessary to determine the reasons behind this problem. H.R. 1188 will require this information to be furnished to the Secretary of Commerce so that we can determine once and for all the reasons behind disparities in coverage for some neighborhoods.

Our Government can tell where automobiles are sold or which drugstores specific lots of prescription drugs go yet we cannot currently tell which neighborhoods have adequate insurance. This bill simply allows us to look at the facts and make a determination based on those facts. The issue of redlining falls under the same philosophy as "out of sight, out of mind." As long as we are able to turn a blind eye to these underinsured neighborhoods they will continue to be out of the minds of the authorities whose job it is to correct the social and economic problems facing our Nation.

I urge my colleagues to support this important legislation because it will allow our inner-city neighborhoods to obtain the same type of insurance coverage enjoyed by the suburbs. This is one step toward real urban revitalization since the insurance of property results in that property being better maintained and thus sustaining its value. By voting for this bill you can vote to give families the tools they need to ensure their continued success and eliminate the risk of loss that inevitably results in the decay of our inner-city neighborhoods.

Mr. ROSTENKOWSKI. Madam Chairman, I rise in support of H.R. 1188, the Anti Redlining in Insurance Disclosure Act, and I commend my colleague from Chicago, Mrs. COLLINS, for her leadership in determining whether the seri-

ous problem of redlining exists in major metropolitan areas.

The term redlining dates back to a time when insurance companies literally draw red lines on a map to indicate areas where they would not sell insurance. These areas often tended to be low-income, inner-city areas.

Madam Chairman, without access to affordable insurance, small businesses in urban areas cannot continue to exist and provide needed jobs. Access to affordable insurance is an important protection that should be available to all Americans.

H.R. 1188 is a balanced approach to this problem and will help to determine whether allegations of redlining are accurate. The bill requires disclosure by insurance companies of their insurance activities in the 25 largest urban areas. It also requires the reporting of agent locations. This information will help to determine insurance availability in a number of urban areas across the country.

Madam Chairman, I urge my colleagues to join me in supporting H.R. 1188. It is an important step toward ensuring that no American is discriminated against by being denied access to insurance, simply because of where they live.

The CHAIRMAN. All time for general debate has expired.

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

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

#### H.R. 1188

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

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "Anti Redlining in Insurance Disclosure Act".*

#### SEC. 2. FINDINGS AND CONSTRUCTION.

(a) FINDINGS.—*The Congress finds that—*  
 (1) *disparities in property and casualty insurance coverage provided by insurers engaged in interstate commerce between areas of different incomes and racial composition could adversely affect interstate commerce and the cost and availability of insurance for consumers, and*  
 (2) *appropriate disclosures of information by insurers would benefit consumers and insurance regulators.*

(b) CONSTRUCTION.—*Nothing in this Act is intended to, nor shall it be construed to, encourage unsound underwriting practices.*

#### SEC. 3. MAINTENANCE OF INFORMATION AND PUBLIC DISCLOSURE.

(a) GENERAL RULE.—  
 (1) DESIGNATED INSURERS.—  
 (A) IN GENERAL.—*Except as provided by subsection (b)(7), each designated insurer shall, in accordance with subsection (b), annually compile, submit to the Secretary, and make available to the public for each calendar year and for designated lines of insurance in a designated MSA—*  
 (i) *the total number of policies, total exposure units (in car years and house years), and total earned premium of insurance policies by designated line which were issued by such insurer and the new written exposure units, exposure units canceled, and the exposure units not renewed by such insurer, and*

(ii) *the number of licensed agents of such insurer whose principal place of business is located in such designated MSA and the number within each 5-digit zip code in such designated MSA and with respect to each such agent, whether such agent is an employee, independent contractor working exclusively for such insurer, or an independent contractor appointed to represent such insurer on a non-exclusive basis.*

(B) SUBMISSIONS AND AVAILABILITY.—*The information described in subparagraph (A) shall be—*

(i) *submitted to the Secretary in accordance with subsection (d), and*

(ii) *made available to the public, in accordance with subsection (b)(2), for inspection and copying, at cost, at the home office of the insurer and at a central depository, established under subsection (c), by the Secretary.*

(2) NON-DESIGNATED INSURERS.—*Except as provided in subsection (b)(7), every insurer which sells an insurance policy in a designated line of insurance in a designated MSA and which is not a designated insurer in such MSA shall submit to the Secretary for each calendar year in accordance with subsection (d) and regulations of the Secretary the total exposure units (in car years and house years) of insurance policies in a designated line sold in such MSA. With respect to such policies, the insurer shall report the designated MSA where the insured risks are located for which such insurance is issued and within such MSA report the 5-digit zip code where the risk is located.*

(b) REQUIREMENTS.—

(1) CONTENT.—*The information required to be maintained and made available under subsection (a)(1) shall be itemized in order to clearly and conspicuously disclose the policies, the exposure units, and the premium amount for each line of insurance for which information is required and be itemized by the 5-digit zip code where the risks are located.*

(2) AVAILABILITY TO THE PUBLIC.—*The information required to be maintained and made available under subsection (a) shall be made available to the public on a timetable determined by the Secretary but not later than October 1 of the calendar year following the calendar year for which the information is required to be made available, except that such information shall not be made available to the public until it is available in its entirety but it shall be made available if not all the information required to be reported is available on such October 1 or on the date determined by the Secretary.*

(3) SPECIFICATION OF DATA.—

(A) IN GENERAL.—*With respect to information which is required to be maintained and made available under subsection (a)(1), the Secretary shall by regulation establish specifications for the collection and public reporting of such information with respect to the following lines of insurance: private passenger automobile, homeowners, and dwelling fire and allied lines. The specifications shall—*

(i) *provide that information be aggregated among similar policyholders and reported on that basis,*

(ii) *be designed to collect information with respect to the availability, cost, and type of insurance coverage between and among various geographic areas,*

(iii) *detail what data elements should be collected,*

(iv) *provide for the collection of information on an individual insurer basis,*

(v) *minimize burdens on insurance agents, including independent insurance agents,*

(vi) *provide the data required by clause (ii) with the least burden on insurers, particularly small insurers,*

(vii) *take into account the types of data collected under the Home Mortgage Disclosure Act of 1975,*

(vii) take into account existing statistical reporting systems in the insurance industry.

(ix) require itemization by 5-digit zip code, and

(x) include information on policies written in a residual market.

(B) CONSULTATIONS.—In developing the specifications in subparagraph (A), the Secretary shall consult with—

(i) other Federal agencies with appropriate expertise,

(ii) State insurance regulators,

(iii) representatives of the insurance industry, including statistical agents,

(iv) representatives of insurance producers, including minority insurance producers, and

(v) consumer, community, and civil rights groups who are representative of a diversity of geographic locations.

(C) EFFECTIVE DATE.—The regulation under subparagraph (A) shall be issued no later than 270 days after the date of the enactment of this Act.

(4) COMMERCIAL INSURANCE STUDY AND PILOT PROJECT.—

(A) STUDY.—The Secretary shall conduct a study regarding the availability of commercial insurance (other than professional liability insurance, workers compensation insurance, and title insurance) with special emphasis on the availability of commercial insurance for small business. The study shall focus on—

(i) an appropriate definition for small business; and

(ii) preliminary views regarding the availability, cost, and type of insurance coverage for small business, which may be based on surveys of members of the small business community.

In conducting the study, the Secretary shall consult with interested parties from a diversity of locations, including State insurance regulators, consumer, community, and civil rights groups, representatives of small business, representatives of the insurance industry, including statistical agents, and representatives of insurance producers, including minority insurance producers. The Secretary shall submit a report detailing the findings of the study to the Committee on Energy and Commerce of the House of Representatives and the appropriate committee of the Senate no later than 18 months following the date of enactment of this Act.

(B) PROPOSAL OF PILOT PROJECT.—Concurrent with the conduct of the study under subparagraph (A), the Secretary shall develop a proposed data collection pilot project in the 5 largest MSA's to help determine the need for any further data collection requirements to evaluate the availability, cost, and type of insurance coverage for small business. In developing the proposed pilot project, the Secretary shall consult with interested parties from a diversity of locations, including State insurance regulators, consumer, community, and civil rights groups, representatives of small business, representatives of the insurance industry, including statistical agents, and representatives of insurance producers, including minority insurance producers. The Secretary shall submit a specific proposal for a pilot project to the Committee on Energy and Commerce of the House of Representatives and the appropriate committee of the Senate no later than 18 months following the date of enactment of this Act.

(C) SPECIFICATIONS FOR PILOT PROJECT.—Immediately following the submission of the proposal for a pilot project, the Secretary shall, by regulation, establish specifications for the collection and public reporting of information with respect to commercial insurance for the proposed pilot project. As part of the specifications, the Secretary shall designate the 5 largest MSA's for purposes of the pilot project. The specifications shall—

(i) provide that information be aggregated among similar policyholders and reported on that basis.

(ii) be designed to collect information with respect to the availability, cost, and type of insurance coverage between and among various geographic areas,

(iii) provide for the collection of information on an individual insurer basis,

(iv) provide the data required by clause (ii) with the least burden on insurers, particularly small insurers, and insurance agents, including independent insurance agents,

(v) take into account existing statistical reporting systems in the insurance industry and use existing data sources to the maximum practical extent,

(vi) include information on policies written in a residual market,

(vii) detail what data elements should be collected,

(viii) detail what insurers should be designated insurers for purposes of the pilot project,

(ix) detail what lines of commercial insurance should be designated for purposes of the pilot project, with particular consideration given to commercial fire and business owners lines,

(x) include an appropriate definition of small business, if necessary,

(xi) provide data representative of at least 2 years of experience and provide that the pilot project will terminate no later than 2 years after its inception, and

(xii) provide adequate lead time to insurers designated under clause (viii) for the reporting to begin.

The regulation shall be issued within 2 years of the date of enactment of this Act.

(D) REPORTING UNDER PILOT PROJECT.—Insurers designated under subparagraph (C)(viii) shall report to the Secretary with respect to lines of insurance designated under subparagraph (C)(ix) in the 5 largest MSA's, pursuant to the regulation issued by the Secretary in subparagraph (C).

(E) ANALYSIS OF DATA UNDER PILOT PROJECT.—At the conclusion of the pilot project, the Secretary shall analyze the data collected. Within 1 year of the conclusion of the pilot project, the Secretary shall report to the Committee on Energy and Commerce of the House of Representatives and the appropriate committee of the Senate on—

(i) any conclusions of the Secretary regarding the data collected under the pilot project, particularly regarding the availability, cost, and type of commercial insurance for small business, and

(ii) the need for further data collection requirements to evaluate the availability, cost, and type of such coverage or to help ensure the availability of such coverage.

(5) PERIOD OF MAINTENANCE.—Any information required to be compiled and made available under subsection (a) shall be maintained and made available for a period of 3 years after the close of the first year during which such information is required to be maintained and made available.

(6) FORMAT FOR DISCLOSURES.—Subject to subsection (c), the Secretary shall prescribe a standard format for making information available as required by subsection (a). Such format shall encourage the submission of information in a form readable by a computer.

(7) EXEMPTION.—

(A) SECRETARIAL ACTION.—If the Secretary determines that a State has enacted a law, or otherwise implemented a requirement under which—

(i) insurers operating in that State are subject to disclosure requirements on a 5-digit zip code basis substantially similar to those of subsection (a),

(ii) there are adequate provisions for enforcement, and

(iii) the information disclosed under the State law or requirement is made available to the Secretary and the public in a manner similar to other information disclosed under subsection (a),

then the Secretary shall by regulation exempt insurers operating in that State from complying with the requirements of subsection (a) with respect to that State's portions of the designated MSA's. If the Secretary determines that the State law or requirement no longer meets the criteria of clauses (i) through (iii) or is no longer in effect, the Secretary shall by regulation revoke the exemption.

(B) UNITED STATES PROGRAM.—Reporting shall not be required under subsection (a) with respect to insurance provided by a program underwritten or administered by the United States.

(C) PUBLIC ACCESS SYSTEM.—The Secretary shall implement a system to facilitate public access to information required to be made available to the public under subsection (a). Such system shall include arrangements for a central depository of information in each designated MSA and for a telephone number which can be used by the public, at cost, to request such information. Statements shall be made available to the public for inspection and copying at such central depository of information for all designated insurers within such MSA. The Secretary shall also make copies of such statements available in forms readable by widely used personal computers, such as in disc format. The Secretary may charge a fee for such information, which may not exceed the amount, determined by the Secretary, that is equal to the cost of reproducing the information.

(d) SUBMISSION TO SECRETARY.—With respect to the information required to be submitted under subsection (a) to the Secretary, the Secretary shall develop regulations prescribing the format and method for submitting such information. Such regulations shall ensure uniformity among insurers, to the extent practicable, in the format used for reporting, including the definitions of data elements. Any reporting insurer may submit in writing to the Secretary such additional data or explanations as it deems relevant to the decision by such insurer to sell insurance.

SEC. 4. DESIGNATIONS.

(a) DESIGNATIONS BY THE SECRETARY.—

(1) DESIGNATIONS OF MSA'S.—The Secretary shall designate the MSA's for which reporting is required under section 3(a). The Secretary shall designate the 25 MSA's having the largest population.

(2) DESIGNATION OF INSURERS.—For each MSA designated under paragraph (1), the Secretary shall take the following actions:

(A) The Secretary shall designate the insurers transacting insurance business in such MSA for which reporting is required under section 3(a). At a minimum, the Secretary shall designate the 25 insurers in such MSA having the largest premium volume in the designated lines of insurance in each State in which such MSA is located.

(B) In addition to the insurers designated under subparagraph (A), the Secretary shall also designate any entity primarily providing insurance in a designated line of insurance as part of a residual market established by State law.

(C) The Secretary shall also designate, in addition to the insurers designated under subparagraphs (A) and (B), insurers who specialize in selling insurance in urban areas, including surplus lines insurers.

(D) The Secretary shall also designate, in addition to the insurers designated under subparagraph (A), (B), and (C) insurers such that insurers representing at least 80 percent of the

premium volume in each State in which such MSA is located in the designated line of insurance are designated in such MSA. The Secretary may not designate additional insurers under this subparagraph if their market share in the designated line of insurance in the applicable States, as measured by premium volume in each State in which such MSA is located, is under 1 percent.

(E) In addition to the insurers designated under subparagraph (A), (B), (C), and (D) the Secretary may by regulation designate additional insurers in a MSA if the designation of additional insurers is necessary to provide valid data with respect to the availability, cost, and type of insurance in the MSA.

(F) The Secretary shall revoke the designation of an insurer designated under subparagraph (A) as follows: If such designated insurer has a market share in a designated line of insurance in a MSA, as measured by premium volume in each State in which such MSA is located, of under 1 percent, the Secretary shall revoke the designation of such insurer beginning with the insurer with the smallest market share of such insurance if the remainder of the designated insurers have a market share of at least 75 percent of such insurance as measured by premium volume in each State in which such MSA is located. In addition, the Secretary may revoke the designation of any insurer designated under subparagraph (A) with a market share in a designated line of insurance in a MSA, as measured by premium volume in each State in which such MSA is located, of under 1 percent if such designation has not been revoked under this subparagraph and if such insurer primarily sells insurance in rural areas of such MSA.

(G) For purposes of this paragraph, insurers which are affiliated or are members of the same group shall be considered together as one insurer.

(3) DESIGNATION OF LINES OF INSURANCE.—For each MSA designated under paragraph (1) the following are the designated lines of property and casualty insurance for which reporting is required under section 3:

(A) Private passenger automobile insurance.

(B) Homeowners insurance.

(C) Dwelling fire and allied lines of insurance.

(4) TIMING OF DESIGNATIONS.—

(A) INITIAL DESIGNATIONS.—The Secretary shall make initial designations required by paragraphs (1), (2), and (3) no later than July 1 of the year preceding the first year for which reporting is required under section 3. Such initial designations shall be effective for 5 calendar years from the date of designation.

(B) SUBSEQUENT DESIGNATIONS.—Not later than July 1 of the year preceding the fifth year after a designation under subparagraph (A) or this subparagraph, the Secretary shall make another designation to be effective upon the expiration of such 5 years and such designation shall be effective for 5 calendar years from the date of designation.

(C) NOTICE.—The Secretary shall notify persons involved in the designations no later than the July 15 which follows the designation.

(b) OBTAINING INFORMATION.—The Secretary may obtain from insurers such information as the Secretary may require to make designations under subsection (a).

SEC. 5. TASK FORCE ON AGENCY APPOINTMENTS.

(a) ESTABLISHMENT.—Within 90 days of the date of the enactment of this Act, the Secretary shall establish a task force on insurance agency appointments. The task force shall—

(1) consist of representatives of appropriate Federal agencies, property and casualty insurance agents, including specifically minority insurance agents, property and casualty insurance companies, State insurance regulators, and public interest groups,

(2) have a significant representation from minority insurance agents, and

(3) be chaired by the Secretary or the Secretary's designee.

(b) FUNCTION.—The task force shall—

(1) review the problems inner city and minority agents may have in receiving appointments to represent property and casualty insurance companies,

(2) review the practices of insurers in terminating agents and consider the effect such practices have on the availability or cost of insurance, especially in underserved areas, and

(3) recommend solutions to improve the ability of inner city and minority insurance agents to market property and casualty insurance products, including steps property and casualty insurance companies should take to increase their appointments of such agents.

(c) REPORT AND TERMINATION.—The task force shall report to the Committee on Energy and Commerce of the House of Representatives and the appropriate Committee of the Senate its findings under paragraphs (1) and (2) of subsection (b) and its recommendations under paragraph (3) of subsection (b) within 2 years after the date of the enactment of this Act. The task force shall terminate when the report is submitted to the Committees.

SEC. 6. IMPLEMENTATION OF SECTION 3.

(a) REGULATIONS.—The Secretary shall promulgate such regulations as may be necessary to carry out section 3. Such regulations may—

(1) contain such classifications, differentiations, or other provisions, and

(2) may provide for such adjustments and exceptions for any class of transactions,

as in the judgment of the Secretary are necessary and proper to effectuate the purposes of such section and to prevent circumvention or evasion thereof or to facilitate compliance therewith.

(b) DATA COLLECTION CONTRACTOR.—The Secretary may contract with a data collection contractor to carry out the Secretary's responsibilities under section 3 if the contractor agrees to collect and make available the data pursuant to the terms and conditions of such section. A statistical agent may also be a data contractor.

(c) ROLE OF STATISTICAL AGENTS.—

(1) ACCEPTANCE OF DATA.—The Secretary and, if applicable, the contractor under the subsection (b) contract may accept data reported under section 3(a) by a statistical agent acting on behalf of more than one insurer if—

(A) the statistical plan used by the statistical agent for the reporting of data on insurance provides for the reporting of data in a manner compatible with section 3(a),

(B) the statistical agent reports such data on an individual insurer basis, and, at the discretion of the Secretary, on an aggregate basis,

(C) the statistical agent provides adequate procedures to protect the integrity of the data reported,

(D) the statistical agent has procedures in place which ensure that data reported under the statistical plan in connection with reporting under this Act and submitted to the Secretary are not subject to adjustment by the statistical agent or an insurer for reasons other than technical accuracy and conformance to the statistical plan,

(E) the statistical agent ensures that the data of one insurer is not subject to review by other insurers before public availability, and

(F) the statistical agent provides for the reporting of data in a manner compatible with the format prescribed by the Secretary under section 3(d).

(2) DISCONTINUANCE OF DATA ACCEPTANCE.—The Secretary may, after providing an opportunity for a hearing, discontinue accepting data reported under section 3(a) by a statistical agent

acting on behalf of more than one insurer if the Secretary determines the requirements for acceptance of data in paragraph (1) are no longer met.

(d) ROLE OF GAO.—The Comptroller General shall have the authority to review and audit any data collection and reporting performed under section 3, whether by the Secretary, the contractor under the subsection (b) contract, or a statistical agent, to ensure that the integrity of the data collected and reported is protected.

(e) BURDENS ON INSURANCE AGENTS.—In prescribing regulations under this Act, the Secretary shall take into consideration the administrative, paperwork, and other burdens on insurance agents, including independent insurance agents, involved in complying with the requirements of this Act and shall minimize the burdens imposed by such requirements with respect to such agents.

SEC. 7. RELATION TO STATE LAWS.

This Act does not annul, alter, or affect, or exempt the obligation of any insurer subject to this Act to comply with the laws of any State or subdivision thereof with respect to public disclosure and recordkeeping.

SEC. 8. COMPILATION OF AGGREGATE DATA.

(a) SCOPE OF DATA AND TABLES.—The Secretary shall compile each year, for each MSA, data aggregated by 5-digit zip code for all insurers who are subject to section 3 or who are exempt from section 3 under subsection (b)(7)(A) of such section. The Secretary shall also produce tables indicating, for each MSA, insurance policies aggregated for various categories of 5-digit zip codes grouped according to location, age of property, income level, and racial characteristics of neighborhood.

(b) AGGREGATION OF INFORMATION.—Statistical agents may aggregate the data of insurers that report to them and may provide such information to the Secretary. The Secretary may also provide the individual company data submitted by insurers to statistical agents for aggregation.

(c) AVAILABILITY TO PUBLIC.—The data compiled and the tables produced pursuant to subsection (a) shall be made available to the public on a timetable determined by the Secretary but not later than October 1 of the year following the calendar year on which the data and tables are based.

SEC. 9. ENFORCEMENT.

(a) CIVIL PENALTIES.—Any insurer who is determined by the Secretary, after providing opportunity for a hearing on the record, to have violated the requirements of section 3 shall be subject to a civil penalty of not to exceed \$5,000 for each day during which such violation continues.

(b) INJUNCTION.—The Secretary may bring an action in an appropriate United States district court for appropriate declaratory and injunctive relief against any insurer who violates the requirements of section 3.

(c) INSURER LIABILITY.—An insurer shall be responsible under subsections (a) and (b) for any violation of a statistical agent acting on behalf of the insurer.

SEC. 10. SUNSET.

(a) EXPIRATION.—Except as provided in subsection (b), this Act shall not be in effect after the expiration of 5 years from its effective date. Prior to the expiration of 4 years from such date, the Secretary shall report to the Energy and Commerce Committee of the House of Representatives and the appropriate committee of the Senate—

(1) the quality of data received under section 3 and the effectiveness of the data requirement, including the relation between the cost of such data gathering and the benefits from having such data available,

(2) the appropriateness of the geographic data reporting units,

(3) the need for continued reporting by the designated insurers in urban areas,

(4) the efforts of insurers to meet the insurance needs of minority and low-income neighborhoods, and

(5) such other information as the Secretary determines will assist in considering an extension of this Act.

(b) EXTENSION.—Based on the Secretary's report on the need described in subsection (a)(3) and the information described in subsection (a)(5), the Secretary may extend this Act for one period of 2 years.

#### SEC. 11. STUDIES.

(a) STUDY OF INFORMATION ON INSURANCE APPLICANTS.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility and utility of the collection of information with respect to the characteristics of applicants for insurance and reasons for rejection of applicants. The study shall examine the extent to which—

(A) oral applications or representations are used by insurers and agents in making determinations regarding whether or not to insure a prospective insured,

(B) written applications are used by insurers and agents in making determinations regarding whether or not to insure a prospective insured,

(C) written applications are submitted after the insurer or agent has already made a determination to provide insurance to a prospective insured or has determined that the prospective insured is eligible for insurance, and

(D) prospective insureds are discouraged from submitting applications for insurance based, in whole or in part, on—

(i) the location of the risk to be insured,

(ii) the race or ethnicity of the prospective insured,

(iii) the racial or ethnic composition of the neighborhood in which the risk to be insured is located, and

(iv) in the case of residential property insurance, the age and value of the risk to be insured.

(2) REPORT.—The Secretary shall report the results of the study under paragraph (1) to the Committee on Energy and Commerce of the House of Representatives and the appropriate Committee of the Senate within 18 months of the date of the enactment of this Act.

(b) STUDY OF INSURER ACTIONS TO MEET INSURANCE NEEDS OF CERTAIN NEIGHBORHOODS.—The Secretary shall conduct a study of various practices, actions, programs, and methods undertaken by insurers to meet the property and casualty insurance needs of residents of low- and moderate-income neighborhoods, minority neighborhoods, and small businesses located in such neighborhoods. The Secretary may establish a task force of interested parties, including representatives of insurance companies, insurance agents, including minority agents, and consumer representatives to discuss additional practices, actions, programs, and methods to meet these needs. The Secretary shall report the results of the study, including any recommendations, to the Committee on Energy and Commerce of the House of Representatives and the appropriate Committee of the Senate no later than 2 years after the date of the enactment of this Act.

#### SEC. 12. DEFINITIONS.

For purposes of this Act:

(1) The term "commercial insurance" means any line of property and casualty insurance, except private passenger automobile and homeowner's insurance.

(2) The term "designated insurer" means an insurer designated by the Secretary pursuant to section 4(a)(2).

(3) The term "designated line" means a line of insurance specified in section 4(a)(3).

(4) The term "exposure units" means units insured against risk of loss by an insurer and the term "units" means an automobile or the number of units in a building.

(5) The term "insurer" means any corporation, association, society, order, firm, company, partnership, individual, or aggregation of individuals which is subject to examination or supervision by any State insurance regulator, or which is doing or represents an insurance business. Such term does not include an individual or entity which represents an insurer as agent for the purpose of selling or which represents a consumer as a broker for the purpose of buying insurance.

(6) The term "MSA" means a Metropolitan Statistical Area or a Consolidated Metropolitan Statistical Area and the term "designated MSA" means an MSA designated by the Secretary pursuant to section 4(a)(1).

(7) The term "property and casualty insurance" means insurance against loss of or damage to property, insurance against loss of income or extra expense incurred because of loss of, or damage to, property, and insurance against third party liability claims caused by negligence or imposed by statute or contract.

(8) The term "residual market" means an assigned risk plan, joint underwriting association, or any similar mechanism designed to make insurance available to those unable to obtain it in the voluntary market.

(9) The term "Secretary" means the Secretary of Commerce.

(10) The term "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

#### SEC. 13. EFFECTIVE DATE.

The requirements of this Act shall take effect with respect to information on insurance described in section 3 and developed in and after calendar year 1995.

Mr. CHAIRMAN. Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. KENNEDY

Mr. KENNEDY. Madam Chairman, I offer an amendment, and I ask unanimous consent that it be considered as read and printed in the RECORD.

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

Mrs. COLLINS of Illinois. Madam Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. KENNEDY:

Page 25, line 24, strike "Energy and Commerce Committee" and insert "Committee on Banking, Finance and Urban Affairs".

Page 30, lines 20 and 21, strike "Secretary of Commerce" and insert "Secretary of Housing and Urban Development".

Strike "Committee on Energy and Commerce" each place it appears in the bill and insert "Committee on Banking, Finance and Urban Affairs".

Mr. KENNEDY. Madam Chairman, I rise in support of the amendment which the Committee on Banking, Finance and Urban Affairs has offered to this bill that deals with the question of jurisdiction. It deals with the question of whether or not the information that is asked for in the bill should be contained at HUD or should be contained at the Commerce Department.

The reason why this is important is because there are two separate agencies. One agency deals with whether or not there is racial discrimination in housing, whether or not there are a series of programs that HUD has always been in charge of the pertain to flood insurance, that pertain to private mortgage insurance, that pertain to the Federal Housing Administration insurance, the private deposit insurance, and, last but not least, the insurance redlining, because HUD enforces the Fair Housing Act insurance program.

The fact is that HUD is the agency that this information ought to be contained with.

Now, if we look at what has actually occurred with this bill, I initially wrote this legislation and went to the Parliamentarian. We asked the Parliamentarian's judgment on how to make certain that the information would come directly to the Committee on Banking, Finance and Urban Affairs. We were given certain assurances about why this would come to the Committee on Banking, Finance and Urban Affairs.

The fundamental fact is after this passed, with those assurances, the subcommittee, after it passed the full committee, another Member of this body went to that committee and got the ruling changed so that our bill was then referred to the Committee on Energy and Commerce and their bill was not referred to our committee.

It was patently wrong, patently unfair. Our committee went and saw the Speaker of the House about that kind of shoddy treatment. Since that time, we have tried very hard to try to find some way of working out our differences. There was no attempt to work out our differences. What we found was in fact with this legislation, there have been attempts after attempts to undercut any ability to get this information at the agency where it is proper to be housed.

What I am trying to suggest is that if we look at the history of why insurance is not designated for a particular committee, it seems to me it is pretty clear. Insurance has always been regulated by the States. It is the one major industry of our land that is not designated by some committee in the Congress. And what happens is under the rule X, it is unclear. But despite the fact that the Committee on Banking, Finance and Urban Affairs runs all of these insurance programs, because of the overarching concern that somehow insurance is interstate commerce, Energy and Commerce automatically gets it.

When the Committee on Banking, Finance and Urban Affairs was initially formed in this country, we controlled 80 percent of the credit in America, controlled the vast majority of all the credit around the world. Today the mutual fund industry has more deposits

than the banking industry. It is controlled by Energy and Commerce. The securities industry controls more deposits than the banking industry. It is controlled by Energy and Commerce. Energy and Commerce controls our health. If they could get a bill through, it would be interesting. They control the transportation. They control our energy policy. They control our railroads. They control our interstate commerce.

Enough is enough. At some point the fact is that this is nothing more than a further power grab by that committee on the Committee on Banking, Finance and Urban Affairs' jurisdiction, and it is time to stop getting bullied around by the Committee on Energy and Commerce. Time and time again, whether it is legislation pertaining to how we are going to come together as a land and have financial institutions that can go out and compete with the Germans and Japanese and other foreigners, as long as it treads on the Committee on Energy and Commerce jurisdiction, it cannot pass the Congress of the United States.

What I am trying to suggest is that we allow an honest to goodness debate on the specific issues of whether or not it makes more sense to house this information at HUD, where the Secretary has requested it, where the Secretary has indicated that he wants to make this a priority of his in this administration.

□ 1420

It is true that an Inspector General's report on Jack Kemp's HUD indicated that HUD could not handle any new programs. But the fact is that Henry Cisneros has come in and reorganized HUD. I talked to his office this morning. They indicated to me that they are entirely capable and very much want to have this information contained at HUD.

Madam Chairman, I would urge the Members to support the legislation offered by the gentleman from Texas [Mr. GONZALEZ] and myself to contain this information at the Housing and Urban Development Agency where it is necessary to get the job done. If Members think that the Committee on Energy and Commerce has taken enough of their committees' jurisdictions, then vote yes on the Kennedy-Gonzalez amendment.

Mr. GONZALEZ. Madam Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. KENNEDY] be allowed to proceed for 5 additional minutes.

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

Mr. STEARNS. Madam Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. STEARNS. Madam Chairman, I move to strike the last word, and I rise

in opposition to the Kennedy-Gonzalez amendment to H.R. 1188.

I rise in strong opposition to the Kennedy-Gonzalez amendment to H.R. 1188 because I believe that it is little more than a thinly veiled attempt to expand their committee jurisdiction, and, in the end, would do more harm than good to this legislation and the Nation's consumers of insurance.

This amendment has really only a single purpose—to change the implementing agency to an agency primarily within the jurisdiction of the Banking Committee. The agency they chose was the Department of Housing and Urban Development. This amendment would give the Department of Housing and Urban Development broad new authority to collect this data in spite of all the evidence demonstrating that HUD needs to better address its current responsibilities before it receives new ones.

I could provide a litany of examples of HUD scandals and mismanagement, but the HUD inspector general put it best in a letter to the Banking Committee. Commenting on the Banking Committee's redlining proposal, she explained succinctly that "Historically, HUD has not developed and maintained data systems in an effective and efficient manner." She went on to explain how HUD initially suffered from incomplete, untimely, and erroneous data reporting when it tried to implement its responsibilities under the Home Mortgage Disclosure Act.

Even Chairman GONZALEZ and the rest of the Banking Committee acknowledged HUD's limitations in the recent committee report on the Housing and Community Development Act. The committee reiterated findings by the HUD inspector general that "HUD is a 'troubled' Federal agency with 10 material weaknesses in its basic operations," and that troubles arising in the mid-1980's "has left a decimated workforce with the wrong skills mix, inadequate computer data systems, and the inability to administer properly the programs currently authorized."

Clearly, HUD has a poor track record in implementing the kinds of data systems that would be required under H.R. 1188. It would be conceivable that by the time HUD managed to out work the problems, the program would be ready to expire.

I was somewhat surprised to hear that Chairman KENNEDY told the Rules Committee that the Department of Commerce had no experience gathering large amounts of data. This could almost be true, if it were not for one small fact—the Department of Commerce houses the Bureau of the Census, arguably the largest data gathering organization in the world.

Why should we give new authority to an overburdened and ineffective bureaucracy at HUD when the Bureau of the Census routinely gathers large

amounts of information about every man, woman, and child in the United States? Further, the Department of Commerce already gathers some insurance data, including data on affordability and availability. Clearly, the original agency authorized under H.R. 1188 is the best agency for the task on the merits.

I urge my colleagues to oppose this cynical amendment based on a petty jurisdictional squabble. Members should look at this issue on its merits, and I am convinced that anyone who does will agree that the House should reject the Kennedy-Gonzalez amendment.

Mr. GONZALEZ. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the Kennedy amendment.

The CHAIRMAN. The gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Madam Chairman, I ask unanimous consent that I be granted an additional 5 minutes.

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

Mr. STEARNS. Madam Chairman, I object to 5 minutes. Having served 4 years on the Committee on Banking, Finance and Urban Affairs, and having a lot of respect for the chairman, I would grant him another 2 minutes.

Mr. GONZALEZ. Madam Chairman, I withdraw my request.

The CHAIRMAN. The gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Madam Chairman, I think the gentleman here is—

Mr. STEARNS. Madam Chairman, I demand that the gentleman's words be taken down.

□ 1430

The Clerk will report the words objected to.

The Clerk read as follows:

Madam Chairman, I think the gentleman here is, to say the least, hypocritical, inasmuch as he has distorted an attribution to me.

The CHAIRMAN. Does the gentleman from Texas [Mr. GONZALEZ] seek recognition?

Mr. GONZALEZ. Madam Chairman, I failed to hear the Chairman's statement. Would you repeat it?

The CHAIRMAN. Does the gentleman want the words read again?

Mr. GONZALEZ. Yes.

The CHAIRMAN. The Clerk will report the words.

The Clerk read as follows:

Madam Chairman, I think the gentleman here is, to say the least, hypocritical, inasmuch as he has distorted an attribution to me.

PARLIAMENTARY INQUIRY

Mr. GONZALEZ. I have a parliamentary inquiry, Madam Chairman.

The CHAIRMAN. Does the gentleman seek recognition?

Mr. GONZALEZ. Yes, I do, Madam Chairman. My understanding is that the allegation is that the words used were unparliamentary.

The CHAIRMAN. That was the point of order.

Mr. GONZALEZ. Madam Chairman, in obedience to that, let me revise the words by saying that the gentleman's remarks—

Mr. STEARNS. Regular order, Madam Chairman.

The CHAIRMAN. Does the gentleman from Texas [Mr. GONZALEZ] ask unanimous consent to withdraw his remarks?

Mr. GONZALEZ. Yes, Madam Chairman, I ask unanimous consent to withdraw my remarks.

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

There was no objection.

The CHAIRMAN. The gentleman may proceed in order.

Mr. GONZALEZ. Madam Chairman, let me say that I take not only gross but personal exception to the gentleman's attributing to me statements and positions that I have never taken by reading out of context from an inspector general's report of HUD with respect to the other administration, the prior administration's consistent pattern of mismanagement and failure to address it, and failing to point out that the current administration of HUD has reached the point where, with the additional help of the legislation that we have perfected, is getting an extra help in their managerial problems which they have inherited.

Therefore, I very much resent that this statement would have been made to imply that HUD is incapable of doing that which, in our bill, as passed by the House Committee on Banking, Finance and Urban Affairs, through the Subcommittee on Housing and Community Development, would empower HUD to undertake in its fact-gathering.

In the first place, Madam Chairman, what the gentleman fails to state is that the Kennedy amendment would remove from the bill the onus of placing this responsibility on the Department of Commerce that has no track record in this kind of fact-gathering. If that is the case, it would make as much logic to put it over in the Nuclear Energy Commission. Why not have them do it? It would make just as much sense, if not, perhaps, more.

Madam Chairman, we have developed separate banking legislation in the committee to address the problems that homeowners presently face in many areas of our country with respect to the gross, unjust redlining by insurance companies. What we are asking in our legislation, Madam Chairman, and in the Kennedy amendment is for the same fact-gathering that we now compel banks to provide, but what this rep-

resents is a wholesale abasement before this powerful, monstrous lobby known as the insurance industry. No wonder they have no complaints, because they have kowtowed completely in the Committee on Energy and Commerce to those vested interests that are hellbent in persisting in redlining, to the gross injustice of many of our fellow Americans.

The ironfisted tactics of the chairman of the Committee on Energy and Commerce—

Mr. DINGELL. Madam Chairman, I demand that the words of the gentleman from Texas [Mr. GONZALEZ] be taken down.

□ 1440

Madam Chairman, as an act of comity to my dear friend, the gentleman from Texas, who I know gets much overwrought in matters of concern and sometimes speaks in tones that he might not choose to do, and out of the good will I feel for my friend, the gentleman from Texas, with whom I have served so long, the great personal affection which I have for him, I will withdraw my request, in the hope that my dear friend from Texas will proceed in a more parliamentary and gentlemanly fashion.

The CHAIRMAN. The gentleman withdraws his demand. The gentleman may proceed.

Mr. GONZALEZ. Madam Chairman, I thank my colleague, the gentleman from Michigan and appreciate his complimentary words. I was merely using a phrase that I thought would reflect the very strong tactics employed by the chairman of this distinguished committee.

Let me point out that this is a matter that the courts have interpreted. That is, we have court decisions in which the Fair Housing Act as administered by HUD have interpreted redlining by insurance companies to be within HUD's proper jurisdiction in attempting to control and eliminate by insurance companies, not banks, not S&Ls, but insurance companies.

Of course I feel strongly. When I see members of my committee who merely because they have had the courage, as the chairman of the subcommittee that has responsibility in this area, to pursue and be punished because of bills they are having in the other committee on other matters, I would be very much abdicating my responsibilities out of fear of displeasing my colleagues whom I equally esteem by shouting defiance to tyrannical and very revengeful tactics to the detriment of good legislation in another area, clean air.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

(By unanimous consent, Mr. GONZALEZ was allowed to proceed for 5 additional minutes.)

Mr. GONZALEZ. Madam Chairman, I think it is reasonable. What are we

afraid of? What are we afraid in this Chamber of debate to hear a member speak 5 minutes additionally? Wherein is the fear? What is the basis for it? If the position is so correct by those that fear and oppose that their position is correct and true and valid, why fear any talk, any amount of talk?

Let me continue addressing the issue. This is a gut issue. And maybe and maybe not it involves committee jurisdictions. I will show to anybody's examination freely and truly my record as chairman since 1989, January 3, of the Committee on Banking, Finance and Urban Affairs, wherein at any time any other committee has felt hurt by an improper invasion on our part of their jurisdiction. Not one time. And it is not our desire to do that. We have enough to take care of within the very clearly prescribed jurisdiction of the committee.

In this area of insurance, there is a gray area as reflected by the quandary and the contradiction by the very Parliamentarians themselves, the very Parliamentarians. There is a gray area. But there is no gray area as to the jurisdiction on all credit-extending activities in our country being under the jurisdiction of the Committee on Banking, Finance and Urban Affairs.

We have formed this new subcommittee in contracting a number of committees and streamlining our operations in the Committee on Banking, Finance and Urban Affairs, of which the gentleman from Massachusetts [Mr. KENNEDY], is chairman and the title of that subcommittee is Credit and other matters such as coinage and insurance. We are not trying to invade the proper scope of the Committee on Energy and Commerce at any time, never has a charge been made to my knowledge, and we certainly do not seek it now. But we think that it would be remiss on our part, even if the odds are against us, even if we fail to speak forth on what is the proper jurisdiction of this committee and the Department that we wish to charge with the responsibility of searching out and rooting out this very violative, discriminatory practice of redlining for homeowners. We are talking about homeowners. So that the Secretary, as the gentleman from Massachusetts [Mr. KENNEDY] has brought out, not only he, his predecessor, have brought out their desire to have this kind of an aspect of activity under their jurisdiction.

The authority to test discriminatory insurance practices would mesh with the substantial experience that the Fair Housing Enforcement Office has acquired in conducting testing under the Fair Housing Initiatives Program.

Point 3. HUD's new oversight responsibilities relating to the second mortgage market, Fannie Mae and Freddie Mac, the Federal Housing Finance Board, and the Resolution Trust Corporation closely relate to the insurance redlining issue.

We must conclude by saying that this function provides an excellent fit with our existing fair housing and other programmatic responsibilities.

I will provide the sufficient jurisdictional FHEO/HUD resources, whatever is necessary to achieve these additional responsibilities and we do so in our Housing and Comprehensive Community Development Act. There is certainly no other agency in Government, much less the Commerce Department, the Commerce Department will be asked to do something it has never done before. Notwithstanding the fact it may have the Census Bureau within its jurisdiction. That is beside the point. The Nuclear Regulatory Commission also has vast technological and computer facilities for gathering, computing and relating information. But we are talking about the proper agency already equipped and experienced in this area to be handling this matter.

Mrs. COLLINS of Illinois. Madam Chairman, I move to strike the requisite number of words, and I rise in strong opposition to this amendment.

I have heard a lot of talk about the Parliamentarian and the Speaker, but they have already ruled on this issue, so I want to go on with the merits or demerits as I see it of this amendment.

Madam Chairman, this amendment makes no sense on the merits. The Department of Commerce is the most appropriate agency to collect this insurance data. The Department has past involvement in insurance issues, particularly issues of availability and affordability on insurance, such as its experience in monitoring and reviewing the Risk Retention Act. It collects data on foreign insurers and reinsurers. The Department's responsibility for conducting the U.S. Census indicates that it is the data collection expert in the Federal Government.

In contrast, the Department of Housing and Urban Development has little expertise with respect to the private insurance industry. While HUD is charged with enforcing the Fair Housing Act, this legislation is broader than just homeowners insurance.

Furthermore, HUD's own inspector general has raised serious questions about HUD's capability to handle insurance data collection. According to the inspector general, "Historically, HUD has not developed and maintained data systems in an effective and efficient manner." The IG notes that the relevant HUD staff "readily admit they have little or no experience in designing data systems." The inspector general also advises "that HUD's limited funding for data systems integration should not be diluted for new activities." The HUD IG concludes, with respect to the Kennedy bill, "we are concerned about HUD's ability to implement the [legislation] in an effective, timely, and efficient manner."

The legislation also requires the collection of data with respect to auto insur-

ance. The Department of Housing and Urban Development has absolutely no expertise with respect to auto insurance. Why doesn't the gentleman offer an amendment to shift data collection to the Department of Transportation? The answer is obvious. The Banking Committee has no jurisdiction over the Department of Transportation.

The legislation also establishes a pilot project for the collection of data on commercial insurance. Here again, HUD has absolutely no expertise.

The choice is between the Department of Commerce—an agency with clear expertise—and HUD—an agency where even the relevant staff admit little or no relevant experience. It is important for the best possible data collection to be done under the bill. Commerce is the agency to do this and it can then share the results with HUD, the Department of Justice, and any other agency charged with fighting discrimination.

Accordingly, I must strongly oppose this amendment.

Mr. GREENWOOD. Madam Chairman, I move to strike the last word.

Madam Chairman, I rise in opposition to this amendment. I am a new Member of the Congress and while it is somewhat fascinating to see what may or may not be a struggle between two powerful chairmen over jurisdiction, I really have no interest in that. I have not been around here long enough, I suppose, that I would have such a loyalty to my committee that I would insist that my committee have jurisdiction. I simply want to evaluate the issue on its merits. I have made an effort to do that.

What I see, looking at the difference between the Department of Commerce and the Department of Housing and Urban Development [HUD], is pretty clear. HUD has some experience operating government-run insurance programs, but those same insurance programs are not covered by this bill. We have eliminated them from coverage under this bill. HUD has no experience with the private insurance industry, and absolutely no experience at all with the small business insurance market.

Let us look at Commerce by contrast. Commerce houses the Bureau of the Census. It collects extensive information on every man, woman, and child in the United States, which is almost what we are going to do with this legislation.

Mr. STEARNS. Madam Chairman, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from Florida.

Mr. STEARNS. Madam Chairman, I would like to make it a part of the RECORD and announce my intention for clarification to include sections from the Housing and Community Development Act of 1994, specifically page 75, all the information that I quoted in my speech, as follows:

While many of the new programs proposed by the Administration may have merit, the Committee concluded that virtually all of them in some way duplicated current HUD programs. The Committee is mindful of the repeated findings of the HUD Inspector General that HUD is a "troubled" federal agency which has 10 material weaknesses in its basic operations. The IG has warned that the proliferation of new programs requiring rule-making, grants decisions, technical assistance, and monitoring coupled with the brain drain of expertise from the Department during the 1980s has left a decimated workforce with the wrong skills mix, inadequate computer data systems, and the inability to administer properly the programs currently authorized. These warnings prompted the Committee to incorporate the new programs proposed by the Department as eligible uses within current HUD programs.

□ 1450

I make my intentions known and I thank my colleague for allowing me the opportunity.

Mr. GREENWOOD. Madam Chairwoman, to conclude, as I mentioned, the Department of Commerce already conducts the census. We are with this legislation, which I consider to be overreaching, practically gathering information about every man, woman, and child in the United States when it comes down to insurance. So it is natural for the Department of Commerce to handle this function. Commerce already collects insurance data, and Commerce already has the expertise on issues regarding the affordability and availability of insurance.

I think the Department of Commerce is the appropriate entity to collect this information, and I would urge a no vote on the amendment.

Ms. ROYBAL-ALLARD. Madam Chairman, I move to strike the requisite number of words. And, I rise in support of the Kennedy-Gonzalez amendment to H.R. 1188.

The Banking Committee has historically overseen the monitoring and enforcement of property and casualty insurance, flood insurance, and private mortgage insurance. The Kennedy-Gonzalez amendment protects the House Banking Committee's jurisdiction over these insurance issues and avoids unnecessary and potentially disruptive jurisdictional conflicts.

The Kennedy-Gonzalez amendment also promotes the antiredlining objectives of H.R. 1188 by requiring that data collected under the bill be submitted to the Department of Housing and Urban Development, rather than the Department of Commerce. HUD's new experience in the collection of mortgage data places it in the best position to most effectively collect the information required under H.R. 1188.

Equally important is HUD's experience in successfully utilizing data for fair housing enforcement and compliance purposes under the Fair Housing Act.

Furthermore, HUD Secretary Henry Cisneros has made it clear that access

to this information will greatly enhance HUD's ability to enforce our Nation's fair housing laws.

In comparison, the Department of Commerce lacks the necessary experience and administrative capacity to properly administer the program.

I urge my colleagues to vote yes on the Kennedy-Gonzalez amendment.

Ms. SCHENK. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, let me just start by saying as a freshman it is somewhat distressing to observe that an important issue of substance can digress into a jurisdictional debate that for most Americans has no meaning.

Madam Chairman, let me say as a member of the Committee on Energy and Commerce I do not think there is any dispute that the Committee on Banking, Finance and Urban Affairs does indeed have some jurisdiction over some insurance issues such as Federal flood insurance. But as to the private sector, the Speaker, under the House rules, written by Thomas Jefferson, referred the bill of the gentleman from Illinois [Mrs. COLLINS] to the Committee on Energy and Commerce. And under the rules of this body that was the appropriate referral.

As to the substance, H.R. 1188 designates the Department of Commerce as the data collection agency. Why the Department of Commerce? Because it is the data collection expert of the Federal Government, pure and simple. Commerce currently collects insurance data. Commerce does have the expertise in issues involving the availability and affordability of insurance.

Why not HUD? HUD's own inspector general has questioned HUD's capability and involvement in insurance redlining data collection. I quote,

Historically, HUD has not developed and maintained data systems in an effective and efficient manner. HUD has little expertise in the private insurance industry and no familiarity or involvement with automobile or small business insurance. The relevant HUD staff has little or no experience in designing data systems.

There is no policy rationale for this amendment. There is no good reason why the Department of Housing and Urban Development is in a better place to use the information than the Department of Commerce.

This amendment is all about politics, pure and simple, and I urge Members to oppose the amendment. It is bad policy, and it is bad procedure.

Mr. MOORHEAD. Madam Chairwoman, I move to strike the requisite number of words.

Madam Chairwoman, I know we are in what amounts to a jurisdictional dispute, but I think this issue can be decided on public policy. The best agency for purposes of conducting this particular study certainly has been well established over a long period of time as the Commerce Department.

The issue of committee jurisdiction has already been settled by the committee referral. The Committee on Banking, Finance and Urban Affairs' bill was subsequently referred to the Committee on Energy and Commerce, but the bill of the Committee on Energy and Commerce was not referred to the Committee on Banking, Finance and Urban Affairs.

Madam Chairwoman, even if the amendment were successful, it would not be dispositive on the question of jurisdiction. Even if HUD were designated as the agency responsible for administering this program, so long as they were responsible for regulation of insurers involved in interstate commerce, jurisdiction over this issue would fall to the Committee on Energy and Commerce.

Madam Chairwoman, I know we talked earlier about the state of operations in HUD. But I think it is very clear to everyone that most of the employees have been at HUD for many years; they are still there, just as most of the employees that have been at the Department of Commerce are still there. Only the leadership has changed from administration to administration. This program of data collection is something that will be done by the people that have long been in one of these departments. I think that the Department of Commerce has a far better record of data collection for purposes of the census as well as issues relating to insurance. This Department already has expertise on issues involving the availability and affordability of insurance.

We have had some problems with HUD in the past. I hope we do not continue to have any such problems in the future. It is a very important department of government. But it is not the department to which this issue should be given.

Let us authorize the Department of Commerce, with their long-established record, as the agency that has the job of collecting data as required in this legislation.

Mr. FIELDS of Louisiana. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Madam Chairman, first let me make it emphatically clear that rule X does give to the Committee on Energy and Commerce exclusive jurisdiction over this subject matter. The amendment is important, and as important as it is, we must clearly define its jurisdiction, and the jurisdiction of private property insurance is, in my opinion, in the hands of the Committee on Banking, Finance and Urban Affairs.

This amendment requires HUD, not the Department of Commerce, to administer the programs under H.R. 1188. HUD should run these programs because they have the experience. Contrary to what many have said here

today, HUD has the experience because they have administered a program of this nature for over 20 years. HUD is solely responsible for making sure homeowners comply, for example, with the Fair Housing Act. HUD has the ability to collect this data and we should rely on them to administer this program.

Mr. KENNEDY. Madam Chairman, will the gentleman yield?

Mr. FIELDS of Louisiana. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. Madam Chairman, I thank the gentleman for yielding.

Think about it, ladies and gentlemen, securities, the power industry including electric and natural gas, mutual funds, health insurance, the Clean Air Act, the Clean Water Act, the telecommunications industry, all are controlled by one committee due to the overarching mandate that says if anything is interstate commerce it goes directly to the Committee on Energy and Commerce. I tell my colleagues that the Committee on Banking, Finance and Urban Affairs runs every major insurance program that comes out of this Congress. We have a claim because this is an insurance industry issue. They have a claim because they say it is interstate commerce. It is up in the air. It is up to the membership of this body to determine who will do the best job.

Madam Chairman, the only people in the world that I have ever met that think that the Census Bureau does a good job happen to be the members of the Committee on Energy and Commerce.

□ 1500

I have never heard anybody think the Census Bureau does a good job. Be that as it may, you may think it does such a good job out there. That is your business. I happen to think both of these agencies leave a lot to be desired.

The agency that has the proper jurisdiction, that currently is responsible for dealing with redlining issues, for dealing with racial discrimination is HUD. That is what they do. Part of their mandate is to go out and find out where racial discrimination and redlining take place in the housing industry.

We are asking them to expand into a couple of other areas in addition to housing insurance.

The fact is that if we look at how this whole thing got going, it got going out of an extension of the Home Mortgage Disclosure Act. You take either Energy and Commerce base text or Banking Committee's base text, they are both based on the HMDA Act, the Home Mortgage Disclosure Act, which came out of the Banking Committee. I got it passed with the chairman, the gentleman from Texas [Mr. GONZALEZ], 6 years ago on this House floor. That is the base text. That is where this legislation finds its roots, and that is why it

deserves to be housed in the Committee on Banking, Finance and Urban Affairs.

Mrs. MALONEY. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise to urge my colleagues to support the amendment.

The Kennedy-Gonzalez amendment makes the process better by making HUD the agency that receives data instead of the Commerce Department. Giving HUD the responsibility to collect data makes sense on the merits. In fact, it makes so much sense one is left with the feeling that the selection of Commerce was based more on internal jurisdictional battles than on the most capable agency.

HUD has ample experience administering and overseeing the collection of data that will be generated by this legislation. Currently HUD enforces the Fair Housing Act including provisions prohibiting discrimination in homeowners' insurance.

Does it not make sense, therefore, for HUD to receive data from insurance companies about their homeowners' and other property insurance data? HUD has been collecting data from the Home Mortgage Disclosure Act for 20 years. This data is extremely similar to the data that will be provided under the provisions of this bill.

Again, does it not make sense for this information to go to the agency that has, even with all its flaws, the most experience? Why, as we reinvent Government, do we want to reinvent the Commerce Department by having them do the work that HUD has already been doing for 20 years?

No matter how you look at this amendment, whether it is to prevent one committee from accumulating too much power or whether it is simply what Federal agency can best accumulate this important data, the vote should be "yes."

Mr. BROWN of Ohio. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in opposition to this amendment.

This amendment would designate Housing and Urban Development rather than Commerce as the agency responsible for data collection, for analysis, for study, and for reporting under the bill. This is truly the most cynical amendment we are likely to face today.

Under the guise of helping those who suffer from discrimination, it is simply a grab at committee jurisdiction in the House, period.

The Department of Commerce is the data-collecting arm of the Federal Government. It has broad and long experience in designing and carrying out data collection responsibilities. This is, of course, most evident in its responsibilities as to the census, but it is also evident in many other areas such as its

Bureau of Economic Analysis and the International Trade Commission.

In addition, the Department of Commerce is the sole Federal agency with substantive experience in insurance. The Department of Commerce, for example, is responsible for implementation of the Risk Retention Act, and the Department of Commerce conducts an annual and complete analysis of foreign reinsurance markets in the United States. The Department of Commerce acts as the substantive expert on all trade negotiations regarding insurance.

HUD has no expertise in property casualty insurance, the type of insurance covered by this bill. It has no genuine expertise in designing and implementing data systems. These are the province of Commerce.

Keep in mind when Commerce does carry out its data collection and analysis responsibilities under H.R. 1188, this information will be available to all Federal agencies including HUD for fair housing purposes, including Justice for discrimination purposes, and any other agency in the Federal Government for any other valid purpose.

We must be sure that this data is the most accurate, most usable, most complete data that a well-designed system can produce. Commerce is the obvious agency to carry out that task.

There is really, Madam Chairman, no contest that Commerce is the proper agency to implement 1188, except for the jurisdictional grab in this amendment.

I urge the defeat of the amendment.

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

I rise in support of the Kennedy-Gonzalez amendment.

Madam Chairman, the issue here obviously is an important one. I think that both of the committees, Banking and Commerce, have worked hard on this issue.

But I am obviously concerned that the agency that has demonstrated the leadership, HUD [Housing and Urban Development], in terms of discrimination and problems that face our Government under most of the Secretaries that have led the agency, whether Jack Kemp or today, under Henry Cisneros, that they be given the principal responsibility, for this information and action.

Clearly there is no dispute regarding the need to address the problem of insurance redlining. It is a serious problem that is adversely affecting our urban areas, intimately related to the chief responsibilities of HUD, and I think that if we look at the history of the track record here of which Federal departments and agencies has been at these urban hot spots over the years, it has been the Secretary of Housing and Urban Development, today, of course, with Henry Cisneros. They have a deep stake in this issue and the welfare of urban America.

HUD have the area offices in most regions. They are working within the census tracts. They can use that data effectively.

The fact is I heard earlier, and I think it is regrettable, that the inspector general and others have suggested that HUD is not doing the job that it should do. Today, it has nearly an impossible task, the Housing and Urban Development Department has, in terms of trying to catch up with the serious problems in our urban areas.

I do not think that is any reason to deny them one of the essential tools they need for what has been a serious and emerging problem with regard to redlining. They need such tools to address their mission. I hope that they would have it. HUD has the presence. They have, I think, the ability to use the resource.

But clearly HUD is overloaded with some of substantial responsibilities that they now exercise.

The pending bill, of course, would provide the authority to the Department of Commerce, to Ron Brown, and I have no argument with Mr. Brown. I just think that it is clear on the face that the Housing and Urban Development is the Department that is in these urban areas that is providing the leadership in terms of where our Nation is going in terms of policies that affect areas which are today the object of redlining.

I think that Commerce is simply the wrong choice. The Department of Commerce has no infrastructure in place to handle this matter effectively or efficiently.

The information would simply go into a void and not provide the type of utility that all of us anticipate from maintaining such information.

The Kennedy amendment, supported by the chairman and other members of the committee, included myself, and would turn over this information to a more appropriate source, to the Department of Housing and Urban Development.

Some are seeking to make the focus of this debate on the size of each Department's computer or the efficiency. I think probably both would have a long way to go to deal effectively with software.

What should be the issue, in my view, the debate should be based on the ability of each Department to analyze and determine the discrimination. In this, I do not think that HUD is second to anyone with regard to this process. They have had a working relationship, an effective working relationship, with the Justice Department. They have the serious problems that face us, that face their communities, and they are in the forefront fighting for people, whether it is home purchase and the insurance or discrimination practices that are occurring.

□ 1310

They are intimately related with the community development activities that are vital to these areas. They need to have the tools to do this job.

This information on redlining is actually one of the tools that would permit them to enhance the ability of the Housing and Urban Development Department to do the job. This is their portfolio. It is the portfolio of the Housing and Urban Development Department to provide the leadership, to be the Federal repository, interface with our local and State governments at these areas. I think we ought to give them this new task.

The Commerce Department is involved in a different way, a different task in terms of commerce and trade and other activities. I think to deny this to HUD—it may be full of good intention; I do not question the author's good intentions or those of the other committee—but the fact is this tool ought to go into the portfolio of HUD to achieve their mission.

Now, Housing and Urban Development is controversial. There is no question about it. The reason they are is because they are in the forefront of speaking up for people of color. They are in the forefront of dealing with discrimination in this country. HUD is pushing the issues.

That is why we should give them the resource to accomplish the task, you are denying them that. Sending this information off over in the Department of Commerce is not controversial. But I say we need controversy in this instance. We need to address this issue of discrimination, we need to confront this matter. We have to be able to convince the people who live in the urban areas that they have a stake and that they are being treated fairly. The Housing and Urban Development Department has that responsibility, and could effectively use such data and charge.

I plead with you today to support the Kennedy-Gonzalez amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

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

RECORDED VOTE

Mr. KENNEDY. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 88, noes 343, not voting 8, as follows:

[Roll No. 337]

AYES—88

Andrews (ME)	Bellenson	Brown (CA)
Andrews (NJ)	Bereuter	Coleman
Bacchus (FL)	Berman	Coyne
Barrett (WI)	Blackwell	de la Garza
Becerra	Brooks	de Lugo (VI)

DeFazio	Kennedy	Pastor	McCrery	Rahall	Spence
Dellums	Klein	Pelosi	McDade	Ramstad	Spratt
Diaz-Balart	Klink	Pickle	McHugh	Rangel	Stearns
Dooley	Kopetski	Reed	McInnis	Ravenel	Stenholm
Durbin	LaFalce	Roth	McKeon	Regula	Stokes
Edwards (CA)	Lantos	Roybal-Allard	McMillan	Reynolds	Strickland
Eshoo	LaRocco	Rush	McNulty	Richardson	Studds
Evans	Maloney	Sabo	Menendez	Ridge	Stump
Farr	McDermott	Sanders	Meyers	Roberts	Sundquist
Fields (LA)	McHale	Schroeder	Mica	Roemer	Swett
Filner	McKinney	Schumer	Michel	Rogers	Swift
Fingerhut	Meehan	Serrano	Miller (FL)	Rohrabacher	Synar
Flake	Meek	Stark	Molinar	Romero-Barcelo	Talent
Foglietta	Mfume	Stupak	Mollohan	(PR)	Tanner
Frank (MA)	Miller (CA)	Torres	Montgomery	Rose	Tauzin
Furse	Mineta	Torricelli	Moorhead	Rostenkowski	Taylor (MS)
Gejdenson	Minge	Unsoeld	Morella	Roukema	Taylor (NC)
Gibbons	Mink	Velazquez	Murphy	Rowland	Tejeda
Gonzalez	Moakley	Vento	Murtha	Royce	Thomas (CA)
Gutierrez	Moran	Waters	Myers	Sangmeister	Thomas (WY)
Hinchev	Neal (MA)	Watt	Nadler	Santorum	Thompson
Hughes	Neal (NC)	Wynn	Norton (DC)	Sarpallius	Thornton
Johnson, E. B.	Oliver	Yates	Nussle	Sawyer	Thurman
Kanjorski	Orton		Oberstar	Saxton	Torkildsen
Kaptur	Owens		Obey	Schaefer	Towns

NOES—343

Abercrombie	Cunningham	Hochbrueckner
Ackerman	Danner	Hoekstra
Allard	Darden	Hoke
Andrews (TX)	Deal	Holden
Applegate	DeLauro	Horn
Archer	DeLay	Houghton
Army	Derrick	Hoeyer
Bachus (AL)	Deutsch	Huffington
Baesler	Dickey	Hunter
Baker (CA)	Dicks	Hutchinson
Baker (LA)	Dingell	Hutto
Ballenger	Dixon	Hyde
Barca	Doolittle	Inglis
Barcia	Dorman	Inhofe
Barlow	Dreier	Inslie
Barrett (NE)	Duncan	Istook
Bartlett	Dunn	Jacobs
Barton	Edwards (TX)	Jefferson
Bateman	Ehlers	Johnson (CT)
Bevill	Emerson	Johnson (GA)
Bilbray	Engel	Johnson (SD)
Bilirakis	English	Johnson, Sam
Bishop	Everett	Johnston
Bliley	Ewing	Kasich
Blute	Fawell	Kennelly
Boehlert	Fazio	Kildee
Boehner	Fields (TX)	Kim
Bonilla	Fish	King
Bontor	Ford (MI)	Kingston
Borski	Ford (TN)	Kleccka
Boucher	Fowler	Klug
Brewster	Franks (CT)	Knollenberg
Browder	Franks (NJ)	Kolbe
Brown (FL)	Frost	Kreidler
Brown (OH)	Gallely	Kyl
Bryant	Gekas	Lambert
Bunning	Gephardt	Lancaster
Burton	Geren	Laughlin
Buyer	Gilchrest	Lazio
Byrne	Gillmor	Leach
Callahan	Gilman	Lehman
Calvert	Gingrich	Levin
Camp	Glickman	Levy
Canady	Goodlatte	Lewis (CA)
Canwell	Goodling	Lewis (FL)
Cardin	Gordon	Lewis (GA)
Carr	Goss	Lewis (KY)
Castle	Grams	Lightfoot
Chapman	Grandy	Linder
Clay	Green	Lipinski
Clayton	Greenwood	Livingston
Clement	Gunderson	Lloyd
Clinger	Hall (OH)	Long
Clyburn	Hall (TX)	Lowey
Coble	Hamburg	Lucas
Collins (GA)	Hamilton	Machtley
Collins (IL)	Hancock	Mann
Collins (MI)	Hansen	Manton
Combest	Harman	Manzullo
Condit	Hastert	Margolies-
Conyers	Hastings	Mezvinsky
Cooper	Hayes	Markey
Coppersmith	Hefley	Martinez
	Costello	Matsui
	Cox	Mazzoli
	Cramer	McCandless
	Crane	McCloskey
	Crapo	McCollum
		Hobson

McCrery	Rahall	Spence
McDade	Ramstad	Spratt
McHugh	Rangel	Stearns
McInnis	Ravenel	Stenholm
McKeon	Regula	Stokes
McMillan	Reynolds	Strickland
McNulty	Richardson	Studds
Menendez	Ridge	Stump
Meyers	Roberts	Sundquist
Mica	Roemer	Swett
Michel	Rogers	Swift
Miller (FL)	Rohrabacher	Synar
Molinar	Romero-Barcelo	Talent
Mollohan	(PR)	Tanner
Montgomery	Rose	Tauzin
Moorhead	Rostenkowski	Taylor (MS)
Morella	Roukema	Taylor (NC)
Murphy	Rowland	Tejeda
Murtha	Royce	Thomas (CA)
Myers	Sangmeister	Thomas (WY)
Nadler	Santorum	Thompson
Norton (DC)	Sarpallius	Thornton
Nussle	Sawyer	Thurman
Oberstar	Saxton	Torkildsen
Obey	Schaefer	Towns
Ortiz	Schenk	Trafcant
Oxley	Schiff	Tucker
Packard	Scott	Upton
Pallone	Sensenbrenner	Valentine
Parker	Sharp	Visclosky
Paxon	Shaw	Volkmer
Payne (NJ)	Shays	Vucanovich
Payne (VA)	Shepherd	Walker
Penny	Shuster	Walsh
Peterson (FL)	Stitsky	Waxman
Peterson (MN)	Skaggs	Weldon
Petri	Skeen	Wheat
Pickett	Skelton	Williams
Pombo	Slattery	Wilson
Pomeroy	Slaughter	Wise
Porter	Smith (IA)	Wolf
Portman	Smith (MI)	Woolsey
Poshard	Smith (NJ)	Wyden
Price (NC)	Smith (OR)	Young (AK)
Pryce (OH)	Smith (TX)	Young (FL)
Quillen	Snowe	Zeliff
Quinn	Solomon	Zimmer

NOT VOTING—8

Bentley	Gallo	Underwood (GU)
Faleomavaega	McCurdy	Washington
(AS)	Ros-Lehtinen	Whitten

□ 1532

Messrs. REGULA, THOMAS of Wyoming, and TEJEDA changed their vote from "aye" to "no."

Ms. FURSE, Mr. ROTH, and Mr. HUGHES changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there other amendments to the bill?

AMENDMENT OFFERED BY MS. ROYBAL-ALLARD

Ms. ROYBAL-ALLARD. Madam Chairwoman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ROYBAL-ALLARD:

Page 3, line 13, strike "and".

Page 3, line 23, strike the period and insert ", and".

Page 3, after line 23, insert the following new clause:

(iii) information that will enable the Secretary to assess the aggregate loss experience for such insurer for such designated MSA and each 5-digit zip code in such designated MSA within which insured risks of the insurer are located.

Page 4, strike lines 12 through 25.

Page 5, line 4, strike "(a)(1)" and insert "(a)".

Page 5, line 24, strike "(a)(1)" and insert "(a)".

Page 6, after line 25, insert the following new clause:

(viii) provide for the submission of information on the racial characteristics or national origin of policyholders and on the gender of policyholders, at the level of detail comparable to that required by the Home Mortgage Disclosure Act of 1975 (and the regulations issued thereunder).

Page 7, line 1, strike "(viii)" and insert "(ix)".

Page 7, line 4, strike "(ix)" and insert "(x)".

Page 7, line 6, strike "(x)" and insert "(xi)".

Page 7, after line 7, insert the following new subparagraph:

(B) RULES REGARDING OBTAINING RACIAL AND NATIONAL ORIGIN INFORMATION.—With respect to the information specified in subparagraph (A)(viii), applicants for, and policyholders of, insurance may be asked their racial characteristics or national origin only in writing. Any such written question shall clearly indicate that a response to the question is voluntary on the part of the applicant or policyholder, but encouraged, and that the information is being requested by the Federal Government to monitor the availability and affordability of insurance. If an applicant for, or policyholder of, insurance declines to provide such information, the agent or insurer for such insurance may provide such information.

Page 7, line 8, strike "(B) and insert "(C)".

Page 7, line 22, strike "(C)" and insert "(D)".

Page 11, after line 18, insert the following new clause:

(x) provide for the collection of information that will enable the Secretary to assess the aggregate loss experience, by each line of insurance designated under clause (ix), for insurers designated under clause (viii) for each MSA for which reporting is required under subparagraph (D).

Page 11, line 19, strike "(x)" and insert "(xi)".

Page 11, line 21, strike "(xi)" and insert "(xii)".

Page 12, line 1, strike "(xii)" and insert "(xiii)".

Page 13, line 24, after "basis" insert "(or a 9-digit zip code or census tract basis)".

Page 16, line 2, strike "25" and insert "75".

Page 24, after line 4, insert the following new subsection:

(f) REPORTING BY OTHER GEOGRAPHIC AREAS.—

(1) INSURER OPTION.—The Secretary shall provide that any insurer who is required by section 3 to compile, submit, maintain, and make available information may, at the discretion of the insurer, comply with the requirements of such section by compiling, submitting, maintaining, and making such information available on the basis of census tracts or 9-digit zip codes rather than on the basis of 5-digit zip codes.

(2) REQUIREMENT BY SECRETARY.—The Secretary may at any time, for any insurers, for any designated lines of insurance, and with respect to any geographical areas, require that information to be compiled, submitted, maintained, and made available under section 3 shall be compiled, submitted, maintained, and made available on a basis of census tracts (which shall include any basis that is convertible to the basis of census tracts) rather than on the basis of 5-digit zip codes, but only to the extent that the Secretary determines that availability of information on the basis of census tracts is necessary to assess the availability, affordability, or quality of type of insurance coverage.

(3) ADDRESS CONVERSION SOFTWARE.—The Secretary shall make available, to any in-

surer required to provide information to the Secretary under section 3, computer software that can be used to convert addresses from 5-digit zip code to census tracts. The software shall be made available in forms that provide such conversion for MSA's designated under section 4(a) on a nationwide basis and on a State-by-State basis and shall be updated annually. The software shall be made available without charge, except for an amount, determined by the Secretary, which shall not exceed the actual cost of reproducing the software.

Page 24, line 12, after "data" insert ", including loss ratios".

Page 24, line 13, after "zip code" insert "(or by 9-digit zip code or census tract, to the extent information is submitted to the Secretary on such basis pursuant to section 6(f))".

Page 24, line 16, after "insurance policies" insert "and loss ratios".

Page 24, line 17, after "zip codes" insert "(or for categories of 9-digit zip codes or census tracts, to the extent information is submitted to the Secretary on such basis pursuant to section 6(f))".

Page 25, after line 5, insert the following new subsection:

(d) PROTECTIONS REGARDING LOSS INFORMATION.—

(1) PROHIBITION OF DISCLOSURE OF LOSS INFORMATION.—Notwithstanding any other provision of this Act, the Secretary may not make available to the public or otherwise disclose any information submitted under this act regarding the amount or number of claims paid by any insurer, the amount of losses of any insurer, or the loss experience for any insurer, except (A) in the form of a loss ratio (expressing the relationship of claims paid to premiums) made available or disclosed in compliance with the provisions of paragraph (2), or (B) as provided in paragraph (3).

(2) PROTECTION OF IDENTITY OF INSURER.—In making available to the public or otherwise disclosing a loss ratio for an insurer—

(A) the Secretary may not identify the insurer to which the loss ratio relates; and

(B) the Secretary may disclose the loss ratio only in a manner that does not allow any party to determine the identity of the specific insurer to which the loss ratio relates, except parties having access to information under paragraph (3).

(3) CONFIDENTIALITY OF INFORMATION DISCLOSED TO GOVERNMENTAL AGENCIES.—The Secretary may make information referred to in paragraph (1) and the identity of the specific insurer to which such information relates available to any Federal entity and any State agency responsible for regulating insurance in a State and may otherwise disclose such information to any such entity or agency, but only to the extent such entity or agency agrees not to make any such information available or disclose such information to any other person.

Ms. ROYBAL-ALLARD (during the reading). Madam Chairwoman, 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 gentlewoman from California?

There was no objection.

Ms. ROYBAL-ALLARD. Madam Chairwoman, I rise to offer the Roybal-Allard Velázquez-Barrett-Kennedy amendment to H.R. 1188, the Anti-Redlining in Insurance Disclosure Act.

The leadership of the Federal Government in eliminating the discriminatory practices of insurance companies is long overdue.

Insurance redlining is a real and pervasive problem throughout this Nation with devastating results in low- and moderate-income communities, particularly in minority neighborhoods.

Clearly, the time has come for Congress to address this issue squarely and to undertake the steps necessary to protect the civil rights of all Americans in this regard.

Historically, low-income, minority communities such as the Los Angeles district I represent have not had equal opportunities to acquire adequate insurance coverage at affordable rates. The systematic denial of this basic, fundamental right has severely limited the ability of families to purchase homes, drive cars, and has made coverage for small business owners in these areas prohibitively expensive.

Truly, my distinguished colleague from Illinois, Congresswoman CARDISS COLLINS, has taken a courageous stance on this issue. I commend her leadership in fashioning H.R. 1188, a bill that represents a significant step forward in addressing insurance redlining. However, the bill in its current form will not require the data necessary to determine whether discrimination exists in a given community.

The Roybal-Allard Velázquez-Barrett-Kennedy amendment will supplement the disclosure requirements set forth in H.R. 1188 through five key provisions:

First, in an effort to protect small insurance companies, the amendment exempts them from the provisions of this bill. Although small insurers comprise 82 percent of the industry, valid data will be collected from the remaining insurers who write more than 80 percent of the insurance policies in the United States.

Second, insurance companies will be required to provide data on race, ethnicity, and gender voluntarily supplied by policy applicants and holders.

□ 1540

This information is identical to the information currently provided by financial lending institutions that has proven to be vital in efforts to enforce antidiscrimination laws in mortgage lending and housing.

In addition, the amendment will allow insurance companies the option to report data by census tract, and will permit the Secretary of the authorized agency to request census-tract data as necessary. Census-tract information will provide more reliable demographic data to determine better the characteristics of neighborhoods whose residents may be victims of redlining.

Fourth, while protecting insurance companies against the disclosure of proprietary information, the amendment requires the collection of loss

data. This data will help document whether the higher premiums typically paid in redlined neighborhoods are truly justified. For example, recent studies in St. Louis and Kansas City found that minorities pay higher insurance premiums than whites with the same income for comparable coverage, even though their claim rates were lower.

Lastly, the amendment increases from 25 to 75 the number of cities from which data will be compiled. This means that cities with large minority populations such as Birmingham, San Antonio, New Orleans, and Toledo will also be assessed.

Madam Chairwoman, my colleagues and I worked very hard to craft a compromise measure which increases the value of information collected and reported under H.R. 1188, while also providing important exemptions for small insurance companies. As such, the amendment strengthens the states objectives of H.R. 1188 to combat insurance redlining practices.

It is a win-win situation for the supporters of H.R. 1188 and for consumers who will be provided enhanced protection against arbitrary and discriminatory insurance practices.

I ask for the support of my colleagues for this important amendment.

Mrs. COLLINS of Illinois. Madam Chairman, I rise in opposition to the amendment.

Madam Chairwoman, I must oppose this amendment. While this amendment is portrayed as a strengthening amendment, and has strengthening features, it also substantially weakens the bill.

This bill has broad bipartisan support. A diverse array of groups support this legislation. It is a very delicate political balance. I understand the intentions of the gentlewoman, and I know she is trying to help this bill, but this amendment would destroy the delicate balance of H.R. 1188. It is, in effect, a killer amendment.

In a perfect world, I would like to strengthen this bill. But, my first priority must be to pass this bill. Unfortunately, the adoption of this and other amendments would produce a bill that could not pass. Even if such a bill could pass the House, it would be that much more difficult to move it in the other body in the short time remaining in this Congress.

The bill in its current form is not perfect. But it is passable. And it is a tremendous step forward. It would provide a lot of information about insurance practices that is simply not available today. If we adopt killer amendments, no matter how well-intentioned, then none of this information will become available. We would have shot ourselves in the foot. The perfect would have become the enemy of the good.

Let me make a few substantive points. First, it is no secret that I pre-

ferred the use of census tracts in the beginning. But the use of five digit ZIP Codes will produce a great deal of valuable information. Even the supporters of this amendment recognize that. For example, the community group ACORN described a ZIP Code based data call recently issued by the National Association of Insurance Commissioners as allowing "the most comprehensive analysis yet of the extent of insurance redlining."

Furthermore, the top 25 metropolitan areas represent about 58 percent of the total metropolitan population of the United States and about 46 percent of the total population. That is a lot of data about a lot of people.

This amendment also significantly weakens the bill. By exempting certain insurers from any reporting under the bill, the amendment means the collected data will fail to include information on about 20 percent of the policies in a metropolitan area. This seriously lowers the quality of the data. In fact, while H.R. 1188 will cover 46 percent of the Nation's population, the amendment only increases the percentage of coverage to 51 percent. So you get a small increase in coverage at the expense of less complete data and a killer amendment. It is a risk not worth taking.

Accordingly, I must urge opposition to the amendment.

Mr. STEARNS. Madam Chairman, I move to strike the last word.

Madam Chairman, I rise in strong opposition to the Roybal-Allard amendment to H.R. 1188, because this amendment would reverse almost all of the changes made to the bill in a bipartisan manner within the full committee, and would greatly increase the cost of this legislation to both policyholders and taxpayers.

This amendment is supposed to make all of the changes necessary to make H.R. 1188 more effective in fighting redlining. However, if one really reads the amendment, it requires a lot more reporting on not very many more people than H.R. 1188. And even though you have all of this extra reporting, the information you get is not necessary to determine if there is a problem with redlining and would greatly add to the cost of this bill.

The first major provision of this amendment is that it adds 50 new cities in which reporting is required. As this chart shows, under H.R. 1188, roughly 58 percent of the Nation's metropolitan population and 46 percent of the Nation's population as a whole is covered under the bill. The proponents of this amendment would have you believe that you will add 22 percent more of the metropolitan population if you approve their amendment.

Unfortunately, that really is not the case. This amendment also eliminates the minimal reporting requirements for the small, nondesignated insurers.

Aside from the statistical validity problem this creates, it also affects the number of policyholders who would be covered by this legislation. Since the non-designated insurers cover approximately 20 percent of the policyholders, that means that the percentage of the population that would be covered under this amendment must be reduced by 20 percent. That means that the Roybal-Allard amendment really would only cover about 64 percent of the metropolitan population and 51.2 percent of the Nation's population as a whole. That really is only a 6-percent increase in the metropolitan population and a 5.2 percent increase in the national population over what H.R. 1188 already has.

In summary, Madam Chairman, we are going to spend \$21 million more money to get only a small fraction of increase in information. Madam Chairman, this small increase in the covered population would not be so troubling if it were not for the other requirements of this amendment, and this is important. This amendment would also require the reporting of loss data, data about the race and gender of individual policyholders, and would permit the Secretary to require census tract reporting of any insurer, anywhere, at any time. Are Members prepared to have the Government mandate on businesses that they report their loss information?

Each of these provisions has its own pitfalls, Madam Chairman, but all of us should keep in mind the simple thought expressed by the Congressional Budget Office in the Banking Committee's redlining cost estimate: The more data that you collect, analyze, and distribute to the public, the more expensive the program.

It does not take a rocket scientist to figure out that if the Secretary has absolute discretion on collecting census tract data regardless of whether or not the insurer is in a designated MSA, must collect race and gender information on a so-called voluntary basis, and must collect loss data, regardless of the effects on the insurer's ability to compete, this legislation is going to cost more—a lot more. In fact, since this amendment adds most of what was in the Banking Committee's bill to H.R. 1188, the cost is going to be a lot closer to the Banking Committee's \$38 million CBO estimate than the \$9 million estimate for H.R. 1188 as it currently stands.

While my other colleagues are going to discuss the intricacies of some of the other provisions, it is important to note that you are not getting much more for the extra cost. First, as I demonstrated, you really are not covering that many more people. Second, getting race and gender information is not necessary because the census department already maintains that information for all geographic areas. Third,

census tract reporting is not necessary because it really will not provide much better data than ZIP Codes.

I ask my colleagues to reject the Roybal-Allard amendment for what it is—a costly, ineffective series of changes designed to meet the desires of certain consumer organizations. Maintain the low-cost effectiveness of H.R. 1188 as it is. Vote “no” on this amendment.

Ms. VELÁZQUEZ. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise to urge my colleagues to support this amendment, which I have cosponsored with Ms. ROYBAL-ALLARD, Mr. KENNEDY, and Mr. BARRETT.

Although I commend my colleague from Illinois, Mrs. COLLINS, for the initiative she has taken on insurance redlining, the bill that was reported out of committee is plainly inadequate. It simply does not require the reporting of critical information that we need in order to tell whether or not insurance companies are discriminating against poor and minority communities. Only with this amendment “will we have the data to determine the scope and degree of redlining”.

H.R. 1188 also imposes unnecessary burdens on small insurers, companies with the least impact upon the insurance market. Our amendment will exempt small insurance companies from any reporting requirements.

Evidence of unfair and discriminatory insurance practices has been reported in a number of areas. In Kansas City and St. Louis, homeowners in poor and minority neighborhoods have been paying higher premiums for less insurance coverage, yet insurance companies are losing less money there. In Atlanta, Chicago, Milwaukee, and Toledo, testers identifying themselves as residents of middle-class Latino and African-American neighborhoods were either denied insurance outright or offered insurance on terms worse than were white phone callers.

If my colleagues want to know whether these practices are going on across the country, and whether there is any justifiable explanation for them, then we must adopt this amendment. Only this amendment would accurately inform the public as to how many quality insurance policies are going out to women and racial and ethnic minorities, and whether it is high losses that are scaring insurers away from lower-income and minority neighborhoods.

First, this amendment provides for the collection and disclosure of data on race, national origin, and gender. It would encourage insurance applicants and policyholders to report this data on their insurance forms, and require that insurance companies then report the information to the Secretary.

This is the same type of information that has been collected for years under

the Home Mortgage Disclosure Act, and by Federal, State and private entities. It is essential to assist HUD and the Justice Department in the enforcement of State and Federal laws prohibiting discrimination in the provision of insurance.

This amendment also requires insurers to disclose how much they are paying out in insurance claims in each geographic area. This information is critical to determine whether minority neighborhoods are being treated fairly.

When questions are raised as to why high-quality, affordable insurance policies are not available in these communities, some insurance companies cite the higher cost of doing business there. While that reasoning may be valid in some instances, for others it provides little explanation. As illustrated in the chart behind me, insurance companies lose more in insurance claims in low-income, white areas of St. Louis than they do in comparable minority neighborhoods. Nevertheless, it is the minority community that pays more in premiums, and receives less in insurance coverage.

Are insurance companies using objective factors to decide where they write policies, and how much they charge for them—or do they instead assume that they will lose more money in inner-city neighborhoods? With the information collected under this amendment, we will be able to answer that question once and for all.

My cosponsors and I would also provide regulatory relief to small businesses. Our amendment exempts 82 percent of the Nation's insurance companies from any reporting requirement. Without this amendment, the bill would unnecessarily require many insurers who do not have much impact on the market to collect and report information. With this change, the big insurance companies would still be covered. The 18 percent who are not exempted write 80 percent of the policies in this country. These companies, who can afford to buy armies of high-priced lobbyists to defeat health care reform, can surely afford to report on insurance practices which are so important to low-income and minority communities, like those that I represent.

The lack of adequate and affordable insurance has a direct and negative impact upon the economic viability of poorer, minority communities. Why is it that some pay more for less? Are there sound, objective, business-related reasons, or are some companies instead resorting to discriminatory practices? The public, and this body, must be able to answer these questions. Mr. Speaker, with this amendment we will have those answers. Without it, we will be left guessing. I say that we do this right the first time. Let us adopt this amendment so that we adopt a genuine insurance redlining bill this Congress.

□ 1550

Mr. McMILLAN. Madam Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Madam Chairman, I want to start by commending the efforts of both the Energy and Commerce Committee and Banking Committee for focusing attention on the availability of insurance in urban America. We should all take allegations of discrimination by insurance companies seriously. Redlining is already illegal and must not be tolerated in any case. But after hearing the debate on jurisdiction, I think the public might well conclude that nobody is qualified to deal with the problem.

In considering the banking amendment to H.R. 1188, I have a number of concerns about the proposed amendment's disclosure requirements. I think the requirements are unnecessarily broad and costly to the insurance industry—and will reduce the availability and affordability of insurance in urban areas.

For example, the banking amendment requires insurers to collect data on the basis of census tracts. H.R. 1188 uses zip codes instead which are much more cost effective and user-friendly units because they are normal classifications that are large enough to lend statistical credibility to any redlining analysis.

Second, the banking amendment requires insurers to disclose loss data. Loss data is not necessary to determine who is served or not served in urban markets. It only creates expensive disclosures that could potentially reveal trade secrets concerning the marketing practices of insurers.

Third, the banking amendment increases the number of MSA's from 25 to 75. To require 75 areas to make these disclosures imposes an unfair burden on insurers in cities, like my own Charlotte, where redlining was shown not to exist in a statewide market conduct study completed last year.

These are just some of the differences between the Banking Committee amendment and H.R. 1188. While I am concerned that H.R. 1188 duplicates the antiredlining regulatory efforts of the States, I do think its provisions are more sensible and less expensive for the industry than are the requirements of the Banking Committee amendment.

I urge my colleagues to vote against the amendment and for H.R. 1188.

Mr. BARRETT of Wisconsin. Madam Chairman, I rise in support of the amendment.

Madam Chairman, I have spoken before on this issue but I think it is important to clarify for our colleagues what we are talking about here and why the amendment that has been offered by myself and several others from the Committee on Banking, Finance and Urban Affairs will take this bill, which I think is a good bill in its intent, and I applaud the gentlewoman

from Illinois and the chairman of the Committee on Energy and Commerce for the work that they have done on it, but I think we can take this good bill and make it an even better bill.

The reason why I think it is important for us to do that is it is important for us to look at what is really going on in the real world here and why using ZIP codes alone is not enough to help us reach our goal, and our goal, I think we all agree, is to determine whether or not redlining exists in our Nation. By using the ZIP codes you are going to get a smaller pool than you currently get, because right now we have no reporting requirements at all. But ZIP codes in and of themselves many times are geographically quite large and many times demographically quite diverse.

Just as an example, let us look at Toledo, OH, ZIP code 43606. You have several different census tracts in that one ZIP code. Census tract 14 has a median value home of \$26,600. In that census tract, the African-American population is 81 percent. In sharp contrast to that is census tract 1301 where the median value of the home is \$102,000 but only 1 percent of the population is African-American.

□ 1600

So if we are using only the ZIP code criteria, we are never going to see whether redlining exists in this ZIP code. So if your goal is to determine whether ZIP codes or whether redlining occurs, we have to look at data beyond just the 5-digit ZIP code. I think by going to the 9-digit ZIP code we are really moving in the right direction. The argument we hear against that is it is too expensive, it adds too much administrative cost. I find that hard to believe. This is an industry that wants to collect actual data until the cows come home. It wants to collect data on whether you are a smoker, it wants to collect data on whether you are a good driver, it wants to collect data depending on whether there is a fire department close to your home or not. The insurance industry is built on collecting data. So by asking the insurance companies simply to use 9-digit ZIP codes, certainly not a foreign concept, and one that I venture to guess most if not all of large insurance companies currently use, it will not add any cost to the developing of this information.

So we can get the information we need to determine whether redlining exists in this country, and we can do it at no additional cost to either the taxpayers or to the industry.

I urge my colleagues to support this amendment.

Mr. KNOLLENBERG. Madam Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Madam Chairman, the amendment before us would essentially make a

flawed bill worse. The ZIP+4 or the census tracks, as I see them here, those provisions would make data collection more onerous. The exemptions for small insurers would skew the data to make it look like redlining is happening when it really is not. And the lost data reporting requirement would force insurers to make their trade secrets public.

But beyond that, I am disturbed by the direction that we are taking here. Some of my colleagues honestly believe, and I believe that they honestly believe that property insurance underwriting is a business where rates are fixed, regardless of individual circumstances or personal needs. Nothing could be further from the truth. The process of underwriting is extremely client-intensive, and even to suggest otherwise is just a reflection of a lack of information on the part of that individual.

What we are voting on is not just a collection of data. It is the first step toward Government-mandated community rating for property and casualty insurance, and ultimately the socialization of the entire underwriting structure.

This may sound drastic, but consider the history.

The classical definition of redlining is a denial of insurance based solely on the applicant's geographical location. In fact, in the past some agents would literally place a map on the office wall and block off areas with a red pen denoting areas to avoid, thus the term redlining. But that is not what we are talking about today.

Redlining in this sense has pretty much been relegated to the trash bin. Redlining is illegal; 96 to 98½ percent—and I have studies for anybody who want them—of all inner city households have some form of homeowners insurance.

In the 1990's what has happened is redlining has taken on a new definition, a wholly new definition. Consider the explanation of Ms. Ernestine Whitting of Acorn. She says, "The industry practice of refusing to write policies, charging differential rates, offering substandard coverage, discouraging applications, or imposing differential requirements as a condition of coverage based on the geographic location of a property or individual seeking coverage."

Let me interpret that. Under her definition, if I am an insurance agent, and I was one for over 30 years, and I never refused anybody insurance because of geography, if I charge a higher rate to an applicant because his neighbor's historical data points to a higher risk factor, I am engaged in redlining. Or if I require an applicant to make improvements designed to increase the security of that home, I am engaged in redlining. Or if I require an applicant to make improvements to remedy some

structural flaws, maybe just some steps up to the house because of liability claims, I am engaged in redlining.

Ladies and gentlemen, that is ridiculous. It would be great if risk did not change from community to community. It would definitely make it a lot easier, but it is just not reality. The reality is that every community has a different risk profile, and if we extend the definition of redlining to cover price differentials, we are really talking about instituting community rating.

That may be great for some people in high risk communities whose policies would be subsidized, but it would mean higher premiums for the rest of the Nation.

I would ask my colleagues how would their district fare if the logical conclusions of this legislation became a reality? I think the answer for most would be worse.

Do not misunderstand me. I believe that homeowners insurance should be subject to fair and sound underwriting principles. I believe it should be available to all Americans, free from discriminatory practices.

But this amendment is more about cross subsidization than simple fairness. So I would encourage my colleagues to benefit to some extent from my experience of 30-plus years in the business, and also the comments I have made and please vote no on the amendment.

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

Madam Chairman, I rise today in strong support of the Roybal-Allard Velázquez-Barrett-Kennedy amendment to H.R. 1188, the Anti Redlining in Insurance Disclosure Act. This amendment will make a number of key improvements to legislation that is sorely needed in the battle to end insurance discrimination.

Unfortunately, this is not a new issue. The practice of refusing to sell insurance policies or selling inferior ones in minority and inner city neighborhoods is pervasive. Evidence collected over the last 25 years suggests that insurers are discriminating based on certain unwarranted factors, including race. As Representative ROYBAL-ALLARD cited, this insidious practice denies individuals the ability to purchase homes and cars and to establish businesses, leading to decaying minority and low-income neighborhoods and economically deprived communities.

Clearly, reform in this area is needed. However, the current version of H.R. 1188 does not go far enough to make the reform effective and meaningful. This is not a killer amendment, far from it. The amendment offered by my colleagues will add critically important provisions that are needed to determine the extent of redlining.

First, the reporting of loss data is necessary to verify whether higher premiums paid in some neighborhoods are

justified. Second, voluntary reporting by census tract or ZIP-4 allows more explicit differentiation of neighborhoods composed of disparate racial and income characteristics, as Chairman KENNEDY pointed out. Third, the expanded geographic scope from 25 to 75 metropolitan statistical areas will increase coverage of many cities where insurance discrimination may be pervasive.

Also important is the amendment's call for voluntary reporting of race, national origin and gender. This information is essential for civil rights purposes. This information is regularly collected under a variety of other Federal laws, the best known of which is the Home Mortgage Disclosure Act.

I believe this compromise amendment will significantly strengthen the bill without unduly burdening the insurance industry. The gravity of the redlining situation merits a reasonable but forceful response. That response is contained in the provisions of the Roybal-Allard Velázquez-Barrett-Kennedy amendment. I commend my colleagues on the Banking Committee under the leadership of Mr. KENNEDY for their vision and sense of justice for consumers, and I urge my colleagues to support this important amendment.

□ 1610

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

Madam Chairman, I rise in strong opposition to the amendment.

H.R. 1188, as reported by the Committee on Energy and Commerce, is a carefully crafted, fair and balanced measure that mandates the collection of data in order to determine whether insurance redlining exists in our Nation's largest cities.

The Roybal-Allard amendment would dramatically expand the type and amount of data mandated for collection, far beyond what is necessary to determine whether redlining exists, and without regard for the additional costs it would impose upon the industry and consumers.

First, the amendment would require insurance companies to provide data for the 75 largest metropolitan areas, instead of the 25 required by the bill. The top 25 MSA's comprise more than 58 percent of the Nation's total metropolitan population.

An analysis of more than half of the Nation's urban population will be more than significant to determine the availability or insurance in major U.S. cities.

Second, the amendment would require companies to provide data on the race, ethnicity and gender of policy applicants and holders. Requiring insurance companies to provide this data assumes that they collect and use this data for some purpose. But nothing could be further from the truth. Insur-

ance companies do not collect this data, and have no need for this data because it is irrelevant to underwriting decisions.

The Roybal-Allard amendment would require insurers to ask questions about race and ethnicity that they do not now ask, engendering hostility and raising suspicions without furthering the purpose of the underlying bill: that is, to determine the availability of insurance in our Nation's cities.

This amendment is well-intentioned, but it does not strengthen the bill in any way whatsoever, and, if adopted, would lead to the defeat of the measure. Let us reject the amendment and pass the bill.

Mr. MOORHEAD. Madam Chairwoman, I move to strike the requisite number of words.

Madam Chairwoman, in looking at the effectiveness of the two proposals, the proposal in this legislation would require reporting from the largest 25 MSA's in the country. When you add an additional 50 MSA's, you only add about 18 percent of the Nation's population to that.

Under this bill, the largest MSA's that are required to report include almost all insurers. The amendment, however, would exempt nondesignated insurers which represent approximately 20 percent of the premium volume, bringing them down to 51.2 percent of the population that would be covered. This is only about 5 percent more than the original bill.

But there is a serious problem under this amendment because it exempts an entire category of insurers. This not only changes the total composition of the report but, more importantly, it also seriously undermines the accuracy of the report. Many of these insurers are niche marketers who work specifically with groups that may have had difficulty in obtaining insurance. Without the data collected from nondesignated insurers, the number of individuals insured in certain areas could look abnormally low; by comparison, one bill's provisions already assure that number will not be abnormally low.

I think it is important that we get a report from almost all insurers so that we know exactly how many people are able to get insurance when they apply for it.

The new proposal is not sound because the accuracy of the resulting report will suffer.

Mr. FARR of California. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise today to express my strong support for this amendment.

As it currently stands, H.R. 1188 lacks crucial provisions needed to determine the extent of redlining in the insurance industry.

Insurance industry discrimination is a profound problem that Congress can no longer overlook.

Residents of neighborhoods afflicted by redlining need Congress for relief.

Without affordable insurance people cannot buy a house, start a small business or drive their own car.

Without affordable insurance, revitalization of our cities will be seriously thwarted.

Without this amendment, many minority homeowners will either do without insurance or continue to pay inflated premiums.

We need basic information to determine insurance company practices and to ascertain the breadth of redlining.

This amendment will provide us with the necessary information by requiring adequate reporting.

Federal disclosure of information in the areas where insurance policies are written will help to combat discrimination, just as the Home Mortgage Disclosure Act helped reduce redlining and other discriminatory practices in the mortgage lending industry.

As with the Home Mortgage Disclosure Act this amendment will provide the option of voluntary reporting of race, gender and national origin, and of data by census tract.

It is in everyone's interest, from the poorest to the most affluent, to quickly end any vestiges of discrimination.

In my district, the local chapter of ACORN did a test.

The result showed that over half the callers from minority households, mostly Latino callers, were refused quotes over the phone, while no callers from the white areas were refused quotes; callers from minority neighborhoods were consistently offered quotes that were two to three times higher than callers from white areas; callers from minority areas were subjected to more stringent requirements than callers from other areas, such as onsite inspections and credit checks; and callers from minority areas had great difficulty getting coverage for theft.

ACORN members say they routinely experience significant difficulty getting insurance, and are subject to arbitrary cancellation and nonrenewal of insurance policies.

All members complain about paying exorbitant rates for coverage and about credit checks.

Several members have had their mortgage processing delayed because they could not get homeowners insurance coverage.

One member could not get coverage in time to close on a house, and thereby lost a mortgage.

We must not shrink from our duty to protect those whose voice is weak.

That is our collective responsibility. I urge my colleagues to vote "yes" on this amendment.

Ms. LAMBERT. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in opposition to the Roybal-Allard amendment

and encourage my colleagues to vote in opposition to it.

I would first like to thank my colleague, the gentlewoman from Illinois [Mrs. COLLINS], the chairwoman of the subcommittee, for her hard work and initiative on this very, very serious and important issue.

I think she has taken a great deal of time and energy, worked hard to bring to the floor a bill that will do a tremendous amount in decreasing prejudice and bringing available insurance to all people.

One of the issues about the amendment here is the fact that it is a costly amendment; the amendment would greatly increase the burdens of insurance data collection by increasing the number of metropolitan areas and requiring loss data reporting, census tract reporting. I think we can find basically that the census tracts are not consistent with the ZIP Code tracking.

We have seen some of that in our economic zones and empowerment zone proposals that we have been working with in our districts.

The amendment massively expands potential reporting requirements by giving the Secretary power to require census tract reporting by any insurers anywhere in the United States no matter how small the insurer and regardless of whether the insurer operates in a designated MSA.

The amendment basically or significantly weakens the bill. By exempting certain insurers from any reporting under the bill, the amendment means the collected data will fail to include information on about 20 percent of the policies in the metropolitan area.

□ 1620

This seriously lowers the quality of the data. We obviously have a great deal of current laws and regulations that are complicated. The gentlewoman from Illinois [Mrs. COLLINS] has done a great job in bringing forth a bill that minimizes that complication but provides the adequate and necessary protection in this industry.

The amendment destroys the balance in the bill, possibly destroying the consensus necessary for passage and enactment.

I encourage my colleagues to defeat the amendment.

Mr. ORTON. Madam Chairman, I move to strike the last word and reluctantly rise to state my opposition to the Roybal-Allard amendment to the insurance bill, H.R. 1188. I appreciate the concerns of the authors of this legislation, which is to try to determine whether redlining occurs in conjunction with homeowner and casualty insurance. I commend the efforts of the gentlewoman from Illinois [Mrs. COLLINS] and also the authors of this amendment. I believe we all share the goals of preventing improper discrimination in insurance access. I respect

my colleagues on the House Committee on Banking, Finance and Urban Affairs who are offering this amendment, sponsored by Representative ROYBAL-ALLARD. However, I am very concerned about the breadth of the provisions in this amendment.

I would like to briefly state my concerns and reasons for opposing this amendment. First, the amendment would require the insurers to disclose data on their losses. This provision raises very serious questions in my mind about the confidentiality of this information and that it could in fact be used detrimentally by insurance competitors. I frankly fail to see any value of this information being reported under this bill. In my opinion, the only plausible use of this information would be on the part of the insurance companies to defend themselves against other information which might indicate discrimination.

It seems to me that if the insurers want to collect this information voluntarily for this purpose, that should be their choice, but not necessarily a requirement.

Second, the amendment would expand the number of MSA's from 25 to 75. I believe this is unnecessary to meet the goal of determining whether and to what extent redlining actually exists; 25 MSA's identified in the bill would cover actually 60 percent of the metropolitan areas of the United States. This is a broad enough sample to make this determination.

Third, the amendment would require insurers to collect and report information about race. This could raise more questions about, and provide more opportunity for, discrimination that it could ever resolve.

Finally, the amendment expands reporting from a zip code to a census tract basis. I understand there are reasonable arguments on both sides of this issue as well. However, it is my belief that the very substantial added burden of this requirement is not offset by the potential increased value of this information.

I believe that the bill before us is a good bill. I believe that it will in fact move us toward determining whether such redlining exists, to what extent it exists, and help to eliminate such redlining.

Again, I commend the work of both the committees. I serve on the Committee on Banking, Finance and Urban Affairs; we have taken up legislation. I support the bill but oppose this amendment, and I would therefore urge defeat of the Roybal-Allard amendment but urge passage of the final bill.

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

Madam Chairman, I rise this afternoon to speak in support of the Roybal-Allard Velázquez amendment. Let me begin, however, by commending the

gentlewoman from Illinois [Mrs. COLLINS] for her long and outstanding work in bringing this bill to the floor. It is a meritorious bill, but I support the amendment because I believe it is essential to make this a better bill.

The problem of redlining goes right to the heart of the American dream, the right to own a home, to pay fair rates for insurance, to be able to enjoy the same things that people of all other races enjoy. The evidence, however, has documented very clearly that we have a problem of discrimination with regard to insurance rate-setting.

Let me suggest a study from the Missouri department of insurance, which found that Kansas City homeowners in four minority communities paid \$6.32 per thousand versus those in low-income white communities who paid only \$5.45 per thousand.

The loss ratio or amount of premium dollars paid out in claims, however was lower, in fact, in the minority communities, at 60 percent as opposed to the higher loss ratios in the white communities at 84 percent.

Thus, we see that there is a significant disparity in the rates paid in minority communities compared as with nonminority communities.

Now, why is this a good amendment? Why does this amendment address these concerns? Because, notably this amendment requires the collection of loss data. I heard a gentleman from the other side say, "What does loss data have to do with rate-setting?" The fact is he also said that what we really look at is risk. Well, risk is determined based upon loss experience.

So if the insurance companies are going to suggest that these disparities that we see between blacks and other minorities and nonminorities are based on risk for justifiable reasons, then they ought to be willing to disclose their loss experience, what in fact has been the case. They are unwilling to do that.

I think it is very significant that in this amendment, by requiring the collection of loss data, we are able to determine if in fact the insurance company explanations are legitimate or whether in fact they are discriminating based upon race. Because this measure is so significant, we cannot say that we are serious about dealing with redlining if we refuse to collect the loss data that is so essential in determining whether or not there are these disparities.

The amendment is good for another reason. It expands the number of MSA's that are included in the bill. Under the current language, only 25 MSA's are included. Under the amendment, 75 MSA's are included.

Can you imagine that you would have a national study that did not include Toledo, Louisville, Birmingham, New Orleans, San Antonio, Memphis, or Little Rock? It would not be much

of a study. In fact, the opponents of this amendment would have it both ways. They say, "Your amendment is not right because it only gets 80 percent of the premiums."

Yet they would only use 25 of the MSA's in this country. I do not believe that that is an accurate analysis.

It seems to me the amendment makes good sense because it collects essential data to determine whether there are legitimate reasons for the disparities and it conducts a study of sufficient breadth so that many communities that are potentially adversely affected by discrimination can be examined.

Madam Chairman, I urge adoption of the amendment.

Mr. GREENWOOD. Madam Chairwoman, I move to strike the requisite number of words, and I rise in opposition to the amendment. In order to understand why there is so much bipartisan opposition to this amendment, I think it is important to understand what this bill was designed to do in the first place and what it was not designed to do.

What it was not designed to do is to create a perpetual program to regulate the sale of insurance in the United States. What it is intended to do is to collect enough data to understand the problem, to analyze the problem, and then do something about it probably, with further legislation.

What the bill does is collect the data that has been described on page 8. It directs the Secretary to conduct a study regarding the availability of commercial insurance. On page 9, it sets up a pilot project for data collection in the five largest SMA's. On page 12, it goes into an analysis of that data. We collect enough data from half the country to understand and analyze what the problem is. On page 20, there is the creation of a task force on agency appointments, to review the problems that inner city and minority agents may have in receiving appointments to represent property and casualty insurance companies. So that is accomplished.

Then on page 25, the bill sunsets after 5 years. We have collected the information, analyzed it, created our task forces, and the bill sunsets.

Then finally on page 28, there is a study of insurer actions. What can we do about this problem?

The Secretary shall conduct a study of various practices, actions, programs, methods undertaken by insurers to meet the property and casualty insurance needs of low- and moderate-income neighborhoods.

Then there is a report back to the Energy and Commerce Committee so that we can decide if there is need for further legislation.

That is what the bill is intended to do, to collect data, analyze it, study it, create task forces, and then go forward with solutions. We do not need to col-

lect more data from more SMA's all over the country in order to do the analysis and the study this bill calls for.

□ 1630

The amendment should be defeated because it simply creates more burdensome requirements for collecting data that is unnecessary for a statistically accurate analysis of whether or not, and to what extent, there is a problem with redlining in this country. It adds nothing which would lead us to a solution of the problem.

For that reason and for others, Madam Chairwoman, I oppose the amendment.

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

Madam chairman, the issue here is very simply whether or not we want window dressing, redlining legislation, or whether or not we want real redlining legislation. If we want to find out what is going on in our country, we have got to ask the questions that can only be answered by the facts. If we want to get broad generalizations about whether or not insurance companies are writing information in some large geographic area, as large as a ZIP Code that would include inner city areas as well as wealthy suburbs, than certainly we can endorse the version of the legislation that is before the Committee on Energy and Commerce. But if we are truly interested in finding out what is going on in our country, we have to have more detailed information. It is more detailed; that is what our purposes are.

The fact is that, if it is still unclear, as I have heard a number of people say over the course of the last hour or so, that racial discrimination in writing of insurance policies exists, let me remind people of some of the testimony given before our committee. The California insurance group gave us maps which were given to agents which covered in yellow ink the Afro-American, Hispanic, and gay neighborhoods of San Francisco. The company deemed those areas off limits for the purposes of writing policies. California's insurance commissioner, John Garamendi, sued the company for unlawful discrimination, and ultimately he reached a \$500,000 settlement and won a commitment from the company to increase its business in minority and gay communities by \$3 to \$4 million over the next few years.

In Wisconsin, where the subcommittee held a hearing earlier this year, the NAACP recently filed a suit against the American Insurance Co., the American Family Insurance Co., that State's largest underwriters for homeowners insurance, for redlining minority areas in Milwaukee. One of the company's sales managers was caught on tape making the following statement, and I quote:

Very honestly, I think you write too many blacks \*\*\* you gotta sell good, premium-paying white people \*\*\* very honestly, black people will buy anything that looks good right now \*\*\* But when it comes to pay for it next time \*\*\* You're not going to get your money out of them. \*\*\* The only way you're going to correct your [performance] is get away from the blacks.

The agent who was the focus of those comments was subsequently fired.

In Brooklyn, we had an agent that gave testimony before our committee in which he used words that I will not repeat on this House floor to describe the attitude toward his parent company toward the Afro-American community.

Now the fact of the matter is this is anecdotal information. We have heard from a number of State commissioners that they need to have this detailed information. I have heard on the floor that the NAACP supports the underlying bill. It is not true. The NAACP has sent out a letter today that says that the legislation needs to have the provisions that are contained in the Roybal-Allard Velázquez amendment in order to receive its support.

Now, if we are serious about getting information about whether or not this kind of racial discrimination takes place, we are not in favor of overburdening the insurance industry, this is not going to cost the insurance industry a lot of money. It is going to take a computer programmer all the time it takes to punch a button to have the information kicked out by ZIP Code and plus four or census track versus the current Zip Code. Many of the insurance companies already use ZIP Code plus four in order to categorize their information. It is not excessively burdensome.

Finally, I would say to not even ask the question whether or not we are going to contain information regarding race and gender is unbelievable to me in a bill that is supposed to be designed to extract information about whether or not racial discrimination takes place. How can we not ask race and gender questions and expect to get information on whether or not racial discrimination takes place? This is plain and simple whether or not certainly we can get a lot of votes for bills that do nothing. But if the country is determined to get to whether or not there is discrimination, we need to have the specific information as to whether or not that kind of discrimination exists. The Roybal-Allard Velázquez amendment will get us that information.

Madam Chairman, I urge the Members of this House to vote in support of the Velázquez Roybal-Allard amendment and find out whether or not discrimination takes place in the insurance industry.

Mr. BACHUS of Alabama. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in opposition to the amendment, and I do so reluctantly in saying that I am a member of the Subcommittee on Consumer Credit and Insurance chaired by the gentleman from Massachusetts [Mr. KENNEDY], and I know that his intentions are honorable and that this bill, along with his amendment, attempts to determine if there is racial discrimination, something that we all oppose, I would hope, and something that we would all like this legislation to address this issue, and in fact I think the legislation before us; he spoke of San Francisco and Milwaukee, and I would point out to the Members that the legislation in its present form will address both of those concerns.

Now I wanted to compliment the gentleman from Massachusetts [Mr. KENNEDY] because I know that he and I share a concern, and that is a concern for the small regional carriers. From time to time these small, sometimes family business, sometimes minority owned, small regional carriers, are having to go out of business. Many of them are threatened today, and, as each one goes out of business, it has a tremendous impact in their home town, their home town insurance company. Some of them have been there over 100 years, and many of them, with each one going out of business, it means more market share concentrated in only a few large national concerns. And I think the gentleman from Massachusetts [Mr. KENNEDY], because of his concern for small regional insurance companies, he exempts them from many of the reporting requirements in this bill, and I think his intention is to see that we do not place any more undue regulations on those small insurance companies, and we do not force them out of business, and many of them, as I said, minority insurance companies and regional carriers.

But at the same time this amendment has an unintentional result, and this is something that we all want to guard against. We have an intention to accomplish a purpose, but in fact we end up with something quite different, and one reason I oppose this amendment is I believe it will have a detrimental effect on our small regional insurance companies.

Now why do I say that? Because when we expand from 25 to 75 metropolitan areas, we are catching in this regulatory net many of those small regional companies, and my home town will do that. We will catch insurance companies in that net, and we are going to have insurance companies, because they are not—they are major factors in a small market, and I say, when you expand to some of those smaller cities, you are going to catch those insurance companies, and that's a concern of mine. I know that there is what you have argued is a benefit. But I would point that out, and I would point

our particularly, and as you said in all truth, the gentleman from Massachusetts, several insurance companies today are reporting by nine-numbered ZIP Codes, and they are already doing that.

□ 1640

They are already doing that. But I would remind Members that some of the small regional carriers are not. Those are the very people that are not reporting and do not have that data and are going to have to go to great expense. Quite frankly, to some of these small regional carriers, they are important to that hometown economy in that smaller city. But it is going to be a tremendous cost to them.

The gentleman from North Carolina I think has pointed out other problems that we have when we go to a nine digit number and census track. But another problem is you are going to have some small regional carriers that are going to have to go through and make a very expensive process to comply with this. And in these two ways, unintended as they are, I think this is an unfriendly amendment to small regional insurance carriers in this country.

I say unintended. I have heard the gentleman say many times that he is concerned about this trend toward concentration of market share and only a few insurers.

Mr. KENNEDY. Madam Chairman, I ask unanimous consent that the gentleman from Alabama [Mr. BACHUS] be allowed to proceed for 2 additional minutes, so that I might enter into a dialog regarding some of the facts just mentioned.

The CHAIRMAN. Does the gentleman from Alabama [Mr. BACHUS] seek additional time?

Mr. BACHUS. I do not require additional time, Madam Chairman.

Mr. KENNEDY. Madam Chairman, I ask unanimous consent that I be allowed to proceed for 2 minutes.

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

Mrs. COLLINS of Illinois. Madam Chairman, I object.

The CHAIRMAN. Objection is heard.

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

Mr. KENNEDY. Madam Chairman, will the gentleman yield?

Mr. WATT. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. Madam Chairman, I wanted to deal with some of the factual inaccuracies just mentioned. The fact of the matter is under the amendment before us, 82 percent of the insurance companies in this country are going to be exempted. Eighty-two percent will be exempted. What we are talking about are the small insurance companies. The big insurance companies are

going to have to report it. As the gentleman himself pointed out, the major insurance companies in the United States in most cases are already going to ZIP Code plus 4. For any of the smaller companies that are included, we have offered under the Kanjorski amendment in the committee to pay for it.

Most of the insurance companies will have to pay something in the order of \$200 for the software to get this converted, the current data they collect, to ZIP Code plus 4 or census track. The cost argument is completely specious. The fundamental fact is even for the largest companies in the United States, the estimate that we have been given in our committee is that a cost of under \$3,000 would meet the total expenses they will incur under this bill. So I just do not believe that the cost argument holds any water with regard to the information that is going to be required under the amendment.

Mr. WATT. Madam Chairman, reclaiming my time, there are some of us in this body who do not need the statistical information, who already know that redlining exists. I think if you stop the regular guy on the street and ask him is there redlining taking place in this country, 80 to 90 percent of the people would tell you yes.

We started out hoping we would have a bill which addressed redlining. We were told, no, you cannot do that, because you need the statistical basis to document that redlining exists.

This amendment gives us the framework to do that. I want to address two parts of it.

One would require that the information that is collected be collected on the basis of race and gender. I do not know how you can document racial redlining in this country without having race data in the base.

The second part of the amendment that I want to address is this five-digit or nine-digit ZIP Code or census track issue. All of us know that five-digit ZIP Codes, as opposed to census tracks, cover high income areas, low income areas, black areas, white areas. And without this kind of information on a census track basis, how are we going to develop the statistical backdrop for addressing the redlining which we are told does not exist?

If the insurance companies insist that redlining does not exist, it would seem to me they would want us to have this information to document that fact. But if we are going to collect this information for the purpose of addressing or determining whether we need to address the problem, at least we ought to have the information that is necessary to document that redlining is going on in this country. And without race information, we cannot do that. I would submit to you without doing it on the census track basis, we cannot do it.

Madam Chairman, I would strongly encourage my colleagues to make this bill have some meaning in terms of its ultimate outcome, in terms of collecting the data that is necessary to document that redlining either does or does not exist in this country, by given the proper information. We cannot document it without race, sex, and we cannot document it without census. And those who would have it otherwise, I would submit, do not really want it to be documented in the first place.

Ms. WATERS. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in support of the Roybal-Allard Velázquez-Kennedy amendment to strengthen H.R. 1188. I am from Los Angeles, and we have been wrestling with this issue for many, many years. I live in a redlined community. It is very difficult to turn our communities around and to do economic development and to have home ownership when we are attacked from every direction. It is very difficult for people to be able to pull themselves out of this despair and hopelessness, when in fact we cannot get the insurance we need, whether we are talking about home mortgages, automobile insurance, business loans. We are redlined. We are excluded. We cannot get the insurance, and we are simply trying to get the data to prove what is going on in these communities, in the community that I live in and communities such as mine across this country.

Why would anyone want to protest against getting this information? I truly do not understand. We have exempted all of the small business because an argument was made that somehow this would be burdensome, this would be costly. So they have been exempted.

Now what is the argument? We know it is not costly to get the information. The gentleman from Massachusetts [Mr. KENNEDY] and others have talked about how they can access this information through sophisticated computerization. So I do not know what this defense is that is being mounted.

We simply need data. I would ask my colleagues to vote on the side of the consumer, to support consumers in this Congress. Help us to remove the barriers that exist in these communities such as mine, so that we can get the insurance that is needed to help move us forward and help us to be in this mainstream and have a decent quality of life.

Madam Chairman, I would simply ask us to get off the side of the big insurance companies and take a chance. Take a chance. They cannot do anything to you. If you vote to support this amendment, your constituents will love you for this, whether it is in my community or other like communities where they desperately need to be protected.

Mr. SERRANO. Madam Chairman, I rise in strong support of the strengthening amendment offered by Representatives ROYBAL-ALLARD, VELÁZQUEZ, and KENNEDY to the Anti Redlining in Insurance Disclosure Act.

As an early cosponsor of this legislation, I have long recognized the need for legislation to prevent the all-too-frequent, illegal, race-based discriminatory practices of some insurance companies.

Since H.R. 1188 was introduced on March 3 of last year, there has been a spate of cases around the country—in Missouri, Texas, New York, California, and Washington, among many others—in which insurers have been implicated in charging high premiums or denying policies to customers not on the basis of valid assessments of the individual's risk, but on the basis of his or her neighborhood, race, or income.

Opponents of anti redlining efforts may be inclined to note that an implication of illegal activity is not a determination of guilt, and that few of the redlining suits raised against insurers have resulted in convictions.

Far from a defense of the practices of some insurers, this reality constitutes the most powerful argument for a strong Anti Redlining in Insurance Disclosure Act.

The fact of the matter is that while available data is in many instances very highly suggestive of discriminatory practices, the loss data that this amendment would require, and the race, national origin, and gender reporting that it would call upon insurers to provide, are essential components of a national searchlight to clearly expose—and, hopefully, deter—discriminatory practices in the insurance industry.

Madam Chairman, over the last several decades our Nation has made great strides in erecting a legal system that outlaws the denial of the civil rights of the American people. Most unfortunately, however, although they are less visible now than in the days of Jim Crow, violations of civil rights continue.

As Members of Congress it is our duty to enact such laws as are necessary to eradicate these violations and establish a just society. I call upon my colleagues to help pass this important amendment.

□ 1650

The CHAIRMAN. The question is on the amendment offered by the gentleman from California Ms. ROYBAL-ALLARD.

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

RECORDED VOTE

Ms. ROYBAL-ALLARD. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 97, noes 333, not voting 9, as follows:

[Roll No. 338]

AYES—97

Abercrombie	Blackwell	Collins (MI)
Andrews (ME)	Bonior	Coyne
Bacchus (FL)	Brown (FL)	de la Garza
Barrett (WI)	Cardin	de Lugo (VI)
Becerra	Carr	DeFazio
Bellenson	Clayton	Dellums
Berman	Clyburn	Diaz-Balart

Dixon	LaFalce	Rose
Edwards (CA)	Lantos	Roybal-Allard
Engel	LaRocco	Rush
Eshoo	Lowey	Sabo
Evans	Maloney	Sanders
Farr	Martinez	Sawyer
Fazio	Matsui	Schroeder
Fields (LA)	McDermott	Schumer
Filner	McHale	Serrano
Flake	McKinney	Shepherd
Foglietta	Meehan	Stark
Ford (TN)	Menendez	Sweet
Frank (MA)	Mfume	Synar
Furse	Miller (CA)	Torres
Gonzalez	Mineta	Torricelli
Green	Mink	Trafilant
Gutierrez	Moakley	Unsold
Hamburg	Nadler	Velázquez
Hinchev	Norton (DC)	Vento
Jacobs	Olver	Waters
Johnson, E. B.	Owens	Watt
Johnston	Pastor	Waxman
Kennedy	Payne (NJ)	Woolsey
Kildee	Pelosi	Wynn
Klecicka	Romero-Barcelo	Yates
Kopetski	(PR)	

NOES—333

Ackerman	Darden	Holden
Allard	Deal	Horn
Andrews (NJ)	DeLauro	Houghton
Andrews (TX)	DeLay	Hoyer
Applegate	Derrick	Huffington
Archer	Deutsch	Hughes
Army	Dickey	Hunter
Bachus (AL)	Dicks	Hutchinson
Baessler	Dingell	Hutto
Baker (CA)	Dooley	Hyde
Baker (LA)	Doolittle	Inglis
Ballenger	Dornan	Inhofe
Barca	Dreier	Insee
Barcia	Duncan	Istook
Barlow	Dunn	Jefferson
Barrett (NE)	Durbin	Johnson (CT)
Bartlett	Edwards (TX)	Johnson (GA)
Barton	Ehlers	Johnson (SD)
Bateman	Emerson	Johnson, Sam
Bereuter	English	Kanjorski
Bevill	Everett	Kaptur
Bibray	Ewing	Kasich
Bilirakis	Fawell	Kennelly
Bishop	Fields (TX)	Kim
Bliley	Fingerhut	King
Blute	Fish	Kingston
Boehlert	Ford (MI)	Klein
Boehner	Fowler	Klink
Bonilla	Franks (CT)	Klug
Borski	Franks (NJ)	Knollenberg
Boucher	Gallegly	Kolbe
Brewster	Gedens	Kreidler
Brooks	Gekas	Kyl
Browder	Gephardt	Lambert
Brown (CA)	Geren	Lancaster
Brown (OH)	Gibbons	Laughlin
Bryant	Gilchrest	Lazio
Bunning	Gillmor	Leach
Burton	Gilman	Lehman
Buyer	Gingrich	Levin
Byrne	Glickman	Levy
Callahan	Goodlatte	Lewis (CA)
Calvert	Goodling	Lewis (FL)
Camp	Gordon	Lewis (GA)
Canady	Goss	Lewis (KY)
Cantwell	Grams	Lightfoot
Castle	Grandy	Linder
Chapman	Greenwood	Lipinski
Clay	Gunderson	Livingston
Clement	Hall (OH)	Lloyd
Clinger	Hall (TX)	Long
Coble	Hamilton	Lucas
Coleman	Hancock	Machtley
Collins (GA)	Hansen	Mann
Collins (IL)	Harman	Manton
Combest	Hastert	Manzullo
Condit	Hastings	Margolies
Conyers	Hayes	Mezvinsky
Cooper	Hefley	Markey
Coppersmith	Hefner	Mazzoli
Costello	Hergert	McCandless
Cox	Hillard	McCloskey
Cramer	Hoagland	McCollum
Crane	Hobson	McCrery
Crapo	Hochbrueckner	McDade
Cunningham	Hoekstra	McHugh
Danner	Hoke	McInnis

McKeon	Quinn	Spence
McMillan	Rahall	Spratt
McNulty	Ramstad	Stearns
Meek	Rangel	Stenholm
Meyers	Ravenel	Stokes
Mica	Reed	Strickland
Michel	Regula	Studds
Miller (FL)	Reynolds	Stump
Minge	Richardson	Stupak
Molinar	Ridge	Sundquist
Mollohan	Roberts	Swift
Montgomery	Roemer	Talent
Moorhead	Rogers	Tanner
Moran	Rohrabacher	Tauzin
Morella	Rostenkowski	Taylor (MS)
Murphy	Roth	Taylor (NC)
Murtha	Roukema	Tejeda
Myers	Rowland	Thomas (CA)
Neal (MA)	Royce	Thomas (WY)
Neal (NC)	Sangmeister	Thompson
Nussle	Santorum	Thornton
Oberstar	Sarpalitus	Thurman
Obey	Saxton	Torkildsen
Ortiz	Schaefer	Towns
Orton	Schenk	Tucker
Oxley	Schiff	Upton
Packard	Scott	Valentine
Pallone	Sensenbrenner	Visclosky
Parker	Sharp	Volkmer
Paxon	Shaw	Vucanovich
Payne (VA)	Shays	Walker
Penny	Shuster	Walsh
Peterson (FL)	Sisisky	Weldon
Peterson (MN)	Skaggs	Wheat
Petri	Skeen	Williams
Pickett	Skelton	Wilson
Pickle	Slattery	Wise
Pombo	Slaughter	Wolf
Pomeroy	Smith (IA)	Wyden
Porter	Smith (MI)	Young (AK)
Portman	Smith (NJ)	Young (FL)
Poshard	Smith (OR)	Zeliff
Price (NC)	Smith (TX)	Zimmer
Pryce (OH)	Snowe	
Quillen	Solomon	

NOT VOTING—9

Bentley	Gallo	Washington
Faleomavaega	McCurdy	Whitton
(AS)	Ros-Lehtinen	
Frost	Underwood (GU)	

□ 1715

Ms. SLAUGHTER and Messrs. RANGEL, HILLIARD, PORTMAN, ROSTENKOWSKI, and NEAL of Massachusetts changed their vote from "aye" to "no."

Mr. ROSE and Mr. PAYNE of New Jersey changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FIELDS OF LOUISIANA

Mr. FIELDS of Louisiana. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FIELDS of Louisiana: Page 3, line 10, strike "and" and insert a comma.

Page 3, line 13, strike "and" and insert "an explanation of each of the reasons for which exposure units were canceled or not renewed by such insurer, and the total exposure units canceled and not renewed for each such reason."

Page 3, line 23, strike the period and insert "and".

Page 3, after line 23, insert the following new clause:

(iii) the total number of written applications or written requests to issue an insurance policy submitted to such insurer (or any agent or broker of the insurer) that were declined, an explanation of each of the reasons for which such applications or requests

were declined, and the total number of declarations for each such reason.

Page 24, line 16, after "insurance policies" insert ", exposure units cancelled or not renewed, and written applications or requests to issue and insurance policy declined."

Mr. FIELDS of Louisiana (during the reading). Madam 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 Louisiana?

There was no objection.

Mrs. COLLINS of Illinois. Madam Chairman, will the gentleman yield?

Mr. FIELDS of Louisiana. I yield to the gentlewoman from Illinois.

Mrs. COLLINS of Illinois. Madam Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto be limited to 20 minutes, to be followed immediately by a vote on this amendment and all amendments thereto.

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

There was no objection.

Mr. FIELDS of Louisiana. Madam Chairman, I thank the gentlewoman from Illinois for working so hard to bring a bill of this nature to the floor, but we must be mindful of the fact that we can always make legislation better. This amendment certainly reaches the core of the redlining problem we have in this country.

Madam Chairman, this amendment provides for something very basic, that is, consumer protection.

Madam Chairman, whenever we deal with the issue of redlining, it is a nasty and somewhat unconscionable event to deal with in the first place, because it is already illegal. This amendment gets at the core of redlining in our country. It is a consumer information, right-to-know amendment.

This amendment is very simple. It provides that whenever a person is denied insurance, then that information ought to be given to the Secretary of Commerce.

□ 1720

That is very basic.

We have people all across this country—there are 46 States in this country that do not have any requirement whatsoever when a person is denied insurance.

First of all, in order to drive an automobile in this country many States require that you have automobile insurance. In order to buy a house for a first time homeowner you have to have mortgage insurance before you can get the mortgage for that particular home.

The problem we have in this country is we have so many people who are being denied insurance and for no legitimate reason whatsoever. So if we are going to address the redlining problem in this country, we must adopt this amendment.

This amendment is very simple. When a person applies in writing for insurance, be it automobile insurance or be it mortgage insurance, then that company who denies that individual insurance must report that information to the Secretary of Commerce. There is nothing wrong with that. That is very basic. Anybody who is denied insurance in this country ought to know why they are being denied. How can you correct a problem if you do not know the problem exists in the first place? One cannot correct a problem, Madam Chairman, if they do not know the problem exists.

For example, Madam Chairman, this is a very serious problem that we have in this country. We have people who go to the bank to get a loan to buy their first home and they cannot buy because they cannot get insurance. Banks will not give them money unless they have insurance. What do they do? They go to the insurance company and they say please give me insurance, and they deny them; they do not have to give them any reason whatsoever for that denial, and they have no government protection.

This amendment goes to the core of the problem in terms of redlining. This amendment says when you deny a person insurance in this country you ought to give a reason why, and these reasons ought to be legitimate, because they have to be reported to the Secretary of Commerce.

What is wrong with that, Madam Chairman? Many will lead Members to believe that there is some cost factor involved in this amendment, that it is going to cost the industry millions upon millions of dollars. Let me say if an insurance company denies or chooses not to renew a person's insurance policy, I would hope that they send them a communication through the mail in the first place. If you are not going to have your insurance policy renewed, then it is just decency, and as matter of fact in many States it is the law to send the individual a letter denying him renewal. So what additional costs will it cost the insurance companies?

Madam Chairman, all we are simply going to say is when they deny a person insurance, when they send that letter of denial or refuse to renew, then they must also include in that letter the reasons why they have denied that person insurance once they file that information with the Federal Government. It is a very simple matter. I certainly ask all of my colleagues to vote for this amendment. It is so simple. If Members are for an individual receiving a reason why he or she is denied insurance, then vote for this amendment. If they feel that a consumer in this country has no right whatsoever to receive the reason why he or she is denied insurance, then vote against the amendment.

Madam Chairman, that is the amendment. It is as simple as that. It does not ask for any additional burden on insurance companies. It is already illegal to redline in this country. In order for us to find out how insurance companies are redlining, and if they are in fact redlining in this country, we are going to have to have these vital statistics; we are going to have to have this information. How can we even have the thought of passing an insurance redlining bill in this Congress and not have an amendment in the legislation that provides that an insurance company ought to give the reason why the individual was denied? That is no more than right. That is no more than fair. Even a child, Madam Chairman, when you have a child, a good parent will not tell a child not to touch a hot stove and not tell them why they ought not touch the hot stove, because the minute you walk out of the room that child is probably going to touch the stove. You say, "Child, do not touch the stove because it is hot and you can get burned."

Now we have insurance companies saying you cannot get insurance and we are not going to tell you why.

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

Madam Chairman, let me say that we have just this afternoon had two amendments to H.R. 1188 and they were defeated overwhelmingly. We now have a third amendment on the House floor, and all it does basically is add more paperwork, extra costs, and more bureaucracy.

I think the House has spoken, Madam Chairman, pretty clearly on the other two amendments, I say to my colleagues we have already spoken on this. All this amendment does is go ahead and ask for more information when the basic bill, H.R. 1188, already provides the necessary information to determine the extent of redlining, for declination, which is what the gentleman has asked for. So we already have existing in the bill the information that is necessary, and there is no need for additional reporting.

The CBO, as I mentioned earlier, noted in their cost estimates of the Committee on Banking, Finance, and Urban Affairs that the more data you collect and analyze and make available to the public, the higher the cost to the Federal Government. I think we have here a bill that has bipartisan support. When we talk about consumer protection, I think the chairwoman of the Subcommittee on Energy and Commerce has done an extraordinary job in all of her efforts here in Congress to protect consumers, and she is fully supportive of this bill. So I would say to my colleagues, with her background of consumer protection and what we have seen in the prior votes here, we do not need to add any more reporting to H.R. 1188. So I call on the Members to vote "no."

Mr. POMEROY. Madam Chairman, will the gentleman yield?

Mr. STEARNS. I am glad to yield to the gentleman from North Dakota.

Mr. POMEROY. Madam Chairman, the amendment at issue really departs from redlining and a study of redlining for which the collection of data and the evaluation of it is required. The amendment is actually a regulatory requirement.

Is it not the gentleman's understanding that the business of insurance is regulated at the State level?

Mr. STEARNS. The gentleman is correct. I think the gentleman with his background in this is concise in that, and the gentleman is right on the matter, and I am glad he pointed it out.

Mr. POMEROY. Madam Chairman, in the 8 years that I was the commissioner of insurance in North Dakota, consumers had the right of exactly the type of disclosure the gentleman is seeking in this amendment, except it was provided under State law. I believe if the distinguished gentleman from Louisiana would have checked, States routinely provide exactly this type of disclosure protection to consumers. It is provided by State law as a regulatory matter and has no business in this redlining bill.

Mr. STEARNS. I compliment the gentleman for his critique on this. He basically states the issue, and it is regulatory.

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

Madam Chairman, I will be very brief on this. I have already laid out my opinions about this bill and the amendments to it in my previous statement on the prior amendment. But I want to confess one additional motivation on this, and that is just a human nature motivation.

My objective, and I think the objective that we have here is to get insurance companies, if they are engaging in redlining, to stop doing it. When people have to report the reasons for denying insurance, human nature kicks in, the urge to be honest kicks in. And I think people will be more inclined, insurance companies will be more inclined to write the insurance policy rather than give an honest reason for denying the insurance.

□ 1730

I think that in and of itself, in addition to the arguments that I have previously submitted on the earlier amendment, justify this amendment, and I would urge my colleagues to support the amendment.

Mrs. COLLINS of Illinois. Madam Chairman, I move to strike the requisite number of words.

Let me commend the gentleman from Louisiana [Mr. FIELDS] for his hard work in this area. He is a very able Member of this body and a great friend of consumers.

This amendment is very well intentioned. Let me say three things about the Fields amendment. First, unlike earlier versions, this amendment will not directly help individual consumers. The earlier versions required insurance companies to report to individual consumers, and in contrast, this amendment calls for more reporting to the Secretary.

Second, this amendment is premature and jumps the gun.

My original bill sought to get information like this, but we found some practical problems with it. In particular, while insurance companies maintain standard information in their data bases about actual policies, they did not maintain the information about applications. There were other questions raised, too, like how to define an application.

As a result, the bill includes a study by the Secretary of the feasibility and utility of collecting information on the characteristics of insurance applicants and the reasons for rejection of applicants.

Let us wait for the Secretary's study to assess the feasibility and utility of this. Let us not jump the gun.

Third, throughout the process, we tried to minimize the burdens on insurance agents. There are many of these small independent businessmen and women throughout the Nation. I am pleased that the major agency organizations support the bill, and unfortunately, this amendment would add a burden to those agents.

I would urge the defeat of this amendment.

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

Madam Chairman, you know, it is not in the Constitution, but in modern-day America there are two things you have to have: credit and insurance.

We found in the application of credit that it is absolutely fundamental that the consumer have the right to know why he is being denied. And you know what, it worked. It was not too burdensome. It was not too onerous. It did help the consumer in one of two ways: He found out what he had to do to get his credit in shape, or we were able to find out somebody was discriminating.

I would submit to my colleagues this is exactly what we are trying to do, find out what the consumer needs to do to get insurance, or have the Secretary be in a position to find out that somebody is discriminating.

Now, you hear that this is so burdensome. Madam Chairman, ladies and gentleman, we are not asking the insurance industry to submit an essay exam. They simply check the box, lapsed insurance, failure to pay, poor credit, whatever the reason is. That way we can make some evaluation whether they are giving legitimate reasons and whether certain communities

seem to have a disproportionate amount of lapsed policies, terminated policies, denied policies. This is basic common sense in modern-day America.

This amendment is supported by ACORN, the National League of Cities, the NAACP, the Consumer Federation of America, and Public Citizen.

I would like to commend the gentleman from Louisiana for a very sensible, reasonable, rational, and certainly not burdensome amendment.

Mr. KENNEDY. Madam Chairman, will the gentleman yield?

Mr. WYNN. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. Madam Chairman, I want to very much support the efforts of the gentleman from Louisiana [Mr. FIELDS] to require the insurance industry of America to at least, at a bare minimum, tell the customer why they are turned down, if a potential customer asks for an insurance policy.

We have watched on the floor of this House any attempt to get real information regarding racial discrimination or redlining eliminated from this bill. Make no mistake about it, the way this bill is structured today, it does not meet the NAACP test. It does not meet the consumers' test. It does not meet any of the organizations that have the best interests of the ordinary people of America at heart.

Does it have the support of the insurance industry? You bet it does.

Does it have the support of the other side of the aisle? You bet it does, and all too often it has the support of Members that are interested not so much in necessarily how we are going to look out for the interests of the consumers of America but how we are going to look out for the interests of the biggest industries.

What I say is that this attempt by the gentleman from Louisiana [Mr. FIELDS] to simply ask that industry to tell us whether or not the information that they are denying people access to credit on is going to be made available to those individuals, is just basically fair, and a very reasonable amount of information to require.

It is not going to be overly burdensome. It will not get in the way of the insurance industry to make money. It will only give recourse to those individuals that are denied the opportunity to get those insurance policies a reason for that denial.

Mr. FIELDS of Louisiana. Madam Chairman, will the gentleman yield?

Mr. WYNN. I yield to the gentleman from Louisiana.

Mr. FIELDS of Louisiana. Madam Chairman, the gentleman from North Dakota mentioned earlier that the States are regulated, that this issue is regulated through the States, and the States mandate they give written reasons why they are denied, individuals are denied insurance.

According to the CRS report, only four States in the entire Nation require

that the insurance companies give reasons why they deny consumers insurance in this country.

Mr. KENNEDY. If the gentleman will yield further, the gentleman is exactly correct. There are three or four States that have passed this enlightened legislation. The vast majority of the States do not require anything along these lines, and it is those States, States like New York and California and Illinois where we have the problem of insurance redlining in the major cities of America, in the urban areas of America, where this problem is so rampant that we need to have this basic disclosure. If we are not going to require census tract, if we are not going to require MSA's, if we are not going to require all the provisions that were in the Velázquez and Roybal-Allard amendment, at least at the very minimum tell the individual American people why they are being denied. If it is not for racial reasons, tell them why they are denied access to insurance.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. FIELDS].

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

RECORDED VOTE

Mr. FIELDS of Louisiana. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 123, noes 305, not voting 11, as follows:

[Roll No. 339]

AYES—123

Abercrombie	Frank (MA)	Norton (DC)
Ackerman	Frost	Oberstar
Andrews (ME)	Furse	Oliver
Bacchus (FL)	Gejdenson	Ortiz
Barrett (WI)	Gephardt	Owens
Becerra	Gilman	Pastor
Bellenson	Gonzalez	Payne (NJ)
Berman	Green	Pelosi
Bishop	Gutierrez	Poshard
Blackwell	Hastings	Rangel
Bontor	Hayes	Reynolds
Brooks	Hefley	Rose
Brown (CA)	Hefner	Rostenkowski
Brown (FL)	Hinchee	Roybal-Allard
Carr	Jefferson	Rush
Clay	Johnson, E. B.	Sabo
Clayton	Johnston	Sanders
Clement	Kanjorski	Schumer
Clyburn	Kennedy	Serrano
Collins (MI)	Kildee	Skaggs
Conyers	Klecicka	Slaughter
Costello	Klein	Stark
Coyne	Klink	Stokes
de la Garza	Kopetski	Studds
de Lugo (VI)	Lantos	Swett
Dellums	LaRocco	Synar
Diaz-Balart	Lewis (GA)	Tauzin
Dicks	Lowey	Thompson
Dixon	Maloney	Torres
Durbin	McCloskey	Torricelli
Edwards (CA)	McDermott	Trafcant
Engel	McHale	Tucker
Eshoo	McKinney	Unsoeld
Evans	Meehan	Velazquez
Farr	Menendez	Vento
Fields (LA)	Mfume	Watt
Filner	Miller (CA)	Waxman
Fingerhut	Mineta	Wheat
Flake	Mink	Wyden
Foglietta	Montgomery	Wynn
Ford (TN)	Nadler	Yates

NOES—305

Allard	Gilchrest	Meek
Andrews (NJ)	Gillmor	Meyers
Andrews (TX)	Gingrich	Mica
Applegate	Glickman	Michel
Archer	Goodlatte	Miller (FL)
Armey	Goodling	Minge
Bachus (AL)	Gordon	Moakley
Baesler	Goss	Mollinari
Baker (CA)	Grams	Mollohan
Baker (LA)	Grandy	Moorhead
Ballenger	Greenwood	Moran
Billey	Gunderson	Morella
Barca	Hall (OH)	Murphy
Barlow	Hall (TX)	Murtha
Barrett (NE)	Hamburg	Myers
Bartlett	Hamilton	Neal (MA)
Barton	Hancock	Nussle
Bateman	Hansen	Obey
Bentley	Harman	Orton
Bereuter	Hastert	Oxley
Bevill	Herger	Packard
Bilbray	Hoagland	Pallone
Bilirakis	Hobson	Parker
Bliley	Hochbrueckner	Paxon
Blute	Hoekstra	Payne (VA)
Boehliert	Hoke	Penny
Boehner	Holden	Peterson (FL)
Bonilla	Horn	Peterson (MN)
Borski	Houghton	Petri
Boucher	Hoyer	Pickett
Brewster	Huffington	Pickle
Browder	Hughes	Pombo
Brown (OH)	Hunter	Pomeroy
Bryant	Hutchinson	Porter
Bunning	Hutto	Portman
Burton	Hyde	Price (NC)
Buyer	Inglis	Pryce (OH)
Byrne	Inhofe	Quillen
Callahan	Inslee	Quinn
Calvert	Istook	Rahall
Camp	Jacobs	Ramstad
Canady	Johnson (CT)	Ravenel
Cantwell	Johnson (GA)	Reed
Cardin	Johnson (SD)	Regula
Castle	Johnson, Sam	Richardson
Chapman	Kaptur	Ridge
Clinger	Kasich	Roberts
Coble	Kennelly	Roemer
Coleman	Kim	Rogers
Collins (GA)	King	Rohrabacher
Collins (IL)	Kingston	Romero-Barcelo
Combest	Klug	(PR)
Condit	Knollenberg	Roth
Cooper	Kolbe	Roukema
Coppersmith	Kreidler	Rowland
Cox	Kyl	Royce
Cramer	LaFalce	Sangmeister
Crane	Lambert	Santorum
Crapo	Lancaster	Sarpalius
Cunningham	Laughlin	Sawyer
Danner	Lazto	Saxton
Darden	Leach	Schaefer
Deal	Lehman	Schenk
DeFazio	Levin	Schiff
DeLauro	Levy	Schroeder
DeLay	Lewis (CA)	Scott
Derrick	Lewis (FL)	Sensenbrenner
Deutsch	Lewis (KY)	Sharp
Dickey	Lightfoot	Shaw
Dingell	Linder	Shays
Dooley	Lipinski	Shepherd
Doolittle	Livingston	Shuster
Dornan	Lloyd	Sisisky
Dreier	Long	Skeen
Duncan	Lucas	Skelton
Dunn	Machtley	Slatery
Edwards (TX)	Mann	Smith (IA)
Ehlers	Manton	Smith (MI)
Emerson	Manullo	Smith (NJ)
English	Margolles-	Smith (OR)
Everett	Mezvinsky	Smith (TX)
Ewing	Markey	Snowe
Fawell	Martinez	Solomon
Fazio	Matsui	Spence
Fields (TX)	Mazzoli	Spratt
Fish	McCandless	Stearns
Ford (MI)	McCollum	Stenholm
Fowler	McCrery	Strickland
Franks (CT)	McDade	Stump
Franks (NJ)	McHugh	Stupak
Gallely	McInnis	Sundquist
Gekas	McKeon	Swift
Geran	McMillan	Talent
Gibbons	McNulty	Tanner

Taylor (MS)	Upton	Wise
Taylor (NC)	Valentine	Wolf
Tejeda	Visclosky	Woolsey
Thomas (CA)	Volkmer	Young (AK)
Thomas (WY)	Vucanovich	Young (FL)
Thornton	Walker	Zeliff
Thurman	Walsh	Zimmer
Torkildsen	Weldon	
Towns	Williams	

NOT VOTING—11

Faleomavaega (AS)	McCurdy	Washington
Gallo	Neal (NC)	Waters
Hilliard	Ros-Lehtinen	Whitten
	Underwood (GU)	Wilson

□ 1758

Mrs. BYRNE changed her vote from "aye" to "no."

Messrs. ROSE, FORD of Tennessee, and STOKES changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. If there are no other amendments, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. TORRES) having assumed the chair, Ms. DELAURO, 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. 1188) to provide for disclosures for insurance in interstate commerce, pursuant to House Resolution 475, reported the bill back to the House with an amendment adopted by the Committee of the Whole.

□ 1800

The SPEAKER pro tempore (Mr. TORRES). Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed, and a motion to reconsider was laid upon the table.

**MOTION TO INSTRUCT CONFEREES ON H.R. 3355, VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1993**

Mr. MCCOLLUM. Mr. Speaker, I offer a privileged motion to instruct conferees on the bill (H.R. 3355) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to allow grants to increase police presence, to expand and improve cooperative efforts between law enforcement agencies and members of their community to address crime and disorder problems, and otherwise to enhance public safety.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. MCCOLLUM moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to the bill H.R. 3355 be instructed not to make any agreement that does not include section 2405 of the Senate amendment, providing mandatory prison terms for use, possession, or carrying of a firearm or destructive device during a State crime of violence or State drug trafficking crime.

The SPEAKER pro tempore. The gentleman from Florida [Mr. MCCOLLUM] will be recognized for 30 minutes, and the gentleman from New Jersey [Mr. HUGHES] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. MCCOLLUM].

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

Mr. Speaker, I would like to explain this motion to instruct conferees. What I am offering today is a motion to instruct conferees on the crime bill, on a portion of the bill that is in the Senate, the other body's bill, and is not in the House bill, one that we were not allowed to have the opportunity to vote on on the floor by our Committee on Rules, even though I requested the opportunity to be given to us. I think this is a very important motion to instruct.

Mr. Speaker, I want to express what this does in as succinct terms as I know how. First of all, it deals with the question of somebody who is committing a State crime of violence or a State drug trafficking offense, not a Federal crime as the underlying crime, and who does that crime either in possession of or with the use of a gun.

This particular provision, if we were to adopt it and it becomes law, that this motion to instruct goes to, would mean that there would be a new Federal crime, in addition to the State conviction for the underlying crime of violence or drug trafficking, a new Federal crime for the simple possession or use of a firearm in the commission of that underlying crime, and that new Federal crime would carry with it minimum mandatory sentences in given circumstances that could not be reduced for any reason whatsoever, not for good time, not for any reason.

The minimum mandatory prison terms for the first offense would be 10 years for knowingly possessing a firearm during the commission of one of these State crimes of violence or drug trafficking, 20 years for discharging such a firearm with intent to injure such a person, or 30 years for knowingly possessing a firearm that is a machine gun or destructive device or one that has a silencer or muffler on it. It does not federalize at all the State crime. It simply adds a new Federal crime.

All you have to do to prove the new Federal crime is to show that there is an underlying conviction or a crime of violence or a drug trafficking offense

as is defined in that State court, and that there was the possession or the requisite use and the technical nature to get the particular minimum mandatory sentence.

If somebody does this twice, it would simply double the minimum mandatories for the first and second mandatories, of possession to 20 years, for discharge—actually to 30, it doesn't quite double it in that case, and it goes to life imprisonment if you are using a machine gun or destructive device or silencer, and for the third offense, a mandatory life sentence.

This would send a very powerful deterrent message against anybody trying to use a gun in the commission of any crime in this country.

I would add to my colleagues who think this goes overboard, I do not think this does at all. I think this gets to the very heart of the problem we have been needing to get at for a long time in this country. It gets to the problem that too many people are using guns today, and it gets to the problem of the repeat violent offender, violence being the No. 1 problem in crime today. Six percent of those who commit crimes out there today are committing 70 percent of the crimes of violence, and they are repeat offenders. They are serving only about 38 percent of their sentences.

What we need to do is lock these folks up for long periods of time, and we need to send a message of deterrence. Local police officers around the country in many forums where I have been this past year have told me that among those committing these types of crimes, primarily our younger people, there is a regular chain of communication. They know the score. The first thing they ask when they are arrested is, if they are arrested at all for any of these crimes, is this a Federal crime or is it a State crime? They know if it is a Federal crime, they are going to do the time, because we have right now the 85 percent rule. You have truth in sentencing at the Federal level. We have been trying to achieve that in this crime bill for the States for repeat violent offenders.

This particular provision would allow us to extend existing Federal law in firearms cases to cover all cases where firearms are being used in felonies, in violent felonies and drug trafficking offenses.

Let me give you an example of what existing Federal law would do and does when this is properly utilized. In the previous administration we had what is called operation trigger lock using it.

At the present time, if you are a convicted felon, whether it is a State court conviction or a Federal court conviction, it matters not. If you are a convicted felon and then you are convicted of a crime again with a gun, even if you are in possession of a gun and are not convicted of a separate crime, you will

have committed a new Federal crime for the similar possession of the firearm.

Operation trigger lock, with some minimum mandatory sentences that are on the books for that particular Federal crime, was a provision that the Justice Department in the previous administration had been using for several months before the new one came in to take some of these folks off the streets, out of the State systems where they had been convicted, throw the book at them in selected cases, lock them up and throw away the keys, do what we wanted to do to send that deterrent message.

□ 1810

All this provision does is to extend that option to the Justice Department. I do not think that the present administration is right. They would kill that operation trigger lock idea. They said, we do not have time to fiddle with that.

I would submit to everybody out there that this is indeed exactly what should be being done now. If we are going to stop the crime of violence problem we have in this Nation, the crisis we currently face, we have to begin getting serious about taking the violent criminals who are using guns off the streets, locking them up, and throwing away the keys.

No, we cannot lock everybody up in the Federal Prison System. No, this proposal would not do that. But it would give the Justice Department and the local State's U.S. attorneys the option of being able to do it when they selectively felt it was important. And it would give the message, if it is utilized on a selective basis out there, to the guy on the street that "if you commit a crime with a gun, you are really going to risk doing some very serious time in jail, minimum mandatory sentences being possible, in addition to your underlying crime."

So I encourage the adoption of this motion to instruct today to send our conferees on the crime bill the message, we want them to accept this Senate provision. Get tough on these repeat offenders and allow the U.S. attorneys around the country to have this additional tool to get at those who commit crimes of violence and drug trafficking, who are convicted in State courts using a gun, the opportunity to prosecute them in addition to the State offense for this new Federal offense of using or possessing the gun.

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

Mr. HUGHES. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, I rise in opposition to the McCollum motion to instruct conferees to accept that portion of H.R. 3355 that basically would federalize the carrying of a weapon during the commission of the State offense involving

an act of violence or a State drug crime.

It is probably one of the worst motions to instruct that one could offer because it would federalize State offenses involving a firearm, and there are literally hundreds of thousands of State offenses involving a firearm.

It covers the possession of a firearm, the use of a firearm or carrying of a firearm. As I understand it, it would require a separate Federal prosecution in every case.

I understand that it would require not just the State prosecution but a Federal prosecution.

Mr. Speaker, I would like to yield to the gentleman from Florida, maybe he can respond to me as to what he envisions would be the role of Federal prosecution. Is it his understanding it would require a Federal prosecution besides a State prosecution?

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

Mr. HUGHES. I yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Speaker, what would be required, as I interpret this and the way I helped craft it, is that we would have an underlying State crime and once the State conviction occurred that was the prerequisite to this, then there would have to be a separate Federal prosecution for the Federal crime which would involve a simple prosecution because we would have to prove only two things: First, the underlying State conviction of the crime that was the prerequisite and, second, that there was a possession or use of the firearm in that crime.

Mr. HUGHES. The gentleman has answered my question. This is D'Amato basically revisited in many respects because it would federalize State offenses, once again.

I am not sure what is going to be just a State crime. Even though the States prosecute 95 percent of street crime, we are more and more federalizing all kinds of State offenses.

That particular motion to instruct and the provisions of the Senate bill is opposed by the Department of Justice. And I have a letter from the Attorney General, and I will read just a portion of it.

The administration strongly opposes the Senate provisions which would largely obliterate the distinction between Federal and State criminal jurisdiction. These provisions represent a false promise of action in fighting violent crime, a promise that will not be realized given limited Federal resources. At best these provisions,

I am reading from another section of the letter,

at best these provisions would be ineffectual; at worst, they would divert Federal resources from dealing with distinctively Federal matters in interstate crime, activities that Federal law enforcement is uniquely competent to handle.

It is opposed by the Administrative Office of the Courts. The administra-

tive office indicates that it would put 200,000 new cases in the Federal system. It is opposed by the Sentencing Commission.

The Sentencing Commission indicates that over the next 9 years, if we were to adopt this motion to instruct in the conference, it would increase our Federal prison population by 383.9 percent, 383.9 percent.

Look, I am under no illusion about whether this amendment is going to pass. Because if it sounds tough around here, it will pass whether it makes sense or not. But I tell Members, this particular amendment, if we adopt it in conference, would create chaos in the Federal courts. We are not reaching civil cases today. And we are not processing the Federal cases as rapidly as we can because we do not have the resources to do it.

How in the world one could argue that by basically federalizing State offenses we are going to advance the cause of criminal justice is beyond me. It may sound tough, but it is not going to do a thing except to blur that distinction between Federal and State offenses.

Moreover, it would catch the following kind of offenses: A mother is taking messages for her son ordering all kinds of drugs, cocaine, marijuana, whatever. The mother is taking those messages from customers for her son. In the house the son has a weapon. Because the mother is in the house she is deemed to be in possession of a weapon and she is going to get a mandatory minimum of 10 years under this amendment.

Now, frankly, she ought to be punished. But do we want to say to the States, do we want to say that we want to impose a mandatory offense of 10 years in prison for that kind of criminal conduct? It is criminal conduct. But is that what we want to load the prisons with, those types of offenses?

A roofer at night steals from a roof, carrying with him an unloaded weapon. Under this amendment treating a violation of that offense would trigger a mandatory minimum of 10 years.

Somebody carrying a weapon in their trunk, the trunk of their car, who is also dealing in drugs would receive as a first time offender a 1-year mandatory minimum.

I am not condoning the carrying of weapons in the trunk, but do we want to impose a 1-year mandatory minimum? I say to my colleagues, if they want to tell the States the kind of criminal laws they should have in the various States, the 50 States, they ought to resign from Congress and go back and run for the State legislatures again, if that is what they want to do.

That is precisely what we are doing. We are basically saying to the States, we are going to federalize their State offenses.

We do not have the resources to federalize these crimes. It is a sham. It is

not going to do a thing. It is going to be counterproductive. I urge my colleagues to reject the motion to instruct conferees.

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

Mr. MCCOLLUM. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, first of all, I have great respect for the gentleman from New Jersey. I have worked on many pieces of crime legislation. I just want to advise him that there are a couple of things that he may have a misapprehension about with regard to this. The underlying crime, the State crime which is the one that is operable here, is not federalized in any way. They are still tried in State court. It is the choice of local officials whether if somebody has committed murder or whatever it is to prosecute them or not prosecute them. That is entirely within the realm of the States.

□ 1820

We are really not federalizing any State crimes. What we are doing in this process is, we are giving the option to the Federal prosecutors to be able to, in addition to that State conviction, come in and say, "If there is a gun involved, we are going to prosecute a separate crime," and I want to emphasize it is an option. This is not a requirement that the prosecutors do it. We are not going to flood the Federal System. This is simply going to give another tool to the U.S. attorneys, and I think it is a very important tool to send a message of deterrence in this area.

Mr. Speaker, I yield 3 minutes to the gentleman from New Mexico [Mr. SCHIFF], a member of the Subcommittee on Crime and Criminal Justice of the Committee on the Judiciary.

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

Mr. Speaker, I think the gentleman from Florida [Mr. MCCOLLUM], the sponsor of this motion to instruct, has laid out the arguments very cogently. I cannot imagine a better subject for the House of Representatives of the United States, in discussing anticrime legislation, than to target the most violent of criminals, those individuals who are using firearms in the commission of offenses. Those are the criminals in particular that the American people want to get off the street and keep off the street for as long as possible.

This bill would add another tool in crime fighting to accomplish that. This bill would give the option to the U.S. attorneys to follow up with a prosecution if they felt that, in the case of a particular defendant committing a particular crime, more time in prison to keep that criminal off the street is warranted.

The answer to the gentleman from New Jersey [Mr. HUGHES], the chairman of our subcommittee in the Committee on the Judiciary, he speaks as

if, if this bill were passed, every possible offense that could be covered under this bill would be prosecuted in Federal court, but this is not the case. Right now the U.S. attorneys exercise a great deal of discretion over what to prosecute under existing Federal offenses.

Not every allegation of violation of a Federal offense results in a prosecution by a U.S. attorney. They pick and choose on the criteria they think is best in terms of fighting crime. This would give them another tool. This would give them another option. This would give them the power as U.S. attorneys to decide, "This is someone we want to keep off the street even longer," and this would give them the means to do it. For that reason, I urge my colleagues to support the MCCOLLUM motion to instruct conferees.

Mr. HUGHES. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, we cannot have it both ways, then. On the one hand we say we are going to give the U.S. attorneys an option, going to give them an option. On the other hand, if the U.S. attorney exercises these options and prosecutes all these cases, we are going to have 200,000 additional cases before the Federal courts and our prisons are going to swell by 383.9 percent over a 9-year period.

My colleague, the gentleman from New Mexico [Mr. SCHIFF] knows that we have a difficult time today funding the Federal Bureau of Prisons. We just opened up some new prisons around the country after some potential delays, because we did not have the resources to staff the Federal prisons to open them up. We are going to have to open up, at the present trend, about one Federal prison every month before the end of this decade, every month one new 500-bed Federal prison.

We have a hard time getting the resources to fund for staff today. We cannot staff the medical sections of our present prison system because we do not have the resources. We do not offer the health care providers sufficient money to attract them into the system, and the gentleman is talking about increasing the Federal prison population by another 383.9 percent?

Mr. Speaker, the States are not in favor of this. We received a letter from the Police Executive Research Forum. These are some of the top chiefs of police in the larger cities. They are opposed to this. They do not see this as helping them. So there are the States that are opposed to it, there is the Attorney General opposed to it. The Administrative Office of the Courts is opposed to it, and the Sentencing Commission is opposed to it, because they understand the impact it is going to have on the Federal System.

We are going to turn the Federal System upside down by this type of loading down of the Federal courts without accomplishing anything.

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

Mr. MCCOLLUM. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. LEVY].

Mr. LEVY. Mr. Speaker, I rise in support of the McCollum motion to instruct conferees on H.R. 3355.

Earlier this session, I authored and introduced the Violence With Firearms Protection Act. The bill made it a Federal crime to transport a firearm across State lines for the purpose of committing a violent felony. My bill went a bit further than the Senate language that is the subject of Mr. MCCOLLUM's motion in that it carried the death penalty in some cases.

After my bill went nowhere in the Judiciary Committee, and as H.R. 3355 approached action on this floor, I attempted to add my proposal to the crime bill as an amendment. For reasons known only to the members of the Rules Committee, the amendment was ruled nongermane.

Mr. Speaker, Federal law prohibits the interstate transportation of explosives for illegal purposes. In fact, Mr. Speaker, it is a violation of Federal law to transport false teeth, in some circumstances, from one State to another. But you can carry a gun from State to State—and use it to kill people—with impunity under Federal law.

Let me illustrate how ridiculous the current state of our law is.

Last December, on a night that most of my constituents will remember, a man in New York City boarded a commuter train bound for Long Island. When the train reached my district, he pulled a firearm and began shooting. The gun, by the way, was purchased legally in California, waiting period and all.

When the firing ended, six people were dead. Others were wounded.

In the wake of what has become known as the Long Island Railroad Massacre, and because New York's law doesn't treat violent criminals very seriously, I presented the facts of the case to the Justice Department. Their evaluation determined that the gunman violated no Federal law.

Imagine that. Had the gunman come from California to New York with illegally manufactured dentures we'd have fined him and maybe sent him to jail. But he killed six people and we can do nothing.

Support the McCollum motion to instruct. Make it a Federal crime to transport firearms across State lines for the purpose of using them as instruments of violence.

Mr. MCCOLLUM. Mr. Speaker, I want to thank the gentleman from New York [Mr. LEVY], because he has made a very valuable contribution to this debate in the introduction of his legislation and in the points he made today.

Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. ZIMMER].

Mr. ZIMMER. Mr. Speaker, my situation is somewhat similar to that of the gentleman from New York. I am a sponsor of legislation to substantially increase the Federal penalties for the illegal use of firearms, particularly in the commission of a crime. I submitted an amendment adding that language to the crime bill to the Committee on Rules, and, as in the case of the gentleman from New York [Mr. LEVY], the Committee on Rules denied the right of this House to vote on this sensible legislation. That is why I rise in support of the motion to instruct.

Mr. Speaker, I agree with my friend, the gentleman from New Jersey [Mr. HUGHES], that our prisons are at capacity and we are hard-pressed to house the prisoners who are there. I support building new prisons and I support putting the people who commit violent crime with firearms into those prisons. So do our constituents. The best way to curb the incidence of crime committed with firearms is to make criminals realize that they face severe penalties if they use a gun to break the law.

A study by the Department of Justice has shown that, while the average sentence meted out for violent offenders is about 8 years, actual time served behind bars averages less than 3 years. That means that more than half of the violent offenders are free and back on the streets within 3 years.

The study also found that, once these violent felons are released, they get busy committing more crimes. Sixty-three percent are rearrested within 3 years of their release, fully a third of them for committing another violent crime.

The only way to be sure these people do not commit more violent crimes with guns is to send a very clear signal to criminals: "If you commit the crime, you are going to do the time." Under the Senate's crime bill that time is a mandatory minimum sentence of 10 years behind bars for carrying a firearm during the commission of a violent crime or drug felony.

□ 1830

Discharge that firearm with the intent of injuring another person and you get 20 years in prison, minimum. If that firearm is a machinegun or is equipped with a silencer, you serve 30 years, minimum.

The penalties are even steeper for repeat offenders in each of those categories, increasing to 20 years, 30 years, and life, respectively.

Mr. Speaker, if we are serious about reducing violent crime, we must put the word out on the street: "If you use a gun to commit a violent crime, you risk going to jail for 10 years, minimum. Go to Jail. Do not pass Go." That is the message we have got to send and that is why I urge my colleagues to support the McCollum motion to instruct.

Mr. HUGHES. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. HASTINGS].

Mr. MCCOLLUM. Mr. Speaker, I yield 1 minute to the gentleman from Florida.

The SPEAKER pro tempore (Mr. TORRES). The gentleman from Florida [Mr. HASTINGS] is recognized for 3 minutes.

Mr. HASTINGS. Mr. Speaker, I rise in opposition to the motion to instruct. I have sat very quietly listening to the debate. I have immense respect for the parties on both sides and their understanding of these issues.

Mr. Speaker, I ask my colleague, the gentleman from Florida [Mr. MCCOLLUM], on the other side, when we talk about unfunded mandates, does the gentleman take into consideration the fact that when we pass a law of this kind and it impacts on the Federal judiciary, that no additional money travels with these kinds of measures. In Florida, we are minus a significant number of Federal judges because, among the other reasons, they are not being made at this time. There would be no money for additional prosecutors, for additional public defenders, or court personnel. Let met tell the gentleman what happens, and I am talking from personal experience.

With an added number of Federal cases, the lessening of the handling of civil cases is undertaken. We then wind up with criminal cases being tried rather repeatedly. There is no one in this House who would not want to get rid of any violent criminal that we can and cause them to be put away.

The example that the gentleman from New York [Mr. LEVY] gave, that person is going to be in jail for the rest of his life and everybody knows that. So what do we want to do, put him in two jails, a State jail and a Federal jail?

The linchpin of this country will come undone unless Federal judges can address civil cases at some point in time. Add Federal jurisdiction for criminal cases and lessen the opportunity to try civil cases.

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

Mr. HASTINGS. I yield to the gentleman from Florida.

Mr. MCCOLLUM. Mr. Speaker, I have a great respect for the gentleman from Florida [Mr. HASTINGS]. In fact, he and I agree on the point he is trying to make. We need more resources for the Federal judiciary. We need to free up Federal judges to be able to do some civil cases. In fact, the bill in the other body, the Senate bill, has \$300 million for additional judiciary. Our House bill does not. I hope when the conference comes out, they will do that.

I would like to make the point to the gentleman, while we agree on that, that this is very optional. While operation trigger lock was being imposed

by the previous administration to do an additional system in this area, this administration has chosen not to, probably because of resources. I do not agree with that allocation, but I understand what the gentleman is talking about.

Mr. HASTINGS. If I may, the Attorney General opposed it, the Administrator of Courts opposes it, and the reason that they do is because of a lack of resources.

Mr. Speaker, I agree with the gentleman that it is optional, but I have seen the results of what becomes optional. We have a local State attorney that determines, hey, this is an opportunity for me to get rid of it. Let me call the U.S. Attorney who says, "I will take it."

What we have is an overloaded Federal system. The Federal system cannot handle the cases that we are sending them criminally unless we give them more judges, more prosecutors, and more public defenders which I am in favor of doing.

Mr. MCCOLLUM. Let the gentleman and I work on getting those resources.

Mr. HASTINGS. All right.

Mr. MCCOLLUM. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, there is nothing in the world I hate more than disagreeing with my friend, the gentleman from Florida [Mr. MCCOLLUM] whom I look up to as the premier expert on criminal law on our side of the aisle. But I am having real trouble buying this concept that every time a gun is used, a Federal crime is created.

I am persuaded by what the gentleman from Florida [Mr. HASTINGS] has said down there about the overloading of the Federal courts and the response of the gentleman from Florida [Mr. MCCOLLUM] seems to be that it is only an option. But a Federal law, a criminal law that is only optionally enforced, it seems to me, erodes the whole fabric of the law. If it is a Federal law and if it is a crime, it ought to be prosecuted. But I do not think we have the need, first of all, because what about the State courts? What about the State criminal system? Are we saying they are so bereft of resources or the will to enforce the law that we must federalize the enforcement of gun legislation? I abhor the use of a gun in a violent crime. That person ought to be severely punished, and they are not severely punished, and we have to add more resources to the State system, help them with grant money and matching funds. But to create a new Federal crime every time a gun is used and then to say it only has to be enforced optionally it seems to me is an oxymoron. It is a contradiction in terms. I do not think we are being weak on crime to say, let us not abuse

the Federal system by thrusting on it a whole plethora of criminal actions that cannot possibly be enforced. I just have those misgivings.

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

Mr. HYDE. I yield to the gentleman from Florida.

Mr. MCCOLLUM. Mr. Speaker, let me say in response that I have the utmost respect for the gentleman from Illinois, and I usually share, as he says, the same viewpoint. However, I would say to him that as he well knows, all Federal criminal law involves a degree of discretion on the part of the U.S. attorneys and the prosecutors. I do not wish to say nor did I intend to that I do not believe this should ever, or not be used. I believe that the reason why we want to put this into law is so that it will be used, but used selectively, used in cases that will send a message which is the underlying reason here, and there needs to be a national message that is sent to criminals who would use guns that if they are going to do it, they are really going to serve time and they are going to serve Federal time because the very fact it is Federal is a very important deterrent and many police officers, many of them, have told us that again and again.

While I have great respect for the gentleman from Illinois, he and I would differ over this, I also do not think we are really federalizing. We are not federalizing the underlying crime, we are simply saying, we are extending an additional Federal law that exists on the books today that says that if you have committed a felony and you possess a firearm, whether it is a State felony or not, it is a Federal crime. But I would like to extend that to send a message to a lot more people, that is all.

Mr. HYDE. Mr. Speaker, if the gentleman will continue to yield, the gentleman is creating thousands of defendants in the Federal system. Cannot they be dealt with adequately in the State courts?

Mr. MCCOLLUM. No; they cannot be. I do not believe they are being. I believe we need to provide the resources necessary, because this is important. This is more important than a lot of other places we are putting Federal money right now. That is my conclusion. We may differ on that.

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

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

Mr. Speaker, the gentleman from Illinois is right on target. We are talking about federalizing State offenses. Think about it for a minute. We are telling the States that we do not agree with State legislatures throughout the country in meting out particular sentences. It is the ultimate in arrogance.

I say to my colleagues again, "if you want to tell the States how to run the criminal justice system, leave here, go

back to the State legislatures and run for the legislature."

□ 1840

And change the laws in the various States if that is what you want to do.

In addition to the fact that there seems to be a misperception around here about the Federal courts, they are courts of limited jurisdiction. We do not prosecute street crime. That was never intended. The framers of the Constitution never envisioned that. They are not structured to handle street crime.

In fact, if U.S. attorneys exercised the right to prosecute and to federalize basically a State offense, we would have disparate sentences again throughout the country.

Sometimes just across State borders we would have disparate sentences again, depending upon how the U.S. attorney exercised that authority.

We set up a whole new sentencing structure called the Sentencing Commission to try to limit disparity. We are going to create more disparity. That is terrible policy.

The Judicial Conference of the United States pointed out, I think aptly, that in the State of California there are more superior court judges than we have on the Federal benches around the country. There are more superior court judges in California alone than all of the Federal judges in our system.

In some parts of the country they are not trying civil cases at all, because they cannot reach them because of the present criminal backlog, and we want to federalize basically all gun offenses which are prosecuted at the State level. It is a flawed motion to instruct. It is opposed by the States. It is opposed by the Attorney General. It is opposed by the administrative office of the courts, and it is opposed by the Sentencing Commission because it does not make sense.

I urge my colleagues to reject the motion to instruct conferees.

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

Mr. MCCOLLUM. I yield myself the balance of my time.

Mr. Speaker, I would like to respond to several of the critics who have talked about this. Just to summarize what we are doing, in closing, this is a motion to instruct conferees that directs them, our wish is at least that they would accept a Senate provision that provides for a portion of the law to be changed that deals with the situation where we have a State crime that is a violent crime or a drug trafficking offense and we have a gun that is being used in that State crime, that violent crime, or that drug trafficking offense, or at least possessed in it, and in that situation while you leave alone the underlying crime you do not federalize it, it is still a State crime whether it is murder or whatever it is, which is tried

in the State court, and you create under this provision a new Federal crime for the simple use or possession of the firearm in that underlying crime.

Mr. HUGHES. Mr. Speaker, will the gentleman yield on that point?

Mr. MCCOLLUM. I am glad to yield to the gentleman from New Jersey.

Mr. HUGHES. So, Mr. Speaker, we are going to have two prosecutions instead of one. Is that what the gentleman is saying?

Mr. MCCOLLUM. If I may reclaim my time, I am saying we are going to have a second prosecution if the Federal prosecutor chooses, not on the underlying crime, a second prosecution only for the gun crime after the State conviction. The only thing required to be proved will be the underlying conviction and the fact that a gun was used or possessed in it.

I think it is important to note that is simple to prove, very simple to prove. It is very much patterned after the existing Federal law as an extension of it which says that if you are a convicted felon today, whether you are convicted in a State court or a Federal court, just any convicted felon and you possess a firearm, you have committed a new, separate Federal crime for which there is a mandatory minimum sentence. I think that is a very important concept that exists already, and that is the precedent for this. This is a Federal law because it reaches interstate transportation of firearms, and it is there for the same reason we want to put this in law, because it is there to discourage people from the use of firearms who are the bad guys out there doing these crimes, and we already have a precedent of the State felon being convicted of committing a Federal crime which is just simple possession on the books. What we want to put on the books is an additional new crime, if you are out there for the first time committing a felony or drug trafficking offense, which is undoubtedly also a felony, if it is violent or drug trafficking, you can, in that situation, even if you do not have the additional sentence, you can get the additional punishment that goes with it.

I would like to address the concern that suddenly we are going to flood the Federal system. We have had this other one on the books for a long time and we have not flooded the Federal system. We have minimum Federal sentencing out there for using a firearm as a separate punishment, and we have not flooded the system. We would like to see more convictions. I would like to see more sentences in this area of minimum mandatory at the Federal level, but this is a discretionary tool for selective use by U.S. attorneys around the country. No 383 percent or 384 percent increase in Federal prison populations is going to occur because it is not going to be used that consistently.

There is disparity in sentences because these are minimum mandatory sentences in a given stated statutory crime. If you commit the crime and are prosecuted and convicted for it, you are going to do the amount of time, in fact. That is the important part.

We need to put certainty and swiftness of punishment back into our criminal justice system if we are ever going to have deterrents in there today for violent crime, and this would go an enormous way toward putting certainty and swiftness back into sentencing and sending a message. The very fact it is on the books would give a plea bargaining tool at the very least for Federal and State prosecutors in dealing with the hardened criminals and those out there who would commit crimes with guns. I can see that message sent today if we adopt this and it becomes law. If you use a gun anywhere in the country in the commission of a violent crime or a drug offense, boy are you in trouble. It is long overdue that we send that message. That is the ultimate control of guns in the way they should be, by locking up the person who uses them and not trying to control what is uncontrollable, and that is the gun itself. This is a way to deal with the violent crime problem in America, one of the ways, one of the critical ways. By passing my motion to instruct tonight, we go a long way toward sending that message, asking our conferees to bring some reason into this debate over violent crime and some resolution to it by giving our prosecutors the tools that they need.

Again, it is a very important message and I urge my colleagues to vote yes on the McCollum motion to instruct to send this that message to the criminals: "Don't use the guns or you are going to do the time."

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

The SPEAKER pro tempore (Mr. TORRES). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Florida, [Mr. McCOLLUM].

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. McCOLLUM. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 291, nays 128, answered "present", not voting 15, as follows:

[Roll No. 340]  
YEAS—291

Ackerman	Gillmor	Menendez
Allard	Gilman	Meyers
Andrews (NJ)	Gingrich	Mfume
Andrews (TX)	Goodlatte	Mica
Applegate	Goodling	Miller (FL)
Archer	Gordon	Minge
Army	Goss	Moakley
Bachus (AL)	Grams	Molinari
Baessler	Grandy	Montgomery
Baker (CA)	Green	Moorhead
Baker (LA)	Greenwood	Moran
Ballenger	Gunderson	Murphy
Barca	Hall (OH)	Murtha
Barca	Hall (TX)	Myers
Barrett (NE)	Hamilton	Neal (MA)
Bartlett	Hancock	Nussle
Barton	Hansen	Oberstar
Bevill	Harman	Obey
Bilbray	Hastert	Ortiz
Bilirakis	Hayes	Orton
Bishop	Hefley	Oxley
Bliley	Herger	Packard
Blute	Hoagland	Pallone
Boehert	Hobson	Parker
Boehner	Hochbrueckner	Paxon
Bonilla	Hoekstra	Peterson (MN)
Boucher	Holden	Petri
Brewster	Houghton	Pombo
Browder	Huffington	Pomeroy
Brown (OH)	Hunter	Portman
Bryant	Hutchinson	Poshard
Bunning	Inhofe	Pryce (OH)
Burton	Inslee	Quillen
Buyer	Istook	Quinn
Byrne	Johnson (CT)	Rahall
Callahan	Johnson (GA)	Ramstad
Calvert	Johnson (SD)	Ravenel
Camp	Johnson, Sam	Regula
Canady	Johnston	Reynolds
Cantwell	Kaptur	Richardson
Carr	Kasich	Ridge
Castle	Kennedy	Roberts
Chapman	Kennelly	Roemer
Clement	Kildee	Rogers
Clinger	Kim	Roth
Coble	King	Roukema
Coleman	Kingston	Rowland
Collins (GA)	Kleczka	Royce
Combest	Klein	Sangmeister
Condit	Klink	Santorum
Cooper	Klug	Sarpaluis
Costello	Knollenberg	Saxton
Cramer	Kolbe	Schaefer
Crane	Kreidler	Schenk
Crapo	Kyl	Schiff
Cunningham	Lambert	Sensenbrenner
Danner	Lancaster	Shaw
Darden	Lantos	Shays
Deal	LaRocco	Shepherd
DeLay	Lazio	Shuster
Deutsch	Leach	Sisisky
Diaz-Balart	Lehman	Skeen
Dickey	Levin	Skelton
Dooley	Levy	Slattery
Dornan	Lewis (CA)	Smith (NJ)
Dreier	Lewis (FL)	Smith (OR)
Duncan	Lewis (KY)	Smith (TX)
Dunn	Lightfoot	Snowe
Durbin	Linder	Solomon
Edwards (TX)	Lloyd	Spence
Ehlers	Long	Spratt
Emerson	Lowey	Stearns
Engel	Lucas	Stenholm
English	Machtley	Strickland
Everett	Maloney	Stump
Ewing	Mann	Stupak
Fawell	Manton	Sundquist
Fazio	Manzullo	Swett
Fields (TX)	Margolies-	Talent
Filner	Mezvinsky	Tanner
Fingerhut	Markey	Tauzin
Fish	Matsui	Taylor (MS)
Fowler	Mazzoli	Taylor (NC)
Franks (CT)	McCandless	Tejeda
Franks (NJ)	McCollum	Thomas (CA)
Frost	McCrery	Thomas (WY)
Furse	McDade	Thurman
Gallely	McHale	Torkildsen
Gejdenson	McHugh	Torres
Gekas	McInnis	Tortorelli
Geran	McKeon	Trafficant
Gibbons	McNulty	Tucker
Gilchrest	Meehan	Unsoeld

Upton  
Volkmer  
Vucanovich  
Walker  
Walsh

Weldon  
Wilson  
Wolf  
Wyden  
Young (AK)

Young (FL)  
Zeliff  
Zimmer

NAYS—128

Abercrombie	Glickman	Pickett
Andrews (ME)	Gonzalez	Pickle
Bacchus (FL)	Gutierrez	Porter
Barlow	Hamburg	Price (NC)
Barrett (WI)	Hastings	Rangel
Becerra	Hefner	Reed
Bellenson	Hilliard	Rohrabacher
Bentley	Hinchee	Rose
Bereuter	Hoke	Rostenkowski
Berman	Horn	Roybal-Allard
Blackwell	Hoyer	Rush
Bonior	Hughes	Sabo
Borski	Hyde	Sanders
Obey	Inglis	Sawyer
Brown (CA)	Jacobs	Schroeder
Brown (FL)	Jefferson	Schumer
Cardin	Johnson, E. B.	Scott
Clay	Kanjorski	Serrano
Clayton	Kopetski	Skaggs
Clyburn	LaFalce	Slaughter
Collins (IL)	Laughlin	Smith (IA)
Collins (MI)	Lewis (GA)	Smith (MI)
Conyers	Lipinski	Stokes
Coppersmith	Martinez	Studds
Cox	McCloskey	Swift
Coyne	McDermott	Synar
DeFazio	McKinney	Thompson
DeLauro	Meek	Thornton
Dellums	Miller (CA)	Towns
Derrick	Mineta	Valentine
Dingell	Mink	Velazquez
Dixon	Mollohan	Vento
Doolittle	Morella	Visclosky
Edwards (CA)	Nadler	Waters
Eshoo	Neal (NC)	Watt
Evans	Oliver	Waxman
Farr	Owens	Wheat
Fields (LA)	Pastor	Williams
Flake	Payne (NJ)	Wise
Foglietta	Payne (VA)	Woolsey
Ford (TN)	Pelosi	Wynn
Frank (MA)	Penny	Yates
Gephardt	Peterson (FL)	

NOT VOTING—15

Bateman	Hutto	Ros-Lehtinen
de la Garza	Livingston	Sharp
Dicks	McCurdy	Stark
Ford (MI)	McMillan	Washington
Gallo	Michel	Whitten

□ 1909

Ms. VELÁZQUEZ and Messrs. ROHRBACHER, HOKE, SCHUMER, and WISE changed their vote from "yea" to "nay."

Mr. TORRES, Ms. FURSE, and Mr. MOAKLEY changed their vote from "nay" to "yea."

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1910

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3838, HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1994

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103-612) on the resolution (H. Res. 482) providing for consideration of the bill (H.R. 3838) to amend and extend certain laws relating to housing and community development, and for other purposes; which was referred to the

House Calendar and ordered to be printed.

**REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3870, ENVIRONMENTAL TECHNOLOGIES ACT OF 1994**

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103-613) on the resolution (H. Res. 483) providing for consideration of the bill (H.R. 3870) to promote the research and development of environmental technologies, which was referred to the House Calendar and ordered to be printed.

**REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4604, BUDGET CONTROL ACT OF 1994**

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103-614) on the resolution (H. Res. 484) providing for consideration of the bill (H.R. 4604) to establish direct spending targets, and for other purposes, which was referred to the House Calendar and ordered to be printed.

**MOTION TO INSTRUCT CONFEREES ON H.R. 3355, VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1993**

Mr. HOAGLAND. Mr. Speaker, pursuant to rule XXVIII, clause 1(b), I offer a privileged motion on the bill (H.R. 3355) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to allow grants to increase police presence, to expand and improve cooperative efforts between law enforcement agencies and members of the community to address crime and disorder problems, and otherwise to enhance public safety.

The SPEAKER pro tempore (Mr. TORRES). The Clerk will report the motion.

The Clerk read as follows:

Mr. HOAGLAND moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to the bill H.R. 3355 be instructed to meet promptly on all issues committed to conference with the managers on the part of the Senate.

The SPEAKER pro tempore. The gentleman from Nebraska [Mr. HOAGLAND] will be recognized for 30 minutes, and the gentleman from Florida [Mr. MCCOLLUM] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. HOAGLAND].

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

Mr. Speaker, I want to begin by congratulating Chairman BROOKS and members of the Judiciary Committee, and Chairman SCHUMER and members

of the Crime and Criminal Justice Subcommittee, for their very fine work in connection with House bill 3355, the Violent Crime Control and Law Enforcement Act of 1994. It is truly an excellent bill which incorporates the latest of concepts and practices, the latest knowledge we have, on how to punish and prevent crime in America.

As we all know, over 95 percent of all crime is prosecuted at the local level. Most anticrime laws and resources are in the hands of the State legislators, county boards, and city councils around the country.

But there are some things we can do here at the Federal level to assist their efforts. This crime bill helps substantially.

Every community in this country is plagued by violent crime and it's time to break the gridlock. It's time to send a message, we're serious about fighting crime.

It's time we enact the "3 strikes and you're out" provision identifying the relatively small percentage of all criminals who commit the most serious crimes. We must identify those people and put them away for long periods of time. States with such provisions report excellent results.

It's time to put more police officers on the street. We have 600,000 police officers on the street already. This bill would add up to another 100,000. Experiences in Houston and elsewhere show that more blue uniforms involved in community policing really does work.

It's time to enact a ban on assault weapons. I have yet to hear any good reason as to why 19 specified assault weapons should be available for anyone to purchase over the counter in America for as little as \$300.

It's time to target funding for programs like Byrne grants. These funds go to cooperative law enforcement efforts like the Metropolitan Drug Task Force in Nebraska which has resulted in 2,000 arrests and confiscated 600 guns from drug dealers.

It's time to set up regional prisons to take the load off State penitentiaries and place violent criminals in appropriate confinements.

It's time to enact a whole range of preventive measures such as midnight basketball and counseling for dysfunctional families which can help prevent youngsters from starting down the path of violent crime to begin with.

So you see, ladies and gentleman, this crime bill contains many important provisions which will help deter crime in America. The crime bill passed the Senate on November 19, 1993. Our crime bill here in the House passed April 21, 1994. Two weeks after that on May 5, 1994, the assault weapons ban passed the House.

Since then we have heard nothing.

Has the bill gone into a black hole? Did the collision on Jupiter take it out?

What happened?

Between April 21 and now:

The House Ways and Means Committee has reported a health care bill of over 1,200 pages.

The Education and Labor Committee has marked up and reported a health care bill of over 1,000 pages.

The House has considered and passed most of 13 appropriations bills. Yet we have no crime bill.

In the meantime the criminals haven't stopped. Every day that goes by is another day without an assault weapons ban, without more police officers on the street, and without three strikes and you're out.

Just in the past week in my community, the violence has continued. There was a fatal drive-by shooting, and a robbery at a local convenience store that resulted in one young man's death. In the last few months, an elderly woman was attacked and beaten to death with a board by a young man who lived nearby, and a 13-year-old was caught with a handgun and 500 rounds of ammunition at an area middle school. This crime bill is not a panacea, but it's a start.

The criminals in America are not concerned about differences of opinion among the conferees. Every day, there are:

Another 3,927 violent crimes committed; 28,800 property crimes committed; 65 murders; 288 women are raped; and 4,320 cars are stolen—some weeks in Omaha it is over 100 cars are stolen.

And the crime conference continues to dither.

The only thing the criminals will understand is: three strikes and you're out; more police officers on the street; limits on their ability to purchase assault weapons; regional prisons; and a lot of other things we have in this bill.

The criminals don't care about the progress of the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment or the Senate amendment to the House amendment.

We have to speak their language, not the language of the conferees. That means passing this bill.

That means providing funds for military-style boot camps for young offenders. That means providing money to build regional prisons so we can put violent criminals behind bars and keep them there. That means banning assault weapons. There is no reason that weapons designed for war should be readily available on the streets of Nebraska endangering our police officers and our families.

The Parliamentarian told me that I could not file a motion to instruct conferees to report the bill by the end of this week, or the middle of next week because that would be out of order.

The closest I could come to a motion to instruct is to meet promptly.

But make no mistake about it, this motion should be construed as a motion to return the bill promptly—by

the end of this week or the middle of next week.

That is what this vote means, and Mr. Speaker, there is no reason the conferees can't meet tonight, tomorrow, tomorrow afternoon, and tomorrow night until they finish their work and get the bill to us by Friday or by midweek of next week.

Other committees are doing it. What's the delay.

Mr. Speaker, get us a crime bill promptly so we can get it passed and into effect—now.

□ 1920

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

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

Mr. EDWARDS of California. Mr. Speaker, I thank the gentleman from Nebraska for yielding and thank him for his speech.

Mr. Speaker, I wanted to assure the gentleman from Nebraska, and indeed all the Members of the House, that although the conference has only had one formal meeting, we are meeting constantly with Members of the Senate and with ourselves to promptly resolve the conference. This is a 1,100 page bill that changes a lot of things in America insofar as criminal justice is concerned.

We are, and our obligation as conferees is, to support the will of the House, and we are trying to do that. And we are trying very, very hard. We are being aided by our Speaker, by Senator BIDEN, and by the President of the United States, and by the Chief of Staff, Leon Panetta.

I want to assure the gentleman from Nebraska and everybody else that we are not delaying this conference. We expect it to move ahead. We are asking for the conference to meet tomorrow or the next day, but I am confident that we will begin meeting on Monday. If we do, as I think we are well on the road to be doing, we will have resolved in these private meetings most of the tough issues, and we will have a bipartisan bill that can pass overwhelmingly.

So I am certainly in favor of the gentleman's motion to instruct the conferees, and I am going to vote for it. I urge an "aye" vote, and we go home.

Mr. HOAGLAND. Mr. Speaker, reclaiming my time, I appreciate those assurances.

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

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

Mr. Speaker, I certainly support the gentleman's proposal tonight, the motion to instruct to get the conferees to act on the crime bill. But I find there is a lot of irony in this.

First of all, I heard the gentleman from California, whom I respect greatly, one of five senior members of the

Committee on the Judiciary, comment there were meetings constantly going on privately, but we have not had the public meetings. I would say those meetings are all on the other side of the aisle. I do not know a single House Republican who has been included in any of those meetings.

In fact, it is the problems of the other side and their gridlock over, I presume, the Racial Justice Act or so-called Racial Justice Act that would, according to the attorneys general of the 50 States and our district attorneys around the country, effectively end the death penalty in the United States if it were to become law, and it is in our House bill. It is that proposal that has got the Democrat Party hung up, unable to resolve this.

They are meeting privately. I do not know any Republican that has been meeting. We have been going on and on like the gentleman from Nebraska [Mr. HOAGLAND] has been saying. The Senate passed its bill in November. We passed our bill in April. We had conferees appointed in May. We had one meeting on June 16 that was public where the conferees did get to give speeches, but we never had a chance to get out and get with the business.

I hope when we have a conference, that we are going to find it is bipartisan, that we will actually be able to do what the Committee on Banking, Finance and Urban Affairs did yesterday on a couple of bills in conference, is walk them through and let each Member have an input into it and have the discussions and the debates and the amendments that you normally associate with a conference, that we did not have last Congress when we had a crime bill that unfortunately did not become law.

I would note one other irony in here of particular concern to me. While I have a lot of respect for the gentleman from Nebraska, who has brought this proposal today, I have to note that he twice voted for the Racial Justice Act that last got them hung up on the other side in his own party. I gave him the opportunity twice. One time his vote was the decisive vote. It only passed this House by one vote. It is nonsense. It should have not been passed in the first place. If it had not been passed and he had not voted for it then, it would be a problem today and we would have gotten on with this conference and long been meeting. That seems to be the problem.

I must say the American public is tired of our messing around. They are concerned with violent crime in this country. They are very concerned with the fact that 6 percent of the criminals are committing better than 70 percent of the violent crimes, and those 6 percent are not serving but about a third of their sentences. They want to see us enact laws that will help the States to incarcerate those criminals, and get to

truth in sentencing, and provide the funding for the prisons. And they would like to see us do what is not in our crime bill even. They would like to see us end the endless appeals that death row inmates have, that the other side of the aisle, the gentleman from Nebraska who is offering this side, his side is hung up on and never been able to let us get a good provision out of here that indeed allow us to continue to have the death penalty in the United States.

They would like to see us have something we did not get a chance to vote on this year, because his party and the Committee on Rules did not allow us to have that, which is the opportunity to change the rules of evidence on searches and seizures, so local law enforcement can get more evidence in to get convictions in a lot of these crimes where people are getting off, the so-called exclusionary rule to the good faith exception.

So I find while they definitely want to see us act and we all want to see the conference act, that anybody standing here tonight on the other side calling for us to act promptly on a matter that they produced the problem on in the first place, and their party is hung up in, really has a lot of ironic questions that have been raised, even though we are going to support this motion.

I think, appropriately, it has given the Republicans the opportunity, as we are taking tonight to say wait a minute now, where is the bipartisanship? Where is the opportunity for us to get in there in the room? Where is the opportunity for us to be in those so-called private meetings, hammering out some of these things.

Our staff have not even been involved. At least on the other major committees I am involved with, Republican and Democratic staff on both the House and Senate are getting together to work out these details so we have an agreement.

In this particular bill, the history of the Committee on the Judiciary is for them to work it out on the Democrat side in some secret meeting somewhere. It looks like it is happening again this time. I am saddened by that fact.

But yes, I want us to meet promptly. There is a violent crime every 22 seconds. The gentleman is right. There are 476,370 people who have been victims of violent crime in the 90 days that have elapsed since the crime bill was passed by this House; 277,830 have been victims of aggravated assault; 26,820, according to the time clock, have been victims of rape in those 90 days. And 5,850 Americans have been murdered since the House passed a crime bill that we have not been able to get a conference on, because the other side is hung up trying to come to some resolution internally to please one of its factions on the issue that is spurious

about the question of so-called racial justice.

I am for equal justice in sentencing and fairness, and I do not want race to be a part of any sentencing. But let me tell you, I do not want to abolish the death penalty in this country, and that is what the AG's and district attorneys say that provision would do. That is what is causing this bill to be hung up. I am told. I am not in the room, but I am told that there is a big fight over there on your side.

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

Mr. HOAGLAND. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, I rise to urge the conferees on H.R. 4092, the Violent Crime Control and Law Enforcement Act, to report this vital measure immediately. We simply cannot afford to hold the safety of our streets hostage to political haranguing any longer.

Over 3 months ago, an overwhelming majority of the House passed this legislation, which represents the largest Federal anticrime commitment in American history. The legislation passed by the Senate is similar to the House legislation on the major issues. However we cannot seem to come to agreement long enough to take the first step in taking back our communities. This is what they mean by politics as usual.

We cannot afford to wait any longer. Each day that passes without a report from the conferees, is another day without three strikes and you're out, another day without more police officers on the street, and another day with military-style assault weapons freely available to kill innocent persons.

Our communities desperately need the conferees to report this bill and we in Congress need to pass it. Not only do we need this bill passed to ban military-style assault weapons, but passage of our anticrime bill is necessary to prohibit the transfer of guns and ammunition of juveniles.

Among the most important reasons we must pass this bill is to authorize between \$1.8 and \$6.9 billion for crime prevention programs to provide education, treatment, recreation, and job opportunities for at-risk youth.

Every day without a crime bill in my district is a day in which the Broward County Juvenile Justice Program goes without the essential funds it needs. Funds that would be used to keep our children in school. Funds that would be used to evaluate the many problems of juvenile offenders and give them the treatment they so desperately need. This is just one example among many from my congressional district of how our delay in getting a report from the crime bill conferees is shortchanging our constituents and our society.

Today is yet another day in which the crime bill will not be passed. Today and every day we delay reporting this bill is a day in which thousands of new cops will not be put on the street. Consider all of the prison beds which will not be constructed today. Think about the drug kingpins who will be allowed to kill without fear of the death penalty today. Think of the assault weapons which will not be taken off the street today, and most importantly think of the lives which may be lost due to our lack of action on this critical piece of legislation.

Today the House and Senate will not ensure that criminals receive swift and sure punishment. Today we will not extend the death penalty to crimes like trafficking in large amounts of drugs, killings by drug kingpins of police officers, drive-by shootings which result in death, espionage, treason, murder of law enforcement officials, and intentional killing of witnesses which results in death. And, the States will have to wait until we can act before having access to between \$6.5 and \$14.1 billion for building new prisons.

Mr. Speaker, the conferees have had 3 months to work out the differences between the two measures. Every day that they continue to confer, the law-abiding citizens of America suffer from random gun violence, lack of police protection, and a fear that crime will go unpunished.

Therefore, it is time to report the anticrime bill so that we can send it to the President and put the Federal Government back on the side of America's law-abiding citizens.

□ 1930

Mr. MCCOLLUM. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois [Mr. HYDE], a member of the Committee on the Judiciary.

Mr. HYDE. Mr. Speaker, I want to take this opportunity to salute the gentleman from Nebraska who has shown great courage and inventiveness in bringing this question forward in this method, instructing the managers to meet promptly.

I think it is amazing that we need this instruction as a lever, as a device to get some momentum going on the crime bill, which everyone has been posturing over and flexing muscles and talking about how serious the problem is and all the great things these bills do to grapple with that problem.

We named our conferees in the House April 21. That is 3 months ago tomorrow. And then 52 additional House conferees were appointed May 17. That is over 2 months ago. And the Senate conferees were appointed May 19. But here we are in the deep freeze, frozen in amber, immovable, intransigent. Nothing is happening. Yet we hear this cascade of statistics about the rapes and the car shootings and the kidnappings and there is no movement.

So we on this side are stunned by this sudden burst of activity on the part of the majority party. We can only say, there has been one meeting of the conferees, and that was June 16, when opening statements were made. And then it has been Death Valley. Nothing is going on that we know of.

The gentleman from California said there had been meetings. These are stealth meetings because no Republicans have been invited and no Republican staff. So they are negotiating between themselves, and this may be the most expeditious way to go, but we do not know that. Nobody knows that. And the gentleman from Nebraska [Mr. HOAGLAND] does not know that or he would not be bringing this motion to instruct.

I would like to ask the gentleman from Nebraska a question, if I could capture his attention for a moment.

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

Mr. HYDE. I yield to the gentleman from Michigan.

Mr. UPTON. Are these crime meetings? The gentleman said they are going in smoke-filled rooms. Is this sort of like health care?

Mr. HYDE. I do not know about smoke-filled rooms, but they are going on behind closed doors.

I would like to ask the gentleman from Nebraska a question.

I take it that the gentleman attends Democratic caucus meetings and that he attends meetings where the Speaker and the majority leader and the powerful chairman of the Committee on the Judiciary are present. Has he ever addressed them on this subject and asked them why we have not had conferences? There has been considerable discussion over here.

Would the gentleman share with us their responses to him? I do not want him to betray a confidence, but what have they told him when he asked them when in the heck are we going to have a conference on the crime bill?

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

Mr. HYDE. I yield to the gentleman from Nebraska.

Mr. HOAGLAND. Mr. Speaker, that there are a number of complicated issues that need to be worked out.

Mr. HYDE. But not with us. It is among themselves, these complicated issues, is that the gentleman's understanding?

Mr. HOAGLAND. Well, we did not discuss who was involved in the complicated issues conferences, only that they are very complicated. Of course, those of us who are anxious to get this passed and get it enacted, so the deterrent effect in many of these provisions can continue to be felt, can begin to be felt, I should say.

Mr. HYDE. I just wanted to say again that I salute the gentleman's courage in standing up on his side and saying,

let us get going. I think that is wonderful. It is something we Republicans can all assent to with some enthusiasm. And if the gentleman ever gets any answers, I would appreciate it if he would let us know. I thank the gentleman very much.

Mr. HOAGLAND. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho [Mr. LAROCO].

Mr. LAROCO. Mr. Speaker, I thank the gentleman from Nebraska for bringing this motion to the floor. I think that what we are doing here is talking about a sense of urgency.

I do not come to the well here to point fingers at the minority or the majority. I just come here to bring a message from the people of Idaho that they want to see this issue resolved. I think that we want to move ahead as fast as we can.

People are waiting in America for us to resolve this issue. The gentleman has brought us this motion, and I think it is important to discuss that we want to have a vote on this. We want to do it quickly. We want to work hard. That is the expectations from the people of America, that we do our business here. I think it is OK to focus on this.

I have told people that I did not come to town to dance. I came here to make a change in people's lives, and in a positive way. I think we have taken a bold step on the floor of the House here in the past to resolve the crime issue, and I hope that we can move forward.

I like certain aspects of this bill. I voted for it. Truth in sentencing, police on the beat, boot camps, prevention measures. It is a smart bill. It is a tough bill. I want to vote on it. And there are going to be aspects of it that I might not like, but we need to have this opportunity before we go home for the August break. The gentleman from Nebraska makes a good point.

I like three-strikes-and-you're-out. People in my district want it, and they want us to have a vote on it. And they want us to take care of this soon.

I thank the gentleman. My purpose here is to address the House, not to point fingers at anybody, but I think that the gentleman is going to add some momentum to the urgency of bringing this matter to the floor of the House.

I think he feels it from his constituents in Omaha. I feel it all the way from Boise and Priest Lake and Port Hill, ID. Right after we passed this bill, 3 months after, I went home to a boot camp in Idaho and saw how well that was working in our great State where they mixed education up with prevention and detention. It worked there. They said, let us go on with this. Let us do it at the Federal level and do it right.

I met with police chiefs, detention officers. They said, let us move ahead. Let us be smart. Let us be tough. Let us get on with it. That is my message today. I support this motion.

Mr. HOAGLAND. Mr. Speaker, I yield 2 minutes to the gentlewoman from Arkansas [Ms. LAMBERT].

Ms. LAMBERT. Mr. Speaker, I rise today in support of Representative HOAGLAND's motion to instruct conferees to meet promptly in order to pass the crime bill right away.

On April 21 of this year, the House passed H.R. 4092, the Violent Crime Control and Law Enforcement Act of 1994. It has now been 3 months since that date, and the longer we wait to pass this bill, Mr. Speaker, the longer the citizens of our Nation must endure the violent crime that is sweeping our Nation.

As a resident of the rural first district of Arkansas, I am particularly concerned about FBI statistics that show that violent crime is rising 5 percent faster in rural areas than in urban ones. The peaceful picture of rural America that depicts the little white house surrounded by a white picket fence and children happy at play is soon to be a picture of the past if we do not take immediate action. With a strong balance between punishment and prevention measures, our crime bill will provide the resources that will help our families, our communities, and our government work together to fight crime.

We, as legislators, have a duty to ensure the safety and protection of all Americans. But until we pass anticrime legislation, our citizens will not have the resources to fight the crime that has invaded each and every one of their lives. I therefore urge our conferees to meet promptly to smooth out differences in our crime package, so that we can pass this bill and help make our Nation safe again.

□ 1940

Mr. HOAGLAND. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. MENENDEZ].

Mr. MENENDEZ. Mr. Speaker, on April 21, this body passed a comprehensive crime bill to combat the pervasive crime problem in this Nation, and almost 3 months later it remains pending in conference. The American people deserve and need the benefits of this legislation. They deserve to see more police officers on their streets. They deserve to feel safe within their schools, homes, and communities, and they deserve it today.

In my home State of New Jersey, 5,951 persons out of every 100,000 are the victims of violent crimes. In the past decade violent crime has risen 54 percent nationwide. With statistics like these, it is no surprise that the No. 1 concern of Americans is crime, specifically violent crime.

Yesterday, the New Jersey papers carried three separate stories about the murders of six different people: A Jersey City man who slashed the throats of his ex-girlfriend's mother, sister,

niece, and nephew; two motorcycle gangs which clashed at a picnic, leaving two people dead, two critically injured and eight wounded; and a young man who kidnapped, sexually assaulted, and murdered a young girl. Two of these victims were ages 6 and 7. For Shakaya Roberts and Amanda Wengert the crime bill is already too late. Their murderers will not be subject to the three strikes provision.

The crime statistics which confront our children now do not have to reflect our future. Through the implementation of effective prevention and non-violent conflict solution programs, and by keeping our youth in school, we can avoid their traveling down the wrong road. There are no easy or precise solutions to the problem of violent crime; however, I do believe the crime bill will be a major step toward safer streets and safer school hallways and safer communities.

The crime bill renews our fight against this malignancy which has invaded our streets, our schools, and our lives. I urge my colleagues to support Representative HOAGLAND's motion to instruct conferees and to get the job done now. Let us have a crime bill now.

Mr. HOAGLAND. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Speaker, I thank the gentleman from Nebraska for giving us the sense of urgency on this issue.

Mr. Speaker, today is day 34 of a hostage crisis in Congress. Sent to a conference committee on June 16, the crime bill has been held hostage in committee for 34 long days.

But while Congress fiddles, America burns. Criminals go to work every day: in our streets, in our parks, in our businesses, and in our homes.

From San Diego to Washington, the message is clear: crime is out of control and the people want action.

We need to put more cops on the streets. We need to get assault weapons out of the hands of children. We need to make community policing a part of every community. We need to fight violent crime. And yes, we need to create jobs, build schools, provide decent housing, and restore hope to neighborhoods across America.

None of us will approve of everything in the crime bill, but the debates have been heard and the votes have been cast. Let us stop fighting the crime bill and start fighting crime.

Today is day 34 of the crime bill hostage crisis. What are we waiting for?

Mr. MCCOLLUM. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, the gentleman from California said that the crime bill is being held hostage. It is not being held hostage on this side of the aisle. As has been discussed before, the secret meetings are on the Democrat side. Get them to come to the floor and we will vote on the thing.

The gentleman is rattling his sword before the House here. Why does he not do it in his conference report, because the Republicans are ready to come before the committee, no matter what it is.

The gentleman from Florida said that the extremist position is holding the crime bill from coming to the floor. That is the racial justice. Bring it to the floor. We have already voted on it, we have debated on it, but go ahead and do it.

What the gentleman is talking about is not doing any good. The gentleman from Nebraska [Mr. HOAGLAND] voted for the racial justice bill. That is one of the things that is holding this whole thing up. Let us bring it to the floor, even if it is in there, and I commend the gentleman for doing that, but let us at least bring it to the floor.

The gentleman has no problem on this side of the aisle. Do it tonight. Our Members will show up. But there is no problem on this side of the aisle as far as bringing the crime bill. When the gentleman is talking about holding it hostage, it is from the Democrat side.

Mr. HOAGLAND. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. WATERS].

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

Mr. Speaker, it really does not serve any worthwhile purpose to have Members beginning to point their fingers at who is holding up the crime bill. We know there are issues unresolved.

Most of us do not even know what is in the chairman's mark, but let me say this, it is not the racial justice issue that is holding up this crime bill. The gentleman must understand that whether it is assault weapons or other issues, there are many issues that are being discussed. Please, I would ask the gentleman from California [Mr. CUNNINGHAM], do not take the position that racial justice is holding up the crime bill.

The fact of the matter is, there is the assault weapon issue and many other issues that are being discussed, as the gentleman knows, and it is not fair to simply point the finger in that way. It is irresponsible.

Mr. MCCOLLUM. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I would say to the gentlewoman from California [Ms. WATERS], what is irresponsible. We are ready to come to the table. Whether it is assault weapons, whether it is racial justice, or whatever it is, if they want to schedule a conference report, if they want to go to a conference meeting, let us do it.

The only discussion we are seeing is on that side of the aisle. No Republican staff or no Republican on the Committee on the Judiciary has been allowed to even discuss it. Bring it to the table and we will discuss it.

Mr. HOAGLAND. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. BARCA].

Mr. BARCA of Wisconsin. Mr. Speaker, I think it is tremendous. We are in the heat of agreement. I gather what we want to do is to express our sense of urgency that we do need to pass a crime bill. Certainly there might be items that still divide us, and not to minimize those differences, but the point is there are far more items that unite us.

Both houses want more cops on the streets. Both houses want truth in sentencing. Both houses want three-strikes-and-you-are-out. Both houses want new tools for prosecutors. Both houses want alternative sentencing, like boot camps for young people. They want crime victim prevention. They want preventative efforts for our juvenile justice system.

There are many items that are very critical to the people of this country, to crime victims, to the children, and to senior citizens. I say let us work together, let us get it done quickly, and I applaud the gentleman from Nebraska [Mr. HOAGLAND]. It is time to move this bill forward.

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

Mr. Speaker, we have had a very interesting discussion out here tonight. I certainly, as I said at the beginning, support the gentleman's motion to instruct so that the conferees and the crime bill move more promptly. I do not know any Republican on this side of the aisle who does not believe that that should be the case.

However, Mr. Speaker, we have heard a whole parade of people come forward on the Democrat side of the aisle to state their strong convictions about this, that, or the other need for some provision in the crime bill, and we ought to move forward and so forth, and it is beginning to sound to me like it is a Democrat endangered incumbent amendment we are out here producing today, so everybody can give their testimonials.

Just as I said earlier, there is a lot of irony in this. I do not diminish the importance of the subject. I think it is extraordinarily important. There is probably not anything that this Congress is dealing with that is more important than attempting to get to a resolution of some law on the books that will help the States, and provide a change in the climate that truly will lock up the violent criminals who are the repeat violent criminals that are committing these crimes in this country and keep them locked up.

We want to do that and to do some of the other steps we need to. We may be debating some of the fine points and having disagreements on where some of the resources ought to go.

□ 1950

But what is ironic about this is that we Republicans, while we are listening

to all of this, have not produced this particular motion to instruct. All the gridlock is over on the Democrat side. We have not been invited, as the gentleman from California [Mr. CUNNINGHAM] said, into the room. I am a conferee. Not one staff member from the Committee on the Judiciary House conferees nor a member of the committee has been invited into a meeting since June 16, when all we did was get together publicly to give our opening remarks as members.

If there are negotiations, we do not know what they are. We are reading and listening to the press accounts and listening to what a few of our colleagues say hither and you dropping hints about it. We gather from all that I have heard on the various news shows on Sunday and so forth that the problem is, contrary to the gentlewoman from California, Ms. WATERS', comments, the problem has been and still is apparently over the dispute within the Democrat Party over the so-called Racial Justice Act because a sizable proportion of the gentlewoman's party seems to want to end the death penalty as we know it now or at least wants provisions that would effectively do that as 50 State attorneys general have said to us in a resolution they passed just a few weeks ago, or the 7,000 district attorneys, who have said through their association, there seems to be a strong view by at least a substantial portion of the other side of the aisle that, indeed, this is the case.

But I gather that there is a diminishing support for this. The gentleman from Nebraska [Mr. HOAGLAND] who is offering this motion, who understands, I think, now, the error of his earlier votes, because he voted with us a few days ago to reverse his position on the Racial Justice Act, probably the gentleman knows better than anybody in the room that indeed the Racial Justice Act would be trouble in River City, it would be now the end of the death penalty, would at least cause us to go to sentencing in States that have not had the death penalty by quotas, by racial quotas. But the gentleman did twice vote for it. The gentleman voted for it when he voted against my proposal that would strike it from the bill on the first day, and as I said earlier, had he not done it, we would not be here tonight, as I see it, worrying about promptness, because the fact of the matter is, if the issue is as I hear over that issue, it would not even be on the table. That was decided effectively by one vote.

Now I know the delegates voted, so there was a five or six vote difference on paper, but if we took their votes away, because they cannot effectively have any say here, and if there had been one vote difference, we would have prevailed on it and the Racial Justice Act would not be here. We would have the Equal Justice Act. We

would have the provision that should have been here all along, that except for partisan consideration and failure to look at it, a Republican proposal would be on the table that would step by step prevent racial bias in the courtroom, not just in death penalty cases but in all cases by providing for statutory provisions to protect from racial bias in voir dire, in sentencing, in every stage of a criminal proceeding.

But, no, we are wrapped up into partisan gridlock on the gentleman's side of the aisle. I am amused in that sense by it but I am chagrined, as the American public is, that all this time has passed, all this time has passed since we had the initial conferees appointed. Ninety days, as we said earlier, have passed since we passed the bill in the House. It is time to move on.

Yes, I will vote for this motion to instruct, but I again just want to point out in closing, we on our side, we Republicans have never had a problem with moving that crime bill. We have not even been invited into the room. I challenge anybody to tell us when we have been invited into a meeting on this other than the opening first day of the conference, and we would love to have a bipartisan bill. We really want one. But we are waiting for the other side to give it to us.

I thank the gentleman from Nebraska [Mr. HOAGLAND] for at least offering us a chance to express our views on this issue tonight.

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

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

Mr. Speaker, let me just say briefly, this is an opportunity for us this evening, an opportunity for the general membership of the House to speak, those of us that are not on the Committee on the Judiciary perhaps, those of us that are not involved in the conference to say in a bipartisan cooperative basis, "Look, let us just get this crime bill out of conference, let us get it back to the floor of the House, to the floor of the Senate, let us pass it and get it to the President."

There are a lot of difficult issues, no question about it. But a lot of other committees in this House and other conferences in this body have handled difficult issues competently and effectively and quickly. I think that we can get this done. We just need to gather all 435 of us, tell the conferees, "Look, it has been over 3 months." Please resolve your differences, please get the bill back here because we are losing time.

There are an awful lot of things about this crime bill that are really going to help the crime situation throughout the country. We have been through the statistics before. There are so many thousands of crimes committed every week in America. It is just horrendous. And clearly there are a lot

of provisions in this bill that are really going to help deter that crime. A lot of the provisions in this bill are going to help prevent crime. So let us get the differences on a small issue resolved and get the bill passed, get it out here, get it to the President so we can begin to feel the beneficial effects. That is all this motion is.

Mr. Speaker, I ask the adoption of the motion.

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

The SPEAKER pro tempore (Mr. TORRES). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Nebraska [Mr. HOAGLAND].

The motion was agreed to.

A motion to reconsider was laid on the table.

#### COMMEMORATING THE 50TH ANNIVERSARY OF ASSASSINATION ATTEMPT OF ADOLF HITLER

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

Mr. DORNAN. Mr. Speaker, I am looking forward to the Oxford Debate tonight as I hope is a good percentage of America.

I missed a chance this morning to do a 1-minute on the 50th anniversary of the one glowing moment in the horrible reign of terror, Hitler's 12 years of the Third Reich, where noble people, just a handful, paid with their lives in what was called Operation Valkyrie, the attempt to kill Adolf Hitler at his Wolf's Lair command bunker in East Prussia. Claus von Stauffenberg, a count, a loyal Roman Catholic of an aristocratic family, came within a hairsbreadth of destroying, with Stalin, one of the most evil men in all of recorded history. I will put in this excellent article from the Washington Post on the tributes being paid or that were paid a few hours ago to von Stauffenberg and the 5,000 or so officers and noble men who lost their lives in Hitler's vicious hanging, fake trials and then watching the movies of their death for hours on end at his Berchtesgaden hideaway.

Mr. Speaker, sometimes God says no to good deeds. The war continued, millions more died, and Germany was turned into rubble. The Claus von Stauffenberg plot should have been hatched in 1940, 1941, 1942, 1943, not 1944. That is the only cloud over the heroic deeds of Operation Valkyrie.

Mr. Speaker, I include the article referred to in my remarks, as follows:

[From the Washington Post, July 20, 1994]

#### GERMANY HONORS ANTI-NAZI PATRIOTS

(By Rick Atkinson)

BERLIN—He is an unlikely martyr—a traitor whose courage far exceeded his competence as an assassin, a conservative aristocrat whose admiration for his Nazi superiors only gradually yielded to revulsion and resistance.

But Germany must take its war heroes where it finds them, and thus Count Claus Schenk von Stauffenberg has been elevated to demigod status for a noble failure—his botched effort to kill Adolf Hitler and end the terror of the Third Reich.

Of the 2,077 days that passed from the beginning to the end of World War II, Germans can revel in only one—July 20, 1944, the date of Stauffenberg's unsuccessful bombing of the Fuehrer's East Prussian headquarters. In this long season of 50th anniversaries commemorating by-gone heroics Germany's opportunity for fond remembrance has finally come around, and the country is making the most of it.

"Nobody likes to celebrate a defeat, as Normandy was for us. But the 20th of July is really something we're proud of," said Cmdr. Joerg Duppler, a military historian at the German Defense Ministry. "My opinion is that it's the only thing we can be proud of during World War II and the Nazi regime."

Stauffenberg's attempted coup will be honored with a high-level ceremony in Berlin, as well as a traveling exhibition titled "Against Hitler: German Resistance to National Socialism, 1933-1945," which opened last Thursday at the Library of Congress in Washington. While extolling the virtue of those, like Stauffenberg, whose righteous impulses cost them their lives, the exhibit inevitably underscores how few and ineffectual the resisters were.

"You shouldn't get the impression that Germans were resistance fighters; certainly not," said Johannes Tüchel, director of Berlin's Memorial to German Resistance. "You can point out that during this dictatorship a handful of people resisted, but you cannot use them to counterbalance the crimes of National Socialism. You can't diminish the atrocities of the Third Reich."

As seems inevitable whenever the subject of World War II is broached in Germany, controversy is not far afield. Chancellor Helmut Kohl has grabbed the spotlight for the 50th anniversary commemoration today and will be the featured speaker at a ceremony on the site where Stauffenberg and several co-conspirators were executed. Kohl's opponent in the upcoming federal election, Social Democrat Rudolf Scharping, has accused the chancellor of politicizing the event and exploiting the sacred memory of German resistance.

Moreover, Stauffenberg's son, Franz Ludwig, a businessman and former member of parliament, has bitterly objected to honoring Communists, socialists and other leftist opponents of the Nazi regime. German Communists in particular "not only built a second terrible dictatorship in a part of Germany after 1945, but also killed tens of thousands of people and had hundreds of thousands incarcerated," Franz Ludwig Stauffenberg, now 56, told Focus magazine.

Stauffenberg's objections notwithstanding, the exhibition in Washington and the Memorial to German Resistance in Berlin remain unaltered. "We can't manipulate the resistance today and only show those things that please us," Tüchel said. "If we want to learn from history, we have to show everything, whether it's painful or not. . . . And the truth is painful."

In the same way that Steven Spielberg's movie "Schindler's List" triggered soul-searching here about why so few German citizens acted to prevent the extermination of Jews, so has resurgent interest in the July 20 plot provoked discussion about the obligation to resist tyranny.

As the Library of Congress exhibition demonstrates, resistance to Hitler was diverse but never deep. A few clerics spoke out; most did not. Other opponents resisted from a distance, such as author Thomas Mann and future chancellor Willy Brandt, both of whom left Germany as Hitler consolidated his chokehold on the country.

Brutal Nazi repression of the Communists beginning in 1933 also spawned an underground resistance. Members of the Red Orchestra, a Berlin-based cell made up largely of middle-class intellectuals, had some success in distributing leaflets and passing military secrets to the Soviet Union. Those caught by the Gestapo were summarily executed or, like the late East German leader Erich Honecker, imprisoned for years.

"The opportunities for resistance were severely limited due to the terror and the effectiveness of political measures, not least of all the streamlining of the administration of justice that came after 1933," Peter Steinbach, a professor of political history, wrote in a recent essay.

In the face of such odds, a few brave souls demonstrated extraordinary valor. Students and teachers in a University of Munich group known as the White Rose, including Hans Scholl and his sister Sophie, distributed a pamphlet in February 1943 summoning "the youth of Germany"; to rebel; they were arrested and beheaded.

Other groups often resembled secret debating societies rather than havens for bomb-throwing insurrectionists. Nevertheless, they kept alive the flame of decency and human dignity in Germany's darkest hour. Count Helmuth von Moltke, for example, summarized the values of the Kreisau Circle in a 1941 memo: "The end of power politics, the end of nationalism, the end of the racial concept, the end of the state's power over the individual."

For Stauffenberg it all boiled down to one overriding goal; the end of Hitler. A devout Catholic and loyal army officer, Stauffenberg's enthusiasm for the Nazi regime quickly faded following the 1938 anti-Jewish pogrom known as Kristallnacht. Wounded in Tunisia in 1942—he lost his right hand and two fingers on his left—the young colonel eventually returned to Berlin as chief of staff in the General Army Office. There he became deeply involved in conspiracy of officers and political figures appalled at Germany's devastating combat losses.

"Stauffenberg's single-minded determination and dynamic personality quickly breathed fresh life into the cabal," historians Anthony Read and David Fisher have written. "By the end of the year [1943] he had become its unquestioned leader, dominating both the politicians and the generals."

Because of his wounds, Stauffenberg was unable to wield a pistol, so he decided to kill Hitler with a briefcase bomb. His chance came on July 20, 1944, at a daily military briefing for the Fuehrer at his "Wolfsschanze" headquarters in East Prussia. After activating the fuse with a pair of pliers, Stauffenberg carried the briefcase into a wooden hut and placed it beneath an oak table a few feet from where Hitler was standing.

At 12:37 p.m., Stauffenberg left the room on the pretext of taking a phone call. Five

minutes later, the building was gutted in a roar of smoke and flame. Stauffenberg hurried to the airfield and flew back to Berlin, convinced that Hitler was dead.

He was not. Another officer had unwittingly shoved the briefcase behind a heavy oak table leg, which shielded the Fuehrer from the blast. The open windows and flimsy wooden walls of the building further diminished the power of the blast. Although singed and a bit battered, Hitler was essentially unharmed.

In Berlin, the coup quickly collapsed. Stauffenberg and three others were arrested and marched into a courtyard at army headquarters. Shortly after midnight, they were executed by firing squad. Before the fatal volley, Stauffenberg cried, "Long live our sacred Germany!"

Hitler used the assassination attempt to purge the army and impose a reign of terror that lasted until the end of the war 10 months later. An estimated 5,000 people, most of whom had no connection to the July 20 plot, were executed after mock trials. Many were strangled with piano wire suspended from meat hooks.

Since Germany's emergency from the ashes of the war, the nation's military has sought to establish its spiritual ties to Stauffenberg and his fellow conspirators rather than to the warmongers who became the instrument of Hitler's ambitions.

"The 20th of July is a permanent legacy of our state and our armed forces," said Duppler, the military historian. "For those of us in the Bundeswehr, the day is a chance not only to honor the resistance fighters, but also a reminder of our duty, of the dichotomy between obedience and the superior obligation to human rights."

Even so, the country long remained divided in its feelings toward men who had violated their sacred oath to support the Fuehrer unto death. A series of polls has tracked that ambivalence for four decades. In 1951, for example, when asked, "How should the men of July 20 be judged?" 45 percent said the conspirators should be considered favorably, while 34 percent judged them negatively, and 21 percent had no opinion.

In a similar survey, respondents were asked, "When you hear of a soldier or an official who was a member of a resistance group during the war, does that speak for or against him?" In 1964, 29 percent replied "for," 32 percent "against," and 39 percent were undecided. In 1985, 60 percent answered "for," 12 percent "against," and 28 percent were undecided.

As the country celebrates the 50th anniversary of the plot, most historians believe their fellow Germans now view the resistance as a guiding light for "this Western-oriented, liberal democratic state that we have today," as Duppler put it.

Perhaps the most eloquent summation comes from a leaflet distributed by the White Rose:

"It is not given to us to pass final judgment on the meaning of our history. But if this catastrophe is to serve in any way toward our salvation, then it can be only through this: that we be cleansed by suffering, that we yearn for light in the darkest night, that we rouse ourselves and finally help cast off the yoke that is oppressing the world."

#### RECESS

The SPEAKER pro tempore. The Chair will declare a very brief recess.

Accordingly (at 8 o'clock p.m.), the House stood in recess subject to the call of the Chair.

□ 2008

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. NADLER] at 8 o'clock and 6 minutes p.m.

#### OXFORD-STYLE DEBATES

The SPEAKER pro tempore. The House will again, as it did on May 4, 1994, conduct a structured debate on a mutually agreed upon subject. A Member recognized by the Chair and holding the floor as moderator will yield time to eight members on two teams, with each team composed of two Members from the majority party and two Members from the minority party.

The primary purpose of this debate is to enhance the quality of the deliberative process of the House of Representatives, so as to enable all Members to be better informed and to participate in subsequent debates and decisions on major issues.

Under the previous orders of February 11, 1994, and June 10, 1994, the gentleman from Maryland [Mr. CARDIN] will be recognized to moderate a structured debate in the format and sequence that he will describe, which has been mutually established by the majority and minority leaders.

The rules of the House with respect to decorum and proper forms of address to the Chair will apply during this debate. The moderator will yield time to the participants and will insist that Members not interrupt on other Members' time. As part of the experiment—and not as a precedent for other proceedings of the House—the moderator and the participants will have the aid of a visual timing device.

The Chair recognizes the gentleman from Maryland [Mr. CARDIN] for up to 2 hours.

#### RESOLVED THAT THE UNITED STATES SHOULD USE TRADE POLICY TO IMPLEMENT HUMAN RIGHTS POLICY

Mr. CARDIN. Mr. Speaker, tonight instead of the normal special orders, the House of Representatives is holding its third Oxford-style debate. This debate differs from the first two that we have said in that it is bipartisan in nature. The teams are made up of both Democrats and Republicans. This debate demonstrates how Democrats and Republicans can work together to solve the problems facing our country.

The topic for tonight's debate is: Resolved that the United States should use trade policy to implement human rights policy. The debaters supporting the resolution are STENY HOYER from the 5th District of Maryland, GERALD SOLOMON from the 22d District of New York, NANCY PELOSI of the 8th District of California, and FRANK WOLF of the 10th District of Virginia.

The debaters opposing the resolved statement are DAVID DREIER of the 28th District of California, MIKE KOPETSKI of the 5th District of Oregon, JIM KOLBE of the 5th District of Arizona, and EDDIE BERNICE JOHNSON of the 30th District of Texas.

At this time I would like to remind the debaters that the time limits will be strictly enforced. During the questioning portion of the debate, questions will be limited to no more than 30 seconds and answers to no more than 1½ minutes. During that period I would ask the Members to please remember that questions must be asked by the questioners and answers must be given by the respondents.

At this time I recognize the gentleman from Maryland [Mr. HOYER], who is entitled to 3 minutes for an opening statement.

Mr. HOYER. Thank you, Mr. Moderator.

It is our position that America should, in appropriate instances, and in the face of human rights abuses, use trade policy as one of its strategies to implement its commitment to universal human rights. We believe America has been uniquely a leader in standing for human rights and principle in the international arena.

At our birth, Thomas Jefferson stated clearly our conviction which has become the world standard. He said that we hold these truths to be self-evident: That all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness.

□ 2010

Jefferson said that declaration was issued out of a decent respect for the opinion of mankind.

Following the Holocaust of the 1930's and 1940's, the United Nations, in its charter, reaffirmed, and I quote, "faith in fundamental rights," and in its 1948 Declaration of Human Rights, the international community recognized, and again I quote, "the inherent dignity and the equal and inalienable rights of all members of the human family as the foundation of freedom, justice, and peace in the world."

It is our side's proposition that in the face of egregious violations of these unalienable rights that business as usual is an untenable denial of the very essence of America's character and history. In fact, we have repeatedly and effectively used trade policy to implement our policy of expecting all nations to honor their international commitments, with Cuba, North Korea, and now Haiti, in defense of freedom; with Iran, Iraq, and Libya in opposition to terrorism; with Vietnam on behalf of the men and women prisoners of war and missing in action; with Serbia in opposition to aggression and genocide; with the Soviet Union and Romania on

behalf of the right to emigrate; with China in rejecting the products of slave labor; and with South Africa on behalf of justice and freedom.

We believe doing business as usual with those who violate the human rights of their own people and thereby threaten the peace and stability of the international community is not only morally unacceptable but strategically dangerous. Therefore, trade sanctions in some instances at some times against certain human rights abusers is and must be an option for American policy.

Mr. CARDIN. The gentleman from California [Mr. DREIER] is now entitled to 3 minutes to speak an opening statement against the resolution.

Mr. DREIER. Mr. Moderator, I thank you and our colleague, the gentleman from Pennsylvania [Mr. WALKER], for organizing what you described as the first bipartisan Oxford-style debate.

Today marks the 25th anniversary of Neil Armstrong's giant leap for mankind. Just as I will never forget watching the grainy TV pictures of those brave astronauts standing on lunar soil for the first time, I will always remember looking across the aisle to the Democrat leadership desk and seeing my leader on the Committee on Rules, the gentleman from New York [Mr. SOLOMON], standing there.

Five years ago this month on an extraordinarily hot and rainy day, the gentlewoman from California [Ms. PELOSI] and I marched from Capitol Hill to the Chinese Embassy to demonstrate our outrage over the Tiananmen Square massacre.

There was no partisan divide in the American effort to reach the Moon, and there are no partisan lines when it comes to supporting human rights overseas. That is an American principle. Despite what Members of the other team may say tonight, there is no question that each participant in this debate is fully committed to freedom and human rights.

While we recognize on the surface we may appear to have taken a difficult position, we are confident that because we know that our two teams do not differ on goals, we disagree on whether trade sanctions improve human rights conditions. We know that the overwhelming weight of evidence supports our position that the best trade policy to promote human rights is economic freedom, freer trade. Trade sanctions have generally proven ineffective to implement human rights. In fact, they hurt the people they intend to help: the poor and weak who suffer both economic hardship and increased repression.

The same year as Tiananmen, President Roh Tae Woo of South Korea, the first democratically elected President, stood here in this Chamber addressing a joint session of Congress. Republicans and Democrats alike cheered

when he said the forces of freedom and liberty are eroding the foundations of closed societies, and the efficiency of the market economy and the benefits of an open society have become undeniable; now, these universal ideals symbolized by the United States of America have begun to undermine the fortresses of repression.

Well, 1989 was a dramatic year for freedom. President Roh's address to Congress struck me as especially poignant, because he represented the victory of democracy and human rights in South Korea, a nation which stood on our side during the cold war. President Roh's appearance was more evidence of a simple truth: Free-market policies promote trade which strengthens private enterprise which creates wealth which improves living standards which undermines political repression. That formula works.

That is why our position goes beyond simply emotional rhetoric. We stand on the concrete experiences of countries that have moved from economic liberalization to political liberalization.

I believe tonight we will provide evidence that that is the case.

Mr. CARDIN. The next 11 minutes will be shared by the gentleman from New York [Mr. SOLOMON] and the gentleman from Oregon [Mr. KOPETSKI]. First, the gentleman from New York [Mr. SOLOMON] is entitled to 1½ minutes for an opening statement.

Mr. SOLOMON. My colleagues, linking trade to human rights is in our national interest, because history shows that nations which violate human rights almost inevitably are more likely to be aggressive in their foreign policies. Thus, for America, our moral imperative to challenge human rights abuses dovetails with our strategic need to challenge military aggression throughout this world, and short of war, the best and only weapon we have is trade sanctions.

Take two examples, the Soviet Union and China. Both are countries that were massive violators of human rights. We all know that. And both were aggressive, destabilizing countries. Well, trade sanctions, coupled with a tough NATO defense policy, was the strategy that brought the Soviets to their knees, brought down the Iron Curtain, and ended imperialistic communism around this world. Trade sanctions did that, while at the same time, Communist China had been granted favorable trading privileges, and the unconscionable human rights abuses continue unabated right today; no democracy there. You know that.

Finally, American leadership in world affairs is absolutely critical to our national security, and our ability to lead hinges on staying true to our ideals, for if America forgets her ideals, America will lose her credibility, and without credibility, the oppressed people of this world will lose

all hope of ever being treated like human beings.

We Americans cannot allow that to happen.

Mr. CARDIN. The gentleman from Oregon [Mr. KOPETSKI] is entitled to a minute and a half for an opening statement.

Mr. KOPETSKI. Thank you.

Make no mistake, America is second to none in guaranteeing basic human rights to its own citizens and to fostering human rights throughout the world. Americans will always cherish this virtue and never abandon this noble mission.

But we cannot pretend that, as important as human rights are, they are the only foreign policy issue. Because of this reality, we must weigh the effectiveness of each action not in the isolated instance of one country, one grievance, but as part of a comprehensive foreign policy. The principles under which our Nation applies trade sanctions must be clear and consistently applied.

Tonight's debate raises two questions for our Nation. First, should America use its trade policy to reflect our anger with a given nation for human rights abuses against its own citizens? My response is that we should not. For it is a policy which is doomed to failure.

Second, should we use our trade policy as a means to foster human rights throughout the world? I say yes. But in a different sense than the opposing side, for I believe the basic human rights are best improved by a policy of open trade.

In trade, not only are goods exchanged but so, too, are attitudes, ideas, the rule of law, and the importance of procedural rights.

I visited Czechoslovakia in the fall of 1989. There a border guard in the dark of night told me that exposure to the Western world, to different standards of living, and to individual freedom, much of which was learned through tourist trade and television, had as much to do with their quest for freedom as the innate call to be free.

Mr. CARDIN. The gentleman's time has expired.

The gentleman from New York [Mr. SOLOMON] now controls 4 minutes to question the gentleman from Oregon [Mr. KOPETSKI].

Mr. SOLOMON. Thank you. And, you know, one of the greatest violations of human rights would have to be the sponsoring of terrorism. Currently we have sanctions or embargoes against Iran, Iraq, Libya, North Korea, because of their support for international terrorism and exporting revolution. We do not believe those sanctions should be lifted.

And I would ask you along the question that we debate tonight, do you?

Mr. KOPETSKI. Mr. SOLOMON, the issues involved in those countries are national security issues, and all of those

countries are not directly related to human rights issues. And I would be glad to go case-by-case through each one of those.

□ 2020

Mr. SOLOMON. I do not think I am supposed to debate you on that issue at this point, but let me ask you, since we have just the 30 seconds on the other question because this is poignant as well: For 2 years we have maintained sanctions against Serbia, which has committed genocide against the people of Bosnia, the worst crimes against humanity in Europe since Hitler and Stalin. Our side does not believe these sanctions should be lifted. Again, with the question we are debating here tonight, do you?

Mr. KOPETSKI. Mr. SOLOMON, I do not believe these trade sanctions should be lifted, and the reason is because again we are dealing with the very extreme situation where there is no government, there is no government, and that is part of the problem in what was the former Yugoslavia today. There is still this transition period of trying to formulate a government.

It is not just a human rights issue that we are dealing with there. We are dealing with the national security issue in terms of Europe, we are dealing with a country that has been decimated because of internal strife. The debate this evening, I thought, was supposed to be centered on human rights issues. And if you broaden this, if you broaden it to include national security issues, I am sure that your team and my team are going to find common ground in many areas of the world where we should use trade as part of the tools.

Mr. CARDIN. Question?

Mr. SOLOMON. I would just say to the gentleman, and I respect his answer, he knows and we know that as far as national security is concerned, we do not want to put one single American soldier on foreign soil if we do not have to. That is why we need trade sanctions to make sure. Your only alternatives are war, diplomacy, or trade sanctions. Let us take the trade sanctions, that is the safest and most humane way.

Mr. CARDIN. Is that a question?

Mr. SOLOMON. I think the gentleman agrees with that, does he?

Mr. KOPETSKI. In response, you are absolutely right in defining three areas that we can use. Our premise is that trade is but one of those tools. You have outlined wonderfully our debate this evening, and I am ecstatic that you have found a new ground with us, a common ground, because we have to look at each nation individually and we have to use our smarts in terms of what will be effective because the policies that we may adopt may be counterproductive and exacerbate the living conditions in a particular country,

they may cause repercussions with another country. So you have to look at this in an educated sense. But just because one country has outrageous human rights conditions, that does not, nor should it automatically, mean that we should impose trade sanctions on that nation.

Mr. CARDIN. Mr. KOPETSKI now controls 4 minutes to question Mr. SOLOMON.

Mr. KOPETSKI. Thank you, Mr. Moderator.

Mr. SOLOMON, history will record that perhaps President Nixon's greatest achievement was his historic trip to China in 1972 and reopening of diplomatic relations between our two nations. He did this during the height of the repressive Cultural Revolution. This is only the second time in the 4,000-year history of China that China has ventured out into the world.

Do you believe President Nixon erred in engaging China?

Mr. SOLOMON. I most certainly do think he erred, because I think playing the China card was wrong because if you know the Chinese people, if you have been there and you have worked with them like 30 or 40 years as I have, you know that China is going to do what they want to do and what is in their best interest.

Let me just say to you that if we had not played the China card, there would be no chance that the Chinese would have engaged in a war with the Soviet Union. Yet at the same time, we were placing sanctions on the Soviet Union and having most-favored-nation treatment of China. Look at what happened. You go to the Soviet Union today and, you know, there is no infrastructure, there is no economy there whatsoever, and the reasons was because at the same time that President Reagan was deploying the intermediate-range missiles and having a tough NATO policy, no trade was going on.

Mr. KOPETSKI. You have wandered afield, Mr. SOLOMON. I want to bring you back to the issue of China in 1972.

I am astounded to find that you think it was an error. But you are a very consistent politician, and I am sure the people of your district appreciate that.

But does the gentleman believe therefore that the Chinese people had more civil rights prior to 1972 than they do now, today, post-1972?

Mr. SOLOMON. The truth of the matter is they may very well have. The truth is that, according to every—according to Asia Watch, to all of the organizations, they say more people are being detained in prison today than there were last year and more people were detained last year than there were the year before.

Did you know that 80 million people have been killed since that time, since President Nixon recognized the China card? That to me is unconscionable.

Mr. KOPETSKI. Reclaiming my time, prison time is one thing; freedom of movement, Chinese students coming to the United States to get an education, all of these kinds of activities that have occurred, the development of a market economy in China?

Mr. CARDIN. Question, please.

Mr. KOPETSKI. Do you believe that this would have happened regardless of whether President Nixon would have gone to China or not?

Mr. SOLOMON. We did not extend most-favored-nation treatment to China back in the Nixon years. Let me just say to the gentleman, people coming to this country today are favored people by the Chinese regime there. If you listen to any of the missionaries, if you listen—if you go there and you talk to anybody, they will tell you there is a \$24 billion trade deficit that is costing tens of thousands of American jobs in this country that the revenues—

Mr. KOPETSKI. Reclaiming my time, Mr. Moderator.

Mr. SOLOMON. May I answer his question?

Mr. CARDIN. The gentleman controls the time, but he should give him an opportunity to respond.

Mr. SOLOMON. He can't cut me off in the middle of my answer.

Mr. KOPETSKI. Mr. SOLOMON, trade sanctions hurt people, they do not hurt government. The gentleman is advocating the deprivation, starvation, pain and suffering; does the gentleman deny that his policy would target the Government by striking at the Chinese people?

Mr. SOLOMON. I would say to the gentleman that sanctions do hurt the government. What hurts the people are blockades, total embargoes. That could actually hurt the people. But not sanctions.

Sanctions are a long-term affair, the same as were used with the Soviet Union all those years that brought the Soviet Union to its knees so that they did not even have a hospital structure, they had no commercial manufacturing structure. That is what sanctions did. Sanctions work, you know it, and that is why we need a policy that not only the world press will listen to but if we maintain trade sanctions against these people that create these terrible abuses, it is going to help.

Mr. CARDIN. All time has expired on this section.

The next 11 minutes will be controlled by Ms. PELOSI and Mr. KOLBE.

First, Ms. PELOSI is recognized for 1½ minutes to give an opening statement in favor of the statement.

Ms. PELOSI. Thank you, Mr. Moderator.

Mr. Moderator, it is appropriate that we have this debate in this hallowed Chamber. Over the years the House has been a bastion of freedom, true to our national birthright and in keeping with

the spirit that is distinctly American, promoting freedom, democratic principles and human rights.

In this great Chamber there are only two paintings, one of George Washington and the other of LaFayette. This honor to LaFayette recognizes France's contribution to our own freedom.

In return, our Founding Fathers determined that while being defenders of freedom at home, we would be friends of freedom throughout the world.

One of the ways in which we have been a friend of freedom is by the use of trade policy, which has been and can be an effective tool because it enables us to use leverage and at the same time shines the bright light of freedom on repression.

History has shown that countries which honor their people's rights make better neighbors and better trading partners.

Economically, countries which do not respect their people, repress their rights, and the wages of their workers, this is not only unfair to their workers, it is an injustice to American workers as well. Politically, each year hundreds of thousands of people flock to our shores in search of freedom. We must export democratic principles so that they can enjoy freedom in their home countries.

Strategically, by supporting those who struggle for liberty, we can prevent a repetition of the tragedies of the 20th century and lay a foundation for peace in the next millennium.

Thank you, Mr. Moderator.

Mr. CARDIN. At this time the team in opposition to the statement is entitled to 4 minutes to question Ms. PELOSI.

Ms. EDDIE BERNICE JOHNSON of Texas. Ms. PELOSI, in March 1993 the U.N. Human Rights Commission passed a resolution endorsing a report which made strong and detailed criticism of Cuba's systematic violation of human rights.

□ 2030

The report concluded with seven steps Cuba must take to bring human rights up to minimum international standards. None of these have been taken.

Does the gentlewoman agree that Cuba and Fidel Castro are just as repressive as or has records of human rights violations equal to or worse than that of China?

Ms. PELOSI. I will answer by saying that I support the words that are in the California Democratic platform which say that we should not remove the embargo on Cuba unless there is an improvement in human rights in Cuba. I was proud to join with many of the women in Congress in sending a letter to Fidel Castro calling for the release of a woman poet in Cuba saying that her rights were being violated and she

was being mistreated in prison. I believe that we oppose human rights violations wherever they occur.

Ms. EDDIE BERNICE JOHNSON of Texas. Do you think that the United States should trade with Cuba? If you feel that trade sanctions are a good idea against China, do you think we should continue the current trade embargo on Cuba?

Ms. PELOSI. I am glad the gentlewoman asked that question because we are talking now about two very different situations in terms of what our trade sanction is. Do I think we should give most-favored-nation status to Cuba? No. And that is the tool I am talking about insofar as China is concerned, removing most-favored-nation status for products made by the Chinese military which occupies Tibet, represses people in China, is friendly to the North Koreans, has sold weapons to the Khmer Rouge as recently as this spring.

So, I think, when we talk about an embargo versus a favorable trade treatment which is targeted to the Government and to the military, we are talking about two different tactics, and so I would say that I would treat Cuba the same way as we treat parts of the Chinese economy, which is I would not extend most-favored status to either of them.

Mr. KOLBE. I would just point out in light of what was just said, if we were to withdraw the embargo against Cuba, that would establish most-favored-nation status. That is the consequence of not having an embargo with a country unless specific—

Ms. PELOSI. Not necessarily.

Mr. KOLBE. That is not given it—

Ms. PELOSI. No—

Mr. KOLBE. It does have most-favored-nation status—

Ms. PELOSI. Not necessarily.

Mr. KOLBE. But let me ask this question:

I was pleased that last fall the gentlewoman and I were on the same side of a debate dealing with Mexico and granting trade status, new trade status, to the North American Free-Trade Agreement with Mexico.

More recently, in January of this year, there was an uprising in one state of Mexico. Do you think that the trade that we have with Mexico, the increased trading that we are doing with them, has had any kind of leavening effect whatsoever in the way Mexico has responded to that situation?

Ms. PELOSI. I certainly hope so, but if the gentleman's point is to say that, if it is so with Mexico, why is it not with some other country, I would say that, as the gentleman from Maryland [Mr. HOYER] said in his opening remarks, that we have to in certain circumstances make a judgment about how to use trade sanctions. In our own hemisphere, with the strong environmental challenges, the difficult environmental challenges that trade with

Mexico presented, as well as with the opportunity to lower Mexican tariffs, I think it was appropriate for us to determine that our national interest was best served by having a North American Free-Trade Agreement. I do not think that that is necessarily the case with China because I believe that, as the Chinese have said, it will take dozens of generations—

Mr. DREIER. Since the gentlewoman has gone back to the issue—

Mr. CARDIN. We have run out of time.

Mr. DREIER. It says 30 seconds down there.

Mr. CARDIN. Well, we are down to around 15, and that does not give time for a question and an adequate answer.

The gentleman from Arizona [Mr. KOLBE] now controls a minute and a half for an opening statement.

Mr. KOLBE. Mr. Speaker, Mr. Moderator, I want to join with my colleagues in thanking you for this opportunity this evening. I want to reinforce a point that was made by my good friend and a strong champion of human rights, the gentleman from California [Mr. DREIER], earlier this evening.

Using trade sanctions to change a country's record of human rights violations only stifles the entrepreneurial spirit upon which democracy and civil liberties depend for its sustenance and security. The best foreign policy tools available to us to encourage political and civil reform in any country are policies that promote capitalism, market reform, and free trade. All are powerful levers for political change precisely because they are powerful mechanisms for economic change. These tools promote the evolution of societies, enabling citizens depressed for political reform from within. A larger measure of economic freedom inevitably leads to greater political freedom and respect for human rights.

It was John Locke who told us that the basis of individual liberty is private property. With trade we seek to enlarge the share of private property available to peoples everywhere. Freedom House, a respected nonpartisan organization that rates countries of the world according to their degree of civil and political freedom, confirms that fact. Taiwan is one such example. Years ago Freedom House rated Taiwan as nonexistent for its protection of political and civil liberties. But as its economy grew, and trade and contact with the world increased, so did the desires of its citizens for political and civil freedom. Today a large measure of freedom exists in Taiwan.

The record is clear. Trade helps us promote democracy around the world.

Mr. CARDIN. The team in favor of the resolution now controls 4 minutes to question Mr. KOLBE.

Mr. HOYER. We will all stand up.

I say, Mr. KOLBE, let me ask you a question with reference to the Soviet

Jews who immigrated to Israel. How would you respond to them when they say to you, "Mr. KOLBE, trade policies did, in fact, work, and we are in Israel because of trade policies and trade sanctions?"

Mr. KOLBE. Well, I might respond to them by saying, "Sadly you are mistaken." They are there today, but it was not because of those policies that that happened. If we look at the record, the actual amount of emigration after we imposed what the gentleman is referring to, the so-called Jackson-Vanik rule, regulation, that law; after that was imposed, immigration from Israel dropped by almost—to Israel from the Soviet Union dropped by almost 60 percent. We had, in the 4 years prior to 1973, 30,000 Jewish people a year emigrated from Russia, then the Soviet Union. After that, only 1 year, only 1 year, in 1979, did the number exceed that, and the average through 1985 was 12,000. So the numbers that emigrated dropped off rather dramatically after the Jackson-Vanik amendment was adopted.

Mr. HOYER. Quick followup:

In fact, it was 62,000 in 1979 as the trade sanctions—

Mr. KOLBE. And that was the only year it exceeded the amount before 1973.

Mr. SOLOMON. I say, "My friend, Mr. KOLBE, you know economic aid is an important and highly visible aspect of U.S. foreign policy. Too often we have overlooked human rights in considering where aid should go, only to be met with the condemnation of many Americans that are appalled at the propping up of ruthless dictators."

Should the United States ignore human rights in determining where economic aid goes, even military aid, as with Turkey, for instance?

Mr. KOLBE. We are really mixing apples and oranges when we talk about that kind of thing. That is not the issue at all as to whether or not we give aid. Aid is something we affirmatively give to them. To trade, we are talking about whether they should have the same ability to trade with us as other countries should have, and I would point out, since we are talking about human rights and since it was raised by the gentlewoman from California [Ms. PELOSI] that, when we talked about American workers, that when we deny trade to another country, we are also denying the trade of our own country with that country, China being a good example of that.

What is it about the human rights of the Boeing worker who will find himself without a job because we have decided to cut off trade with China?

So, it is a far different matter when we talk about trade with a country that when we talk about extending aid to a country. That is something quite, quite different.

Ms. PELOSI. As I prepare to ask my question, I just want to say that, as far

as the Boeing worker is concerned, I am afraid that the transfer of technology that is taking place, that he and she will have to look after their jobs as well while most of the American workers in this country are blocked from having their products go—

Mr. CARDIN. Question.

Ms. PELOSI. Excuse me.

I say, "Mr. KOLBE, in your statement you imply that economic reform would necessarily lead to political reform. Deng Xiaoping himself has said that to those who think that economic reform will lead to political reform, it will take dozens of generations, and we will deal harshly with those who would hasten the process."

They just recently had a crackdown in China on this very subject. How does the gentleman respond to that?

Mr. KOLBE. Well, it is kind of one of those things that is on either side of the argument. I say, "If you argue one way, that it's going to make no difference anyhow, then should we not have the benefits of trade? I would argue that trade itself will make the changes that Deng Xiaoping says will not come for years."

□ 2040

And, indeed, if you look at parts of China, particularly the southern parts of China, the Guangdong Province, you will find that the changes taking place down there are very dramatic indeed, because there is more economic liberalization in that part of the country. The more economic liberalization we have, the more contact we have, that the people of the United States, the businesses in the United States have with China, the better off we are and the better off the people of China will be.

Mr. CARDIN. This segment of time has been concluded. Eleven minutes will now be controlled by statements by Mr. WOLF and Ms. JOHNSON and questioning by the various teams.

Mr. WOLF is first and entitled to a minute and a half for an opening statement in support of the resolution.

Mr. WOLF. This debate is about people, people who are suffering persecution, imprisonment, and even death, for the sake of their faith or political beliefs. People like Bishop Chu, a Catholic leader in China, imprisoned for 15 years, and beaten so hard with a board that the board was left in splinters.

People like Father Ceausu, imprisoned by the brutal Romanian dictator Ceausescu for more than 20 years and, rearrested one Easter after delivering a powerful series of Lenten sermons on freedom. The leverage of most-favored-nation status for Romania led to father Ceausu's release. Just ask him. In Eastern Europe, the Soviet Union, and most recently South Africa, United States trade leverage eventually worked, bringing down repressive governments, encouraging the oppressed

and emboldening of the future leaders of these countries in their struggle for democracy.

Ask South Africa's Nelson Mandela, ask Lech Walesa in Poland, or ask Czech Republic President Vaclav Havel, all former prisoners who turned presidents, whether they appreciate the pressure of the United States trade leverage on their oppressive governments, and they will say yes.

And then we must ask ourselves as a nation if trade at any price is worth more to us than our American values. What is at stake here is the credibility of our moral leadership on the world stage. The height of American hypocrisy is to preach our cherished values of freedom of religion and speech while we price the lost dollar over the lost life.

Mr. CARDIN. The team in opposition to the resolution will have 4 minutes to questions Mr. WOLF.

Mr. KOLBE. Mr. WOLF, let me first commend you for your strong advocacy for years on behalf of human rights around the world. I know no one in this body has been a stronger advocate of that. I think we all agree with that. The questions is how do we best promote that.

You mentioned South Africa. In South Africa there was strong support by the man in the street, the person in the street, for sanctions. That is not the case in China. Every commentator that has gone there has come back and said the one thing people say over and over again is continue trading with us, keep the contact. How would you reconcile that difference?

Mr. WOLF. I beg to differ. That is not accurate. When I was in China and we met with Christians in house churches, they would tell us, please take away MFN and go back and tell them that is the only thing that will bring democracy to our country.

When I was in Romania and used to go into churches and synagogues, after the communist securitatae, the people would put notes in my hands and tell me please take away MFN. It is the only message that will bring down our government and bring us freedom. So the people there do stand for taking away MFN. Deng Xiaoping doesn't and the corrupt dictators don't, but the people do.

Mr. KOLBE. Let me follow up with another aspect of this when it comes to China, because you spoke very eloquently about how this is an issue about people, and it is an issue when it comes to people. But the United States also has national security interests, and I think you would with agree we have a very serious concern in North Korea, for example.

Should that play a role in our decision about whether or not we give trade opportunities to another country? Is national security a consideration or not?

Mr. WOLF. It is a security interest of the United States. But I will tell you, after President Clinton gave MFN to China, the president of China refused to take his telephone call. Since that time there have been more people arrested. The conditions in Tibet are absolutely worse, and they have not exercised any leverage on the North Korean Government. So I do not believe that we should sacrifice the principles, as Congressman HOYER said, of the Declaration of Independence, we hold these truths to be self-evident, endowed by God, in God we trust, that all men are created equal, inalienable rights. I would not want to sacrifice the Constitution for one short-term gain.

Mr. DREIER. Mr. WOLF, let me just raise one point. You have talked to people in China, and clearly as you talk to individuals, you will find some who are opposed to the maintenance of most-favored-nation trading status.

But the fact of the matter is, there are 1.2 billion people in China, and if you talk around, I look simply at the statement that was made just this May be Nicholas Christophe, who was the Beijing bureau chief for the New York Times. He said talk to intellectuals, talk to workers. Talk to the intellectuals, to the workers, to the peasants. All the way across the board they agree on one thing: Don't curb trade.

How do you respond to the fact that these studies which have shown this, from James Fallows, the Progressive Policy Institute, they say overwhelmingly the people want to maintain MFN status?

Mr. WOLF. The people that I have talked to in China, the Christians and those who have been persecuted, if you talk to the Dalai Lama and those in Tibet, they do not favor granting MFN to China. They feel this is the only way. And I predict by denying MFN to China, we will see democracy and justice in China before the end of this century. And they know that and are willing to wait for that long-term gain.

Mr. KOPETSKI. On the North Korea issue, I know firsthand that the PRC and the United States worked together as partners to get the North Koreans to abide by the MPT treaty.

Don't you believe that as a basic human right, controlling the spread of nuclear weapons is more important today than the individual rights conditions of a citizen of China?

Mr. WOLF. Well, the Declaration of Independence says, and it said during the week of the meeting of early June, the entire Chinese hierarchy turned out to greet their North Korean counterparts, declaring the two countries, "As close as lips and teeth." That was in the Christian Science Monitor.

It is in the best interests of China not to have nuclear war on that peninsula, and they will do it for that reason, and not to satisfy the United States or their citizens.

Mr. CARDIN. Ms. JOHNSON is now entitled to 1½ minutes for an opening statement in opposition to the resolution.

Ms. EDDIE BERNICE JOHNSON of Texas. Thank you, Mr. Chairman. Trade policy and human rights policy are and should be two different things. While human rights must remain a focus of American interests, the process of utilizing trade policy to enforce human rights policy has been erratically used and unsuccessful.

Freedom House, a noted human rights watchdog groups group, reports that the nations of the world that are classified as having a low regard for human rights, are almost all in Africa, Asia, and Latin America. A logical policy then would be the enforcement of trade sanctions against all of these nations.

Consider for a moment the debilitating effects such a policy would have upon these countries. When sanctions are used, who suffers? The nations of Africa, Asia, and Latin America need trade to improve and grow economically. The common citizens of these nations suffer when trade with the rest of the world, and particularly the United States, is restricted. Sanctioning these nations simply drives them further and further away from human rights improvements.

In order to achieve improvement in human rights policy, a constructive working relationship should be established. Remember, encouragement from a friend is much more persuasive than a slap from an enemy.

As you recall what we have already heard tonight and review what will be said by both sides in the time remaining, ask yourself, who is being sanctioned and what proof is there that sanctions improve human conditions?

Mr. CARDIN. The team in support of the resolution is entitled to 4 minutes to question Ms. JOHNSON.

Mr. HOYER. Ms. JOHNSON, I appreciate your statement. Let me ask you, however, with respect to South Africa, we had, as you know, a policy of constructive engagement, which is in fact what your side has been talking about, continuing to do business as usual.

In point of fact, this Congress decided not to pursue that policy because we felt it was ineffective. The President vetoed that legislation and this Congress overrode the President's veto.

Do you believe there would have been a more successful policy and would you believe that the country should not have denied constructive engagement with South Africa?

Ms. EDDIE BERNICE JOHNSON of Texas. Let me say, Mr. HOYER, that happened before I came. But I was in Texas carrying legislation also to bring about sanctions in trade policy. But the entire population in South Africa, the clear overwhelming majority of that population, cried out to the world asking for those sanctions.

□ 2050

It was not this country deciding that they should have them. It was also more than that that caused that law, the laws on which they were operating to crumble. It was the fact that the banks started losing confidence and the money started crumbling. It had a lot more to do with that.

But the overriding issue, more than 75 percent of the population, the majority population, pleaded to the world, not just the United States, the entire world responded. And, yes, it had some effect, but clearly, it was not just that.

As a matter of fact, we now are seeing what the real effect is on human rights. And they are pleading now for trade. It is giving people their rights to be independent, to have ownership, to look out for themselves, giving them an opportunity to trade their goods so they become independent.

Mr. HOYER. Do you believe that trade sanctions worked?

Ms. EDDIE BERNICE JOHNSON of Texas. What do they work for? It is not just trade sanctions. It was a loss of confidence and it brought about—human rights have really not improved yet in South Africa. But they have had an election. It was clearly a constitutional issue. It had nothing at the time to do with trade. They did not have anything to trade. The population we are talking about had no power whatsoever. They had no say-so. To keep trade from going to South Africa did not affect them because they cannot affect anybody that is already on the ground with nothing to do but crawl.

Clearly, that government had to change for it to affect the majority population there.

Mr. WOLF. Mr. HOYER is correct. Had this Congress not acted on sanctions, the sanctions would have failed around the world. But the question that I have for you is, I have visited Bosnia and seen the persecution in the Bosnian camps run by the Serbs under the leadership of Milosevic. In light of the ethnic cleansing, the concentration camps, the rapes and mutilations and murders, Bosnia, which is basically a Schindler's List, if you have seen the movie "Schindler's List," you have been to Serbia.

I would ask you again to reiterate the question asked before, do you agree that it is appropriate to continue the United States sanctions against Serbia, yes or no and why.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. WOLF, the same thing is going on in Haiti. But tonight we are debating whether or not we should extend most-favored-nation to China.

I am saying that we need to separate trade from human rights as it relates to China.

Mr. WOLF. The resolve clause was with regard to trade, and I think everyone would agree that we should continue the sanctions against Milosevic in Serbia.

Mr. CARDIN. The time has expired in this segment of the debate.

The next segment will consist of 8 minutes in which there will be questioning by the teams, first against Mr. HOYER and then with Mr. DREIER.

At this point the team against the resolution will control 4 minutes in questioning Mr. HOYER.

Mr. KOPETSKI. Mr. HOYER, you are a distinguished senior Member of this House. You are one of our leaders. I appreciate your work on human rights very much. We have heard a lot of rhetoric this evening, but I judge by your opening statement that you would agree that in the case of these two teams, that we do share the same goal; it truly is a difference over the means to achieve that end. Is that a fair statement?

Mr. HOYER. Our side has no doubt that your side is committed to human rights; that is correct.

Mr. KOPETSKI. And that it is a question of the means to that end.

Mr. HOYER. We agree with that. That is what we are debating. I might add, Mr. KOPETSKI, that not only are we talking about means, but we are talking about the principal position of the United States, not plebiscite of another nation. That is to say, whether 51 percent think they ought to do business as usual and make profits because the United States will do business with them, but whether or not this ought to be a policy that we use in trying to implement not only the policy of the United States vis-a-vis human rights but, as I pointed out, international policy on human rights.

Mr. KOPETSKI. Let me follow up on that with a question. I am curious about your views on this. Would you say that sometimes there are national security interests for the United States which are more important for the moment, which require us to serve as partners with a country, which may in fact engage in human rights abuses?

Mr. HOYER. Yes.

Mr. KOPETSKI. Thank you very much.

Mr. HOYER. I think the gentleman's proposition that if a policy of the United States would lead to more closely bringing us to nuclear war, clearly the devastation of the world is the ultimate human rights abuse. And, therefore, we would have to make a judgment. But in the case where that is not true, then I think we ought to press forward with trade sanctions as we have done in so many instances, we would argue successfully.

Mr. KOPETSKI. I thank the gentleman for the agreement.

Mr. DREIER. Let me ask you a quick question. The real question that we face here is, your side is saying trade sanctions against countries improve human rights. You had an exchange with Mr. KOLBE about the issue of Jackson-Vanik. We often have a pat-

tern in this country of implementing policies which lead us to feel good but they do not often do good.

I argue, as Mr. KOLBE did, that Jackson-Vanik, if you look at that pattern, since the early 1970's, saw actually a reduction in the emigration of Soviet Jews who were attempting to emigrate from the Soviet Union. It seems to me that we need to realize that it was the Reagan doctrine which created the opportunity for the Soviet Union to fall and for us to get to a point where 100,000 Soviet Jews are able to emigrate.

Do you not agree with the fact that it was the Reagan doctrine which actually brought about that opening up and not Jackson-Vanik which did make us feel very good but did nothing but reduce the flow of Soviet Jews?

Mr. HOYER. As it relates to the Reagan doctrine, our side does not believe that you ought to do business as usual with an evil empire. In fact, it believes we ought to say, you are not in good standing in the international community. And we will impose economic sanctions on you and a trade sanction as well.

Mr. DREIER. That is why the Reagan administration stood up to them.

Mr. HOYER. We think the Reagan administration would agree with our proposition.

Mr. KOLBE. I would like to go back to the Jackson-Vanik issue, if I might. What would you say to the thousands of Jews who did not get to emigrate from Russia, from the Soviet Union during the 1970's, if we are to use the statistics, and you were the one that cited this in the first place, of 30,000 average before 1974, 12,000 annual emigration after 1974, what would you say to those Jews who were not allowed to emigrate but to say, you have to wait in line longer because we have a policy in place that the Soviet Union has decided to clamp down on emigration and not permit you to emigrate?

Mr. HOYER. As you know, I visited the Soviet Union scores of times during the 1980's. I never had a Jewish individual in Russia tell that. I never had one tell me that they did not believe that trade sanctions ought to continue until emigration was opened. Not numbers, but emigration was opened, that the commitments of the Soviet Union under the Helsinki Final Act were carried out so that there was unanimity in the position of Jewish-Russian people that I talked to.

Mr. CARDIN. All time has expired.

The team in support of the resolution now is entitled to 4 minutes to question Mr. DREIER.

Mr. HOYER. Mr. DREIER, let me go back to the question that I asked of Ms. JOHNSON. How would you have felt that the United States could have better impacted on South Africa to change its abhorrent apartheid policy than do what in fact we did, and that is, stop

business as usual in the middle 1980's when then we saw progress because it impacted not on the people that Ms. JOHNSON spoke to but on the white oppressive regime?

Mr. DREIER. It was very apparent that the policy of apartheid was coming down. Why was it coming down? It was coming down because it was a failed system. Helen Sutzmann, who was a very prominent and outspoken member of parliament in South Africa, made it very clear in statement after statement, she did an article a few years ago in the Washington Post in which she pointed to the fact that the economic decline and the problems that existed in South Africa were bringing apartheid down. So it seems to me that we need to realize that there were a wide range of options.

I happen to have been one who believed very sincerely that constructive engagement would have been a way to also bring us to that point. There are many people who today claim that because there has been an election in South Africa, there is a great deal of success there.

□ 2100

Frankly, the gentlewoman from Texas, Ms. EDDIE BERNICE JOHNSON, pointed to a very important item, that being the fact that we have seen an election in South Africa, but we, as yet, do not know the fate of many poor victims in that country. We are already for it.

Mr. SOLOMON. Mr. DREIER, we have no doubt.

After years of extending favorable trading conditions to China, Mr. Speaker, we have seen no progress in human rights. The gentleman has been there, I have been there. China continues its destabilizing foreign policy. Of course, these huge trade deficits are just devastating industries in the United States, especially in my district.

I would just say, in light of this, how has continual extension of favorable trading conditions helped to improve it, other than in Beijing, where they are all Communist, or in Shanghai, when we get out into the 1.2 billion people, how has it helped?

Mr. DREIER. There is no way that I could come to the same conclusions that the gentleman from New York [Mr. SOLOMON] has. When we look at the issue of human rights and trade in China, clearly we have just recently, in the Washington Post, seen a story. The gentleman referred to those 80 million people who he said have been killed since the 1972 opening with China. The opposite is the case. It took place much earlier on, and we have seen, in fact, if we move through China, an indication by the people, and I have talked to many people in China who have indicated that there has been an improvement since we have been engaged in the kind of economic situation that is very important there.

I was in Xian outside of Beijing just a few months ago, when I talked to a person there. We told the standard old joke about the fact, and he asked the question, what is 100-yards-long and eats cabbage—a meat line in Moscow. He looked to me and said, "That was China 10 years ago."

I would say to the gentleman from New York [Mr. SOLOMON], he has to recognize that things are not perfect there, and I deplore the human rights violations which I have seen. The fact of the matter is, things have improved dramatically, not just in Beijing, they have improved throughout the country, especially in the two southern provinces where we have seen free markets proliferate.

Mr. CARDIN. There is time for one more question.

Mr. SOLOMON. Mr. DREIER, you put in the CONGRESSIONAL RECORD the other day an article by Amos Jordan in which he said:

Given such a challenge, they may reason, the Jefferson approach to governing is likely to produce chaos, with spills over into the neighboring territories. Tiananmen was indefensible, but not inexplicable.

That is the 80 million we are talking about, the kind that died in Tiananmen.

I defend you as one of the greatest supporters of those people who are trying to stop human rights abuses around the world.

Mr. CARDIN. The gentleman has 45 seconds to respond if he cares to. Let me just caution about any personal references.

Mr. DREIER. Mr. Speaker, I obviously totally concur with the plight of those victims, and I am as concerned as you said about human rights. The gentlewoman from California [Ms. PELOSI] and several of us marched up to the Embassy.

I happen to believe very strongly that trade promotes private enterprise, which creates wealth, which improves living standards, which undermines political repression. We have to recognize that denying trade is a violation of human rights and a reprehensible one.

Mr. CARDIN. The time in this segment has expired.

The next segment will consist of 8 minutes that will be controlled by Ms. PELOSI and Mr. KOLBE in questioning. First, Ms. PELOSI will have 4 minutes to question Mr. KOLBE.

Ms. PELOSI. Mr. KOLBE, is there any instance where trade policy should be used on behalf of human rights; say, for example, a clear case of a developed country, of the genocide of a people because of their race or origin; if you could explain to me a point at which human rights outweighs economic interest, in your view.

Mr. KOLBE. I think the question is a valid one, and the very fact that there are three people over on your side of the aisle that supported NAFTA and

joined us in support of NAFTA suggests this is not a black-and-white issue, that we cannot ever make absolute judgments about these things, and we do have to apply these standards in a way that we can make an intelligent judgment about it.

I think the question you ask is indeed a very valid one. My answer to that would be that the first thing we have to consider is what are our national security interests, are our national security interests involved in this.

The second thing we must ask is, can we make change with that policy? Will our policy of withholding trade, and that is what we are talking about here tonight, trade, will our policy of withholding trade make a difference? Will it change the internal factors within that country? Will it change the politics of that country?

Those two questions we must ask before we decide in the name of feeling good here at home whether we should apply those sanctions. If we can have no effect, if it does no good, then we have to ask, do we do so because it is so morally reprehensible, as in the case of Kampuchea, where clearly, I think, we do not want to have any contact with a country of that kind, but it is more than just trade sanctions at that point, it is a diplomatic contact.

Ms. PELOSI. You are saying in the case of Cambodia it would be appropriate to have trade sanctions?

Mr. KOLBE. In the case of Cambodia we had no diplomatic contact, as you know. We had withdrawn all types of contact with that country, yes.

Ms. PELOSI. Since you mentioned Cambodia, I did not know if you were aware, because you keep putting it in a larger context, which I think is appropriate, the issue of trade; do you think added to your two criteria you would add the trade situation, the trade imbalance between two countries?

For example, there is no point in saying we are going to withdraw most-favored-nation status if the other country has a trade deficit, but in our case, as with China, where we have this year a \$24 billion trade deficit, and it is going to be larger next year, in fact the figures released today show a \$400 million increase from April to May of this year, and says that in the next 5 years our deficit will be higher than with Japan.

Mr. CARDIN. Question, please.

Ms. PELOSI. Do you think that the fact that a country needs access to our markets to develop its economy should be a factor in determining if we can deal with their reprehensible human rights records?

Mr. KOLBE. Let me make it clear that under no circumstances should a decision about whether we grant a trade partnership with another country be based on whether or not we have a balance of trade. I am stunned,

shocked, that you would suggest that, as I hope that others on your team would not say the basis on which we decide the human rights policy of the country should be based on whether or not we have a trade balance or a surplus or a trade imbalance, as you have just suggested.

Ms. PELOSI. If I may reclaim my time, what I am saying to you is in that case we would have leverage. Let us assume there are two countries, both having reprehensible human rights violations. With one country they may say, "Who cares if you take our MFN away?" The other country may desperately fight to keep the MFN, and that place gives us opportunity, and therefore responsibility, to do something about it.

Mr. KOLBE. And in the case of China, very clearly I do not think we have that kind of leverage. You are talking about more than a billion people. You are talking about the third largest economy of the world. You are talking about a country that has its own internal political problems, and could care less whether or not we grant them most-favored-nation status. They are not going to change their political policies because of that.

What will change the political policies in China, as we trade with them, as companies develop contacts with them, and just as an example of that, Procter & Gamble years ago established a system in that country for hiring people that allowed people—

Ms. PELOSI. But, Mr. KOLBE, Deng Xiao Ping said dozens of generations.

Mr. CARDIN. The time has expired.

Mr. KOLBE. you are now entitled to 4 minutes to question Ms. PELOSI.

Mr. KOLBE. Mr. Speaker, since we are talking about how we weigh this in the balance, on which side you come down, I would like to ask about Vietnam, certainly a country that is not a great country when it comes to human rights, has not had a very good record, and most of us here would acknowledge that.

Do you think it is appropriate for us to lift the embargo with Vietnam, and if so, why? Surely its record is not better than China's record is.

Ms. PELOSI. Again, you are talking about an embargo, and in China we are talking about preferential trade treatment, most-favored-nation, so embargo is different from that.

Yes, I think if we have some progress made on the POW's and the MIA's, which our colleagues seem to be satisfied with, and that is the standard we set for Vietnam, with that standard, if it is met, we can lift the embargo. That does not mean we would extend MFN. As you know, with the extension of MFN, it is supposed to have some reciprocity. It does not, in China. They do not extend MFN to us, but it becomes a trade decision at that point in terms of will they give most-favored-nation status to us, will we give it to them.

Mr. KOLBE. Ms. PELOSI, for all those who are listening, I hope one thing, if nothing else, we can clarify, and that is that most-favored-nation [MFN] is one of the most misnamed things. It is not preferential status.

Ms. PELOSI. But, nonetheless, it is not an embargo.

Mr. KOLBE. It means only other countries having the same status.

Ms. PELOSI. It is not an embargo.

Mr. CARDIN. A question, please, and then an answer.

Mr. KOLBE. Let me go back to follow up on that. We never imposed any kinds of sanctions on South Korea, but I think most of us here tonight would agree that human rights conditions have improved in South Korea over the years. Should we, during the 1960's and 1970's, should the United States have imposed trade sanctions against South Korea in order to enhance human rights in that country?

I believe we had other leverage with South Korea with the presence of American troops there, and a commitment to defend South Korea. However, the point about South Korea and how it is not an example that can be used throughout the world is that it is a small country compared to a country like China, and in a country like Korea, trade can have a more immediate impact, because you can have the development of a middle class, and that can lead to more political freedom.

In a country like China where there has been a national decision, and in fact, an edict released last week which said that counterrevolutionary activities will be defined as any disagreement on any issue with the Communist party, under those circumstances, economic reform cannot necessarily lead to political reform.

We talk about South Korea, we talk about Taiwan. We cannot in the next breath apply the examples, the experience there, to China, because you are talking about a country which is 20 to 50 times bigger than those small countries.

Mr. KOLBE. It is striking to me that what we have seen is that the principle of human rights seems to have gone out the window. We had other leverage with South Korea.

Ms. PELOSI. That is right, and we used the leverage we had.

Mr. KOLBE. It is a small country as opposed to a big country.

Ms. PELOSI. No, that is not the case.

□ 2110

Mr. CARDIN. The gentleman from Arizona can ask the question.

Mr. KOLBE. Let me ask the gentleman another question. In the case of Argentina, a country that had a reprehensible policy of human rights, should we have imposed sanctions against them? We did not. But I think most would agree it is a better country today than it was.

Ms. PELOSI. I would say to you that as you talked earlier about establishing criteria for how you can make change, that the use of trade sanctions should be an arrow that we have in our quiver. If we believe that by using trade sanctions we can make a difference, then we should use those trade sanctions. And that difference would be predicated on how dependent access to our markets in a preferential way is to that country. If we believe that, for example, in the case of China, 40 percent of their exports, they need our markets for 40 percent of their exports. So that is a criterion that I would add to the list, to say, is the human rights situation reprehensible, do we have trade with that country, do we have opportunity because they need us more than we need them in terms of trade. In those cases, then we should use our economic arrow.

Mr. KOLBE. I appreciate your agreeing with our position.

Mr. CARDIN. The time of this segment has concluded. We will now go to an 8-minute segment for questioning by the teams. First the gentleman from New York [Mr. SOLOMON], and then the gentleman from Oregon [Mr. KOPETSKI]. The team in opposition of the resolution will have 4 minutes to question the gentleman from New York [Mr. SOLOMON].

Mr. DREIER. Let me talk about something that we have just brought up slightly.

I have the highest regard for the gentleman from New York and your service as a marine and, of course, your very, very courageous military service in South Korea. I was a little confused with the statement that was just made by the gentlewoman from California [Ms. PELOSI] raising this issue of United States troops in South Korea somehow protecting the human rights of South Koreans. We have failed to point to some of the incredible successes where trade has actually improved the human rights situation. I think South Korea is one, Taiwan, Chile, Argentina, clearly have seen dramatic improvements. In fact, somebody was talking earlier about Freedom House. We have seen evidence in the past 20 years it has improved greatly. I would like to ask you the question that the gentleman from Arizona [Mr. KOLBE] raised of the gentlewoman from California [Ms. PELOSI].

Do you believe that President Reagan and President Carter were incorrect during the 1970's and 1980's in not imposing trade sanctions on South Korea because of the fact that human rights were being violated there?

Mr. SOLOMON. Let me just correct the gentleman. I served in the United States Marine Corps during the Korean war era. I did not serve in combat in Korea.

But let me say this to you. We, in fact, did use trade. In other words, we

have three alternatives. One alternative is diplomacy. When diplomacy does not work, you have another alternative, to go to war. We do not do that, because American foreign policy is to defend democracies against outside military aggression. That is what we were doing there. In fact, we did use diplomacy on both Taiwan and on South Korea. We did it back in the early days, in 1979, after Carter had derecognized Taiwan, and we actually wrote the Taiwan Relations Act, so that we could threaten them, if need be, to move toward a democracy and it worked.

Then we did the same thing with South Korea and we used the trade with those countries, both covertly and overtly and publicly to get them to move, and they made dramatic changes in both countries toward human rights. Today we have democracies in those two countries.

Mr. DREIER. Should trade sanctions have been used against South Korea, Taiwan, Chile, and Argentina? Because we had greater trade. We expanded opportunities there. That is what happened to it. You all stand and you are now saying we should have trade sanctions sometimes when human rights are being violated. That is what I think is the confusing area here.

Mr. SOLOMON. Let me answer the question. When you hear my closing remarks, my friend, I am going to talk about the awesome power of the American purse. Two hundred sixty million Americans, with the greatest buying power in the world. That is what we need to use. We need to take that opportunity to tell countries like Taiwan and South Korea, which we did, "You improve or else we do not trade with you." We need to do the same thing desperately with the people of China.

Mr. KOPETSKI. Reclaiming our time, and we cannot wait for that closing. I am trying to understand, there is a lot of speeches and rhetoric at first about standing by American values, and that is why we cannot allow using trade with these kinds of nations where there are human rights violations. Now all of a sudden you and the gentleman from California [Ms. PELOSI] are saying, forget the values, we have some other tools we can use. Can you clarify this a little bit for me?

Mr. SOLOMON. If you look at the question we are debating here, the United States should use trade policy to implement human rights policy. We should use trade policy. That does not mean we have to go and throw sanctions out on every country that has some kind of human rights abuses. It means that we will move to that if we have to, to be successful in lifting the human rights abuses off these oppressed people.

Mr. CARDIN. The team now in support of the resolution will have 4 minutes to question the gentleman from Oregon [Mr. KOPETSKI].

Mr. HOYER. The gentleman from Oregon [Mr. KOPETSKI], earlier in his opening statement, said that the United States will never abandon the important principle of human rights. I believe that, as well. But I ask the gentleman, how does the world know that if we do business as usual with those who repress and violate human rights on a regular basis? I say that in the sense that clearly we may not on every country impose sanctions for human rights abuses, but if we never do it, how does the world know we stand by those principles?

Mr. KOPETSKI. I believe that the world knows and wants to emulate the U.S. Constitution, our way of doing business, our way of conducting government. People want still to move here to the United States. That is our greatest evidence that we are the greatest country in the world as a democracy.

Mr. HOYER. If a nation knows that we will not impose trade sanctions, why would it change its business as usual?

Mr. KOPETSKI. We do not do business as usual with every violator of human rights. And we take different approaches with every nation that is oppressing its people. Maybe we do have trading relationships with them. We can go down the list with questions, whether it is Turkey, or India, the list goes on and on where there are questions, we have them as allies. We trade with them, there is no doubt about it, but that does not mean we are not using negotiations and diplomacy as well in pressuring these nations to change their human rights policies. The world knows that. The world understands that. They do a better job understanding foreign affairs than the average American citizen. I am sad to say. They understand what we stand for and what we fight for. What they want is for us to be effective. When we make a decision, a policy decision, they want to make sure we have thought it through and that it will not backfire on them. As the gentleman from Texas, EDDIE BERNICE JOHNSON, was pointing out, further oppress the people of a country but hopefully it will move that nation toward human rights, toward an economic system of freedom as well.

Mr. SOLOMON. I have great respect for the gentleman from Oregon [Mr. KOPETSKI], as I do for the other members of your team, but you are confusing me. When diplomacy does not work and when war is undesirable. And concerning trade, please explain to us at what point economic interests outweigh interest in human rights. I do not understand how we get there.

Mr. KOPETSKI. Diplomacy does not work, let us begin there. One of the problems that many people outside of the United States will criticize about the American psyche is that a problem

arises in the world and we have to solve it in 2 weeks. There are longstanding problems, cultural, religious, in many of these nations. China, for one.

Mr. SOLOMON. At what point, though, does the economic interest outweigh human rights interest? There has to be a point there.

Mr. KOPETSKI. The human rights interests never outweigh the economic interest. The issue is what is the most effective means to change the human rights policies of a nation.

Mr. SOLOMON. Thank you. I think we just won the argument.

Mr. CARDIN. I think we have time for a very quick question and answer if there is one.

Ms. PELOSI. If it is only a quick question, I will ask the gentleman from Oregon [Mr. KOPETSKI] if he favors the sanctions on Haiti.

Mr. KOPETSKI. Yes, I do.

Ms. PELOSI. I understand that that is a trade sanction and that is using trade policy to improve the situation.

Mr. KOPETSKI. We are in concert on the Haiti policy with diplomatic pressures from our country, from our Government, from other nations as well. And I see no problem with that whatsoever.

Mr. CARDIN. On this segment, the time has expired. The next segment consists of 8 minutes that will be controlled by the gentleman from Maryland [Mr. HOYER] and the gentleman from California [Mr. DREIER] in questioning. First the gentleman from Maryland [Mr. HOYER] is entitled to 4 minutes to question the gentleman from California [Mr. DREIER].

□ 2120

Mr. HOYER. I mentioned in my opening statement the Holocaust. In 1933, Jewish organizations called upon our Government to alter the way we were doing business and stop sending goods to the German Government.

Secretary Hull wrote to the Embassy and said that there was concern in this country and he wanted a report, and that he then said he did not believe that that would have an impact. And in point of fact, of course, our country continued to do business with Germany as usual for some period of time during the 1930's.

I would ask the gentleman from California, do you think that was an effective use of your economic policy?

Mr. DREIER. I will tell the gentleman, if he looks at the rise of Adolf Hitler I believe that it came about in large part due to protectionist policies led by the United States, tragically, which in 1930 implemented the Smoot-Hawley Tariff Act which almost universally has been proclaimed a failure, being in large part responsible for extending and exacerbating the Great Depression.

So it seems to me that we need, desperately need to realize that as we look

at the problem that existed there, it came about because of protectionist policies, and we did not create the opportunity which was necessary to expand free trade, which clearly does create private enterprise, which creates wealth, improves living standards, and undermines political repression.

Mr. HOYER. That is not the question I asked. Smoot-Hawley, of course, dealt across the board. We continued to do business with Germany as usual.

Do you believe that was an effective policy?

Mr. DREIER. We were looking at a national security threat once again there, not simply human rights questions. The subject of this debate is whether economic sanctions should be used to improve human rights. We know clearly that the situation was reprehensible, and you are right, part of it was the Holocaust. But there were many other aspects to the Second World War which need to be realized. And I believe that the rise to power of Adolf Hitler and the reprehensible behavior of the Nazi regime came about because of protectionist trade policies, which I believe will continue to create more and more problems today if we do not move toward freer trade and expanding into parts of the world where human rights desperately need to improve, and we can take the offensive by bringing our Western values there through trade.

Mr. HOYER. As you know by our votes, we have shown that this side also believes in freer trade. But if we delink human rights from trade policy, why is there any incentive from an economic standpoint for regimes to honor their human rights commitments?

Mr. DREIER. The fact of the matter is that I do not like the term "delinking of human rights." I believe we should promote human rights through free trade because what we are creating is a situation where as economies expand, as they are in the southern Provinces of China which are tied closely to Hong Kong, which is that tremendous export market, the cause of freedom is expanding throughout and standards of living are rising. As the standard of living rises we will see there that actually repression diminishes as we are in many areas.

The gentleman from New York [Mr. SOLOMON] continues to point to the fact that what we have constantly observed has been an increase in human rights violations, when every empirical study that we have, including personal testimony that I have received from people who live in China, Chinese citizens, is that the situation is improved and it has come about because of freer trade and exposure to the West.

Mr. HOYER. Do you believe we ought to lift the sanctions on Cuba?

Mr. DREIER. Do I believe we ought to lift the sanctions on Cuba? I think we ought to look very seriously at the

prospects of lifting sanctions on Cuba when we determine that Fidel Castro does not pose a national security threat destabilizing countries in Latin America. As long as he is hell bent on his attempt to overthrow governments in Latin America, we should not lift it, because that poses a national security threat to the United States.

Mr. CARDIN. The time has expired. The gentleman from California [Mr. DREIER] is now entitled to 4 minutes to question the gentleman from Maryland [Mr. HOYER].

Mr. DREIER. The United States has, in fact, placed trade sanctions on a number of countries throughout the world, and we have talked about a number of them. Unfortunately, we have not really had an opportunity to point to some of the great successes where we have actually seen trade encourage human rights. But the fact of the matter is I would like to ask the gentleman about several countries.

Could you tell me if the human rights conditions have actually improved in Iran since we have seen the imposition of economic sanctions?

Mr. HOYER. I cannot tell you that, quite obviously. And it is not our proposition that in every instance repressive regimes will be turned around by the exercise of trade policy vis-a-vis human rights and related to human rights. But I can tell you, I can tell you that if the world believes that the greatest economic engine in the world will not use its economic leverage through trade policy to sanction the failure to recognize human rights in a nation, then there will be little if any incentive for repressive regimes around the world to change their human rights policies.

Mr. DREIER. Let me ask this: Have we actually seen the human rights situation improve in Iraq since we have imposed economic sanctions on Iraq?

Mr. HOYER. No, and I know it is not my time to ask questions, but irrespective of that, I would not be for lifting economic sanctions on Iraq.

Mr. DREIER. Has it improved the human rights situation in Iraq?

Mr. HOYER. Because, let me answer the question, because and I would reiterate, the principles for which we stand are not just for Iraq, but for the rest of the world as well, and they are international principles now. And because we stand for them in Iraq I suggest to you that yes, it has an impact on other countries of the world, even if the unhappy situation that exists in Iraq of a madman like Saddam Hussein having absolute and total control, precludes the effectiveness of trade sanctions we ought to continue.

Mr. DREIER. You would argue the human rights situation has not improved in Iraq, in Iran, Libya, in North Korea, in Vietnam, in Cuba. I would assume you would argue that is the case. So we have once again come to the

issue that economic sanctions should be imposed sometimes.

I would like to remind our colleagues once again of the topic of this debate. It has to do with improving human rights and imposing economic sanctions to do that.

Let me ask this question: If you look at the issue of South Korea, Taiwan, Chile, Argentina, actually we have never placed economic sanctions on them, but do you believe that the human rights situation in those four countries improved over the last 20 years?

Mr. HOYER. In point of fact, as the gentleman from New York [Mr. SOLOMON] pointed out, and as the gentleman from California [Ms. PELOSI] also mentioned, trade policy is not the only quiver. The issue, as stated in this debate, is whether we ought to use trade policy to implement human rights policy.

Mr. DREIER. But we stand for principle.

Mr. HOYER. We ought to stand on principle, and that does not mean in every instance we implement through trade policy, particularly when diplomacy may work, and particularly when other devices can work and are working.

Mr. DREIER. Like free trade. That is just what we have in South Korea, Taiwan, Chile, and Argentina. We have seen a great deal of success from that, and I wish you all would acknowledge it has been exposure to Western values, not war, not diplomacy, free trade which has improved the human rights of the people in those four countries, and can do it in China and other places.

Mr. HOYER. We clearly acknowledge on this side that free trade and open trade and the bringing of a free market to a country can, in fact, improve human rights. The proposition of this debate, however, is whether we ought to be able to use trade from time to time in implementing our human rights policy.

Clearly we suggest we very definitely ought to and ought not to take the position that because we have successes, and because market economies will breed freer, more just societies, that in every instance we ought not to use trade policy.

Mr. CARDIN. The gentleman from Maryland [Mr. HOYER] was entitled to his last 5 seconds to complete his thought.

Mr. HOYER. I completed my thought. I am just not sure he heard it.

Mr. CARDIN. All time for this segment has expired.

The next segment consists of 8 minutes of questioning by the gentleman from Virginia [Mr. WOLF] and the gentleman from Texas [Ms. EDDIE BERNICE JOHNSON]. First the gentleman from Virginia [Mr. WOLF] will be entitled to 4 minutes to question the gentleman from Texas [Ms. EDDIE BERNICE JOHNSON].

Mr. WOLF. Let the record show that what happened in Germany was because Hitler was evil, the Nazi Party was evil, and the world was slow to speak out, and the record should show that.

I would like to ask the gentlewoman from Texas [Ms. EDDIE BERNICE JOHNSON], in Romania, which I have visited many times, and my daughter Brenda was there on a mission project, the threat of most-favored-nation revocation each year was successful in enforcing the brutal Communist dictatorship to allow thousands and hundreds of thousands of Jews and other minorities to emigrate. Would you now tell these immigrants safely, settled in new countries, that trade sanctions were not helpful in gaining their freedom?

□ 2130

Ms. EDDIE BERNICE JOHNSON of Texas. Independence is what is helpful, and improving human rights, the opportunity to have something of ownership, to gain that independence, perhaps to leave the country, but it is that independence. It is not going to be a policy of us policing the world and implementing policies of ours that we are not altogether necessarily going to implement for ourselves.

So, you see, I am committed to human rights. But I am also committed to independence. I am committed to individual ownership.

I know by my experience, living here, that the more one controls their own destiny through their own ownership and having some ownership of their own finances they will determine that no government is going to keep them repressed.

People overthrow their own governments when they disagree, when they are in a position to be independent.

Mr. WOLF. The question, though, was about the brutal dictatorship of the Ceausescu administration, and they would not have gotten out just by asking for a visa. They only got out because the United States held leverage on MFN.

But to ask the last question, if you shopped in a store back in Houston that used child labor and exploited its employees and discriminated against certain religious groups, those of the Christian faith, Jewish faith, and the Moslem faith and you found out about it, would you notify the authorities, and continue to shop, would you call the police and yet continue to shop, would you call a press conference, would you continue to shop or would you take your dollar and shop someplace else?

Ms. EDDIE BERNICE JOHNSON of Texas. I would go to the proper authorities first, as we have in this country. Secretary Bentsen, a native Texan, has already started to negotiate and to come up with agreements for dealing with child labor laws and other labor

laws, and that is the way I think we are going to cause change as we negotiate trade policy.

I do not believe that this country is going to be able to police the world based upon trade policy.

Mr. WOLF. I think that if you knew that this person was exploiting children and exploiting employees and discriminating against people of different religious beliefs, most people would stop.

In closing, the closing question is: Do you believe, as the gentleman from Maryland [Mr. HOYER], the gentleman from New York [Mr. SOLOMON], and the gentlewoman from California [Ms. PELOSI] have said, that sanctions ought to be an option, that the U.S. Government uses similar to a man in the military may use a rifle, may use a bayonet, or may use a pistol, but he has those options? Do you believe there should always be an option for the U.S. Government?

Ms. EDDIE BERNICE JOHNSON of Texas. I believe we ought to have policies that are consistent. I believe we have chosen certain countries to implement sanctions and others we have chosen to ignore.

If we decide to use sanctions at all times for human rights violations, why then are we not looking at Saudi Arabia? Is it because we need their oil?

Mr. CARDIN. The gentlewoman from Texas [Ms. EDDIE BERNICE JOHNSON] now has 4 minutes to pose questions to the gentleman from Virginia [Mr. WOLF].

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. WOLF, I would like to ask that last question. Why are we inconsistent in looking at policies in other areas other than China? Why have we not looked at trade policy to effect the change of human rights violations in Saudi Arabia?

Mr. WOLF. I believe very deeply that if we find that they are discriminating in Saudi Arabia, we should be willing to use leverage, and if our diplomatic efforts do not prove successful and they are persecuting those of the Jewish faith and those of the Christian faith and those of the Moslem faith, then I think it should be something we should be willing to exercise. It should be an option, just like the soldier. He has a rifle, he has a pistol, he has a bayonet. They are all options to be used. If the Saudis continue to do that, at some point I would be in favor of taking away MFN from the Saudi Government.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. WOLF, do you think that the policy of South Africa was effective? Did you think that was the thing to do?

Mr. WOLF. I do think it was effective. Let me just say for the record the first time the vote came up, I voted against sanctions for South Africa. The next time it came up, I had a pang of

conscience. I voted the other way. I am proud of the vote I cast. If Nelson Mandela were with us tonight, he would be sitting on this side saying clearly sanctions have worked.

I listened to a National Public Radio show several weeks ago where they interviewed a white South African businessman. He said, "I was opposed to sanctions. I thought they were wrong. But now I must confess that they worked." And I might say that I voted to override the President of the United States, of my own party, on that issue, because I think America should always stand, as the gentleman from Maryland [Mr. HOYER] said, we the people, inalienable rights, life, liberty, and the pursuit of happiness, and sometimes, Ms. JOHNSON, when we get into the economic issue, even though it means we may lose some trade, we have to do the right thing.

Ms. EDDIE BERNICE JOHNSON of Texas. So from your experience, is it fair to say that poorer developing countries have a far greater tendency to have repressive antidemocratic governments than more wealthy, more economically developed countries?

Mr. WOLF. Not necessarily. Evil can be wealthy, and evil can be poor. Hitler was wealthy, and he was probably one of the most evil men in this century. What is taking place in Indonesia and East Timor, they are poor, they are doing very bad things there, and so I think that evil goes with wealth and goes with poorness.

Ms. EDDIE BERNICE JOHNSON of Texas. Do you think the human rights policies of the United States should be consistent, or should we pick and choose a few countries we want to see do good things and we want to make ourselves feel good and make sure the human rights conditions are better?

Mr. WOLF. I personally think it should be consistent across the board with any nation that violates life, liberty, the pursuit of happiness, persecutes people, has slave labor, has gulag camps, kills people, and does these things.

Ms. EDDIE BERNICE JOHNSON of Texas. If you say we should be consistent then what do we do about Saudi Arabia?

Mr. WOLF. I think we should pound on the Saudi Government. We should pound whenever we find human rights violations, and we pound, and we pound, and you are asking me this question.

Ms. EDDIE BERNICE JOHNSON of Texas. When you say we pound, sir—

Mr. WOLF. You lead me to believe that perhaps I should take a trip to Saudi Arabia, and if I find any abuses, if need be, I would personally introduce a bill to deny the MFN, to take it away from the Saudi Government.

Ms. EDDIE BERNICE JOHNSON of Texas. Let me tell you right now, Mr. WOLF, women cannot vote in Saudi

Arabia, and lots of other violations are going on. If we are going to be consistent, and you have committed yourself to be consistent, what is our next step?

Mr. WOLF. I am going to look into it, I can tell you that. I fought the Reagan administration when they favored MFN for Romania. It was my bill to take away MFN from Serbia. I will certainly follow what is going on in Saudi Arabia. Let the word go forth, if the Saudi Government is listening, I would not be averse to doing anything I could to bringing about human rights in Saudi Arabia.

Mr. CARDIN. The time for this segment has expired. We are now prepared to go to the final segment of the debate, which is a 5-minute segment in which one member from each team will have the opportunity to make a closing comment about the resolution. We will start first with the gentleman from Oregon [Mr. KOPETSKI], who will control 2½ minutes for a closing statement in opposition to the resolution.

Mr. KOPETSKI. Thank you, Mr. Moderator.

This is not a debate about whether human rights are important. They are.

As the gentleman from Maryland conceded, the question is what is the best means to achieve our shared goal of human rights progress in all nations.

This last weekend the Washington Post chronicled the gruesome Mao Zedong era in China. We read that from 1949 to 1976 a many as 80 million Chinese died during the repressive policies during the eras known as the Great Leap Forward and the Cultural Revolution.

A China or any nation that is engaged in the world community could not hide 80 million deaths. Repression and mass slaughter are only possible when a nation isolates itself from the world.

Sunshine is the best disinfectant for repressive government, and that is what trade brings.

It is a new world out there. The Iron Curtain is drawn open. International companies are chipping away at the Iron Rice Bowl. We must engage these societies, drawing them out even more into the world community.

But let us not kid ourselves, nations like Russia and China are still in transition. There is every possibility that they could return to the ways of the recent past, and the Chinese people, for one, live in fear of this.

The Washington Post story quoted a farmer who said, "Who knows what could happen? If there is a change of policy at the top, who knows?"

Our side in this debate rejects any policy that seeks to isolate nations from the world community. Trade shines the bright light of the free market into closed societies. Market economies, as we have shown, lead to human rights improvements.

In this debate, we have answered the question: What does trade bring?

Let me summarize again. Trade brings a better standard of living so children do not have to go to bed hungry at night, so families have a roof over their heads, and it also brings about the exchange of ideas, whether principles of law and a judicial system, or the exchange of students and scientists, music, books, and movies, and as innocuous as that sounds, art is saturated with cultural messages and floods over a closed society in a wash of Western values and individual freedoms.

Vaclav Havel once said:

Communism was not defeated by military force but by life, by human spirit, by conscience, by the resistance of being and man to manipulation.

□ 2140

Havel is right. We all have a duty, even a moral obligation, to pursue the path of trade, diplomatic engagement, produce healthier, more just societies on Earth.

Mr. CARDIN. Mr. SOLOMON is now recognized for 2½ minutes for his closing points. In support of the resolution.

Mr. SOLOMON. Ladies and gentleman, who won the debate? Tomorrow's CONGRESSIONAL RECORD will show that our opposition supported all of the present sanctions in place by the U.S. Government. That should answer the question.

Let me commend all of you for a job well done. My colleagues, the world respects the United States of America because we stand for something. We stand for something different, something good. America is not just a people, it is not a race, it is not a religion, it is a set of ideals. In short, we believe that human beings should live as free individuals, unfettered by intrusive or repressive Government. These ideals define the very essence of who we Americans are, what our country is.

If we allow ourselves to succumb to the temptation to be like everybody else or to do business as usual with any dictator, we will lose this essence, we will lose who we are. It is simply a fact that if America will not stand up to the dictators of the world, no one will.

Since military solutions are often unrealistic, and I am a military man, or they are undesirable, trade remains the best weapon we have to stand up to these destabilizing dictators.

My colleagues, it is no accident that the U.S. dollar is the international currency or that English is the international business language. It is because the power of the American purse is so awesome. There are 260 million Americans; everybody wants to do business with us. In fact, everybody needs to do business with us.

But the reverse is not true. Our standard of living and consumer buying power afford us the opportunity to choose our business partners more carefully. We must use that oppor-

tunity. We must apply leverage where we can in order to defend freedom, deter aggression, and, yes, protect American jobs.

When a regime systematically represses its own people and threatens its neighbors, America must say no to business as usual. When a regime destroys American jobs by refusing to allow fair access to American goods made by American workers, America must say no to business as usual.

As peace-loving Americans, we do not attempt to enforce our human rights policies on others by force. But as leaders of the free world we do have a moral obligation to promote democracy and encourage decent treatment of all human beings. And without firing a shot, without losing one American soldier's life, we can do that, without firing a shot, by linking our trade policy with human rights. That is the decent, humane thing to do, and you know it.

Thank you.

Mr. CARDIN. All time has expired.

Let me, if I might, thank the eight Members who have participated in tonight's debate. As I mentioned at the beginning of tonight's debate, this is our third in a series in which we have a trial in the House of Representatives. We have debated health care, we have debated welfare, and tonight we have debated human rights and trade.

I think that the quality of the debate that has taken place tonight can only help us in shedding light on these issues in the finest traditions of the House of Representatives and can only help us in trying to reach solutions to these very difficult problems.

I want to thank all 24 Members who have participated in the first three debates. This is a trial period, but I think the leadership is committed to the continuation of the Oxford-style debates because it has been helpful to all of us in focusing issues in this body. I also want to thank my colleague, the gentleman from Pennsylvania [Mr. WALKER], and the Republican side who has helped organize the Republicans and has helped to bring this about. I personally want to thank each one of you for the time you have spent tonight.

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

Mr. CARDIN. I gladly yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding.

I want to join the gentleman in thanking a number of people because I think this has been a very positive exercise on behalf of the House of Representatives, in behalf of the Republican and Democratic Parties.

This debate, particularly, composed of bipartisan teams, showed that there is a thoughtful difference of opinion from time to time, not necessarily dictated by party. I particularly want to thank the gentleman from Missouri

[Mr. GEPHARDT], our majority leader, and the gentleman from Georgia [Mr. GINGRICH], our minority whip, who worked closely together to bring about this innovative opportunity to debate substantively issues of importance to the people of this country and indeed the international community.

I too want to congratulate the gentleman from Pennsylvania [Mr. WALKER] and the gentleman from Maryland [Mr. CARDIN], who for their respective sides have led the organization for this effort.

I thank the gentleman for yielding.

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

Mr. CARDIN. I am glad to yield to the gentleman from California.

Mr. DREIER. I thank the gentleman for yielding.

Mr. Speaker, I would like to join in extending my appreciation on behalf of our side, which now includes MIKE KOPETSKI and EDDIE BERNICE JOHNSON, I am happy to say. Clearly, this is a bipartisan effort which has come about because the leadership on both sides are strongly committed.

We will welcome Mr. SOLOMON back here.

Mr. SOLOMON. I was going to ask—

Mr. DREIER. We have a spot on the other side of the rail.

Mr. HOYER. You can have Mr. SOLOMON, but we are not letting Mr. WOLF go.

Mr. DREIER. You want to keep him?

Mr. Speaker, I think the moderator has underscored again and again that we are all strongly committed to the cause of human rights, and I believe very strongly in the position our team has taken, and I know they feel strongly in theirs. But it is clear to all that we are committed to improving the human rights of people here in the United States and throughout the world.

Mr. CARDIN. I yield back the balance of my time.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HUTTO (at the request of Mr. GEPHARDT) for today after 6 p.m., 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. DREIER) to revise and extend their remarks and include extraneous material:)

Mr. DIAZ-BALART, for 5 minutes, on July 21.

Mr. GOSS, for 5 minutes each day, on July 21 and 22.

Mr. WELDON, for 5 minutes, today.  
Mr. DORNAN, for 5 minutes, on July 21.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DREIER) and to include extraneous matter:)

Mr. BEREUTER.  
Mr. BURTON of Indiana.  
Mr. KING.  
Mr. POMBO.  
Mr. CRANE.  
Mr. OXLEY.  
Mr. ROHRBACHER.

(The following Members (at the request of Mr. FILNER) and to include extraneous matter:)

Mr. HAMILTON.  
Ms. CANTWELL.  
Mr. KLEIN in two instances.  
Mr. BERMAN.  
Mr. GORDON.  
Mr. VISCOSKY in two instances.  
Mr. FRANK of Massachusetts.  
Mr. MINGE.  
Mr. MANN.  
Mr. DEUTSCH.  
Ms. ROYBAL-ALLARD.  
Mr. KREIDLER in two instances.  
Mr. PARKER.  
Mr. LEHMAN.  
Ms. DELAURO.  
Mr. WILLIAMS.  
Mr. STARK.  
Mr. RANGEL.  
Mr. BROWN of California.  
Mr. TRAFICANT.  
Mr. NADLER.

#### ENROLLED BILLS SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 572. An act for the relief of Melissa Johnson.

H.R. 1346. An act to designate the Federal building located on St. Croix, Virgin Islands as the "Almeric L. Christian Federal Building."

H.R. 1873. An act to require certain payments made to victims of Nazi persecution to be disregarded in determining eligibility for and the amount of benefits or services based on need.

H.R. 2532. An act to designate the Federal building and United States courthouse in Lubbock, Texas, as the "George H. Mahon Federal Building and United States Courthouse."

H.R. 3770. An act to designate the United States courthouse located at 940 Front Street in San Diego, California, and the Federal building attached to the courthouse as the "Edward J. Schwartz Courthouse and Federal Building."

H.R. 3840. An act to designate the Federal building and United States courthouse located at 100 East Houston Street in Mar-

shall, Texas, as the "Sam B. Hall, Jr. Federal Building and United States Courthouse."

#### SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following title:

S. 537. An act for the relief of Tania Gil Compton.

S. 832. An act to designate the plaza to be constructed on the Federal Triangle property in Washington, D.C., as the "Woodrow Wilson Plaza."

S. 1880. An act to provide that the National Education Commission on Time and Learning shall terminate on September 30, 1994.

#### ADJOURNMENT

Mr. CARDIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 46 minutes p.m.), the House adjourned until tomorrow, Thursday, July 21, 1994, 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:

3550. A letter from the Board of Governors of the Federal Reserve System, transmitting the staff report of the Federal Reserve System, pursuant to 12 U.S.C. 1833; to the Committee on Banking, Finance and Urban Affairs.

3551. A letter from the Secretary of Agriculture, transmitting the annual report on the use of private attorneys contracted to perform certain legal actions taken in connection with housing programs administered by the Farmers Home Administration [FmHA], pursuant to section 510(d)(2) of the Housing Act of 1949, as amended; to the Committee on Banking, Finance and Urban Affairs.

3552. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-286, "Councilmembers' Salary Freeze Temporary Amendment Act of 1994," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

3553. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on employment of U.S. citizens by certain international organizations, pursuant to Public Law 102-138, section 181 (105 Stat. 682); to the Committee on Foreign Affairs.

3554. A letter from the Acting Associate Attorney General, Department of Justice, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3555. A letter from the Deputy Associate Director for Compliance, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Natural Resources.

3556. A letter from the Assistant Attorney General of the United States, Department of

Justice, transmitting the Department's report on settlements for calendar year 1993 for damages caused by the FBI, pursuant to 31 U.S.C. 3724(b); to the Committee on the Judiciary.

3557. A letter from the Director, Office of National Drug Control Policy, transmitting a draft of proposed legislation to create an exception to title 18 concerning acts of violence against civilian aircraft for situations where the President determines that a foreign country faces a national security threat from trafficking in illicit drugs, and that the country has appropriate procedures in place to protect innocent aircraft; to the Committee on the Judiciary.

3558. A letter from the Chairman, Merit Systems Protection Board, transmitting a report entitled "Working for America: An Update," pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

3559. A letter from the Secretary, Department of the Interior, transmitting a copy of the annual report for fiscal year 1992 covering the Outer Continental Shelf [OCS] Natural Gas and Oil Leasing and Production Program, pursuant to 43 U.S.C. 1343; jointly, to the Committee on Natural Resources and Merchant Marine and Fisheries.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Ms. SLAUGHTER: Committee on Rules. House Resolution 482. Resolution providing for consideration of the bill (H.R. 3838) to amend and extend certain laws relating to housing and community development, and for other purposes (Rept. 103-612). Referred to the House Calendar.

Ms. SLAUGHTER: Committee on Rules. House Resolution 483. Resolution providing for consideration of the bill (H.R. 3870) to promote the research and development of environmental technologies (Rept. 103-613). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 484. Resolution providing for consideration of the bill (H.R. 4604) to establish direct spending targets, and for other purposes (Rept. 103-614). Referred to the House Calendar.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 4799. A bill to promote the research and development of environmental technologies; to the Committee on Science, Space, and Technology.

By Ms. SNOWE (for herself and Mr. ANDREWS of Maine):

H.R. 4800. A bill to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact; jointly, to the Committee on Energy and Commerce and Natural Resources.

By Mr. LAFALCE (for himself, Mr. SMITH of Iowa, Mr. SKELTON, Mr. MAZZOLI, Mr. WYDEN, Mr. BILBRAY, Mr. MFUME, Mr. KLINK, Ms. ROYBAL-ALLARD, Mr. HILLIARD, and Mr. THOMPSON):

H.R. 4801. A bill to amend the Small Business Act, and for other purposes; to the Committee on Small Business.

By Mr. GORDON:

H.R. 4802. A bill to prohibit any charges on telephone bills for calls to 800 numbers; to the Committee on Energy and Commerce.

By Ms. NORTON (for herself, Mr.

OWENS, Mr. TUCKER, MISS COLLINS of Michigan, Mr. GONZALEZ, Ms. ROYBAL-ALLARD, Mr. DELLUMS, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. MCKINNEY, Ms. BROWN of Florida, Mr. MINETA, Ms. VELÁZQUEZ, Mr. HINCHEY, Mrs. SCHROEDER, Mr. NADLER, Ms. MARGOLIES-MEZVINSKY, Mr. SERRANO, Mrs. MALONEY, Mr. MARTINEZ, Mr. MCCLOSKEY, Mr. GENE GREEN of Texas, and Mrs. KENNELLY):

H.R. 4803. A bill to amend the Fair Labor Standards Act of 1938 to prohibit discrimination in the payment of wages on account of sex, race, or national origin, and for other purposes; to the Committee on Education and Labor.

By Mr. SHAW (for himself, Mr.

DEUTSCH, Ms. BROWN of Florida, Mrs. FOWLER, Mr. BILIRAKIS, Mr. YOUNG of Florida, Mr. CANADY, Mr. GOSS, Mr. BACCHUS of Florida, Mrs. MEEK of Florida, Ms. ROS-LEHTINEN, Mr. JOHNSTON of Florida, Mr. DIAZ-BALART, Mr. HASTINGS, Mr. LEWIS of Florida, Mr. MCCOLLUM, Mr. HUTTO, Mr. PETERSON of Florida, Mr. STEARNS, Mr. MICA, Mr. MILLER of Florida, and Mrs. THURMAN):

H.R. 4804. A bill to authorize appropriations for construction of a research facility in Broward County, FL, to be used in connection with efforts to control Melaleuca and other exotic plant species that threaten native ecosystems in the State of Florida; to the Committee on Public Works and Transportation.

By Mr. SLATTERY:

H.R. 4805. A bill to amend title 23, United States Code, relating to penalties for use of motorcycle helmets; to the Committee on Public Works and Transportation.

By Mr. WILLIAMS (for himself, Mr.

POMEROY, Ms. ENGLISH of Arizona, Mr. OBERSTAR, Mr. JOHNSON of South Dakota, Mr. STUPAK, Mr. SKEEN, Mr. RICHARDSON, Mr. SWIFT, Mr. KILDEE, Mrs. MEYERS of Kansas, Mr. FLAKE, Mr. HILLIARD, Mr. FAZIO, Mr. SCHIFF, Mr. SCOTT, Mr. MINGE, Mr. MARTINEZ, Mr. DELLUMS, and Mr. GUTIERREZ):

H.R. 4806. A bill to provide land-grant status for certain Indian colleges and institutions; jointly, to the Committees on Agriculture and Education and Labor.

By Mrs. COLLINS of Illinois:

H.J. Res. 391. Joint resolution to designate the week of September 12, 1994, through September 16, 1994, as "National Gang Violence Prevention Week"; to the Committee on Post Office and Civil Service.

By Mr. RAMSTAD (for himself and Mr. VALENTINE):

H. Res. 485. Resolution expressing the sense of the House of Representatives that any health care reform legislation passed by Congress must ensure access to and the continued advancement of medical technology; jointly, to the Committees on Energy and Commerce and Ways and Means.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. McDERMOTT:

H.R. 4807. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Tecumseh*; to the Committee on Merchant Marine and Fisheries.

H.R. 4808. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *L.R. Beattie*; 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. 146: Mr. STEARNS.  
 H.R. 502: Mr. KINGSTON and Mr. STEARNS.  
 H.R. 520: Mr. DIXON.  
 H.R. 642: Mr. HASTER.  
 H.R. 662: Mr. STEARNS.  
 H.R. 840: Mr. NADLER.  
 H.R. 998: Mr. STEARNS.  
 H.R. 1099: Mr. RAVENEL.  
 H.R. 1106: Mr. JEFFERSON.  
 H.R. 1122: Mr. STEARNS.  
 H.R. 1130: Mr. STEARNS.  
 H.R. 1392: Mr. STEARNS.  
 H.R. 1596: Mr. HOEKSTRA.  
 H.R. 1604: Mr. STEARNS.  
 H.R. 1671: Mr. NADLER.  
 H.R. 1793: Mr. MINETA.  
 H.R. 1843: Mrs. FOWLER and Mr. MICA.  
 H.R. 2467: Mr. BAESLER and Mr. CAMP.  
 H.R. 2472: Mr. GOODLING.  
 H.R. 2543: Ms. VELÁZQUEZ.  
 H.R. 2710: Mr. FINGERHUT.  
 H.R. 2866: Mr. BILBRAY, Mr. SKAGGS, Mr. TRAFICANT, Mr. PORTER, and Mr. KREIDLER.  
 H.R. 3392: Mr. WALKER.  
 H.R. 3415: Mr. ABERCROMBIE.  
 H.R. 3630: Mr. HUGHES, Mr. HILLIARD, and Mr. DIAZ-BALART.  
 H.R. 3635: Mr. STEARNS.  
 H.R. 3705: Mr. MCCOLLUM, Mr. STEARNS, Mrs. MEEK of Florida, Mr. KLECZKA, Mr. SOLOMON, and Mr. HUTCHINSON.  
 H.R. 3739: Mr. ARMEY, Mr. FROST, Mr. DORNAN, Mr. DARDEN, and Mr. MANZULLO.  
 H.R. 3940: Mr. UNDERWOOD and Mr. REED.  
 H.R. 3943: Mr. HUTCHINSON.  
 H.R. 4279: Mr. YATES and Mr. EVANS.  
 H.R. 4314: Mr. BEILSON.  
 H.R. 4375: Mr. MILLER of California.  
 H.R. 4412: Mr. STENHOLM.  
 H.R. 4441: Mr. HYDE.  
 H.R. 4463: Mr. McDERMOTT and Mr. HUGHES.  
 H.R. 4495: Ms. VELÁZQUEZ, Ms. WOOLSEY, and Mr. LANTOS.  
 H.R. 4496: Mr. EHLERS, Mr. DELLUMS, and Mr. DEFazio.  
 H.R. 4512: Mr. MINETA and Mr. HILLIARD.  
 H.R. 4557: Mr. CRANE and Mr. GRAMS.  
 H.R. 4570: Mr. KLEIN and Mr. MINETA.  
 H.R. 4584: Mr. PETERSON of Minnesota.  
 H.R. 4590: Mr. GONZALEZ, Mr. SPRATT, Mr. POSHARD, Mr. ENGEL, Mrs. COLLINS of Illinois, Mr. SWETT, Mr. APPELATE, Mr. BROWN of Ohio, Mr. ROMERO-BARCELO, Mr. HILLIARD, Mr. BLACKWELL, Mr. BORSKI, Mr. DIXON, Mr. UPTON, Mr. TORRICELLI, Mr. TAYLOR of Mississippi, Mr. MORAN, Mr. CONYERS, Mr. RALL, and Mr. MURPHY.  
 H.R. 4592: Mr. COBLE and Mr. DOOLITTLE.  
 H.R. 4643: Mr. LAUGHLIN and Mr. SARPALIS.  
 H.R. 4675: Mr. LAUGHLIN.  
 H.R. 4699: Ms. MCKINNEY and Mr. DE LUGO.  
 H.R. 4791: Mr. LIVINGSTON, Mr. RAMSTAD, and Mr. MCCOLLUM.

