

HOUSE OF REPRESENTATIVES—Friday, August 5, 1994

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

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
August 5, 1994.

I hereby designate the Honorable G.V. (Sonny) Montgomery 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.

As we reflect on the stories and parables of individual experience, may we, O God, do unto others as we would have them do unto us. We know that the incidents and ordeals of human affairs can bring anxieties and apprehensions that hinder hope and the assurances of faith. As You, O God, have given us our lives and blessed us with all good things and created the heavens and the Earth, so keep each of us in Your grace now and evermore. This is our earnest prayer. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Pledge of Allegiance will be led by the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill and a joint resolution of the following titles,

in which the concurrence of the House is requested:

S. 617. An act to authorize research into the desalinization of water and water reuse and to authorize a program for States, cities, or any qualifying agency which desires to own and operate a desalinization or water reuse facility to develop such facilities; and S.J. Res. 194. Joint resolution to designate the second week of August 1994 as "National United States Seafood Week."

CREATING JOBS WITH UNIVERSAL COVERAGE

Mr. GEJDENSON. Mr. Speaker, we in Connecticut have been battered by an economy that saw some of the most significant challenges we have faced in this century, defense downsizing, changes in the insurance industry, a loss of our banking system and capital. As we start to rebuild our economy and start to see recovery as much of the Nation has already seen, one of the greatest challenges in the formation of new businesses is the insurance for those individuals with the talent, the skill, and the courage to start new businesses, because when you have a handful of people who have worked all of their lives and have some assets, starting a business without health insurance for the employees it is a challenge worse than going to the roulette table.

Under today's system these businesses are at a disadvantage. They pay \$3,000 and \$4,000 more in insurance premiums than competitors that are larger and work right next door.

If we want to start new small businesses in America, passing a Universal Health Care Program will help this economy, help people go to work, and help continue this recovery.

LLOYD CUTLER'S REDACTIONS

Mr. LIVINGSTON. Mr. Speaker, on July 26, 1994, Lloyd Cutler, special counsel to the President, before the House Committee on Banking, Finance and Urban Affairs said:

We have not redacted anything relevant to the committee's inquiries, and I'd like to add that as a lawyer who has been in the business of producing documents to other lawyers for a good 50 years, this is the first time that any other lawyer has ever questioned whether the production of redacted documents under my supervision has been unethical.

Despite Mr. Cutler's statement, the Wall Street Journal of August 5, 1994, amply demonstrated that Mr. Cutler did indeed redact, or delete, critical in-

formation from the material supplied to pertinent congressional committees.

It turns out he redacted references to the Rose Law Firm, the RTC, the disclosure or lack of disclosure on the impact on Madison Guaranty Savings & Loan, Mr. Hubbell's relationship with his father-in-law, Seth Ward, and litigation in Madison Guaranty, whether or if FDIC or RTC would review the conflicts of interests, civil and criminal liability of the Rose Law Firm and other attorneys for failure to disclose civil actions on James and Susan and McDougal on the board of Madison Savings & Loan and on professional law firms and accounting firms involved in those same circumstances.

Mr. Cutler, you owe the American people an explanation. You have redacted, or deleted, vital information. In my opinion, you should consider resignation as counsel to the President of the United States.

I shall expand on these comments in a 5-minute special order this afternoon, August 5, 1994.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind the gentleman from Louisiana that he should direct his remarks to the Chair.

HEALTH CARE: THE AMERICAN MANDATE

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

Mr. DERRICK. Mr. Speaker, cynics and wiseacres tell us that health care reform is nothing more than an empty political gambit. They say it is a sham designed to wow the voters, and hint at freedom-choking mandates.

Reform opponents also imply that no one really believes in the issue. It is all politics, they say. A crusade for saps with no grassroots support.

Mr. Speaker, it is these cynics that threaten America. The idea that no one cares about reform belies reality. Americans are literally dying for it.

Thousands of business associations, consumer groups, health organizations, and citizens' leagues understand the vital importance of reform. I intend to make my colleagues aware of the broad and profound support for reform, and I will be highlighting those groups that daily join the swelling ranks of reform supporters. Health care reform is not a sham—it is the mandate of the American majority.

□ 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.

FAMILY LEAVE BILL MAKES AMERICA MORE FAMILY FRIENDLY

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

Mrs. SCHROEDER. Mr. Speaker, today I take the well to prove I really am a gentle lady, because the reason I like to come down here is to feed the words back of some of the Members that fought so hard against family leave. Now family leave has been in effect for exactly 1 year in America, and guess what? No companies have gone under, productivity has not dropped off, it has not become a complex thing to administer. There have been fewer than 1,000 complaints and almost all of them were solved by phone.

Yes, America is much more family friendly. I honestly think that people cannot stand up and say they are pro-family and then vote against all family-friendly legislation.

Thank goodness the good buys won on this one and Americans for the last year have had a much more family-friendly workplace. Let us get on, let us do more, and let us measure these things against the facts rather than rhetoric.

LET US HAVE REALISTIC HEALTH CARE REFORM

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

Mr. THOMAS of Wyoming. Mr. Chairman, more than 6 months ago Bill Clinton stood here in the House, held up a credit card and announced he would produce health care for everyone that would never be taken away. He did not talk about the cost, who would pay. He did not talk about the increase in bureaucracy. He did not talk about the reduction in choice, just that there would be another mother of all unfunded mandates.

As Americans figured out the many details, the messy details, that idea bombed. Last evening the House Democrat leadership was here with the major pitch: benefits for everyone. Did they talk about who would pay? No. Did they talk about the expansion of entitlements which is driving the budget? No. Did they talk about the expansion of government bureaucracy needed in the plan? No.

Good public policy will not come from snake oil sales techniques. Benefits have costs. There really is no free lunch.

We only have a short time left in this session. Let us not fill it with campaign pitches. Let us deal with the tough job of realistic pay-as-you-go policy.

□ 1010

NOT A BAD RACKET

(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, with all this health care reform talk, insurance companies are literally worried sick.

So to make sure the insurance companies keep their hands in the bank, the insurance companies are now buying the hospitals.

Now, think about this. Insurance companies only insure healthy people who do not get sick, and they make a lot of money. Then they take that money off the healthy people, and they buy the hospitals. Now, the hospitals make money treating all of those sick people that the insurance companies will not cover.

That is not a bad racket.

All this health reform is really getting the industry to make major adjustments. Think about it.

LET US VOTE ON HEALTH CARE IN SEPTEMBER

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

Mr. BLILEY. Mr. Speaker, here we go again. We have four bills that have not been drafted, that are, indeed, changing daily, have not been scored, and yet you tell us we will be voting on them in 2 weeks. Most of them will be over a thousand pages long.

Mr. Speaker, the CBO has not had a chance to score them. This is not the end of the process, Mr. Speaker.

We should draft these bills. We should have them available to the public, the 250 million Americans who will be vitally affected by what we do or what we do not do. Let them read it, read it ourselves, indeed, and come back the first week in September and vote on it.

That is good policy, that is good procedure, and that is what we should follow.

SET ASIDE PARTISAN INTERESTS

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

Mr. PENNY. Mr. Speaker, 1 year ago, on the first Friday in August, I announced my intention to retire from Congress.

Part of my motivation was the fierce partisanship that now dominates our congressional behavior. It has not always been this way.

Social Security was passed by overwhelming margins of support in both the Democratic and Republican cau-

cuses. The Federal Highway Act of 1956, a landmark bill, had nearly unanimous support from both Democrats and Republicans. The Civil Rights Act of 1964 had substantial Democratic and Republican support. Even Medicare, the centerpiece of the Great Society, had the support of most Democrats and nearly half of all Republicans.

Recent polls show that Americans are increasingly displeased with the performance of their national leadership. Maybe it is because today on so many issues, from the budget to health care, they see a partisan display instead of efforts to build a bipartisan consensus.

History demonstrates the truly important issues know no party lines.

Americans will once again respect their Government when they see political leaders setting aside partisan interests and, instead, working together for the national interest.

FAMILY HEALTH FIRST

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

Mr. SMITH of Texas. Mr. Speaker, a lot of words have been spilled on the House floor about the importance of family, about quality time with children, about making Congress family-friendly.

Apparently, Congress puts families first in theory, but not in practice. We would rather sound good than act right.

Because the House leadership wants a vote on the health care plan, they have pushed back the summer recess until the third week of August. House leaders may not have school-aged children but dozens of other Members of Congress do. Since school activities resume in August, that means very short or no summer family vacations.

If we are going to vote on health care, let us set aside artificial deadlines, give Congress time to consider the legislation and the American people time to find out what is in it. A good health care plan next month is better than a bad plan this month.

Honoring the scheduled 2-week August recess and giving health care the scrutiny it deserves will do more for family health than hasty debate and rushed votes.

Who knows, if Congress practiced what it preached about families, maybe it would get a cleaner bill of health from the American people.

DO NOT LET THE CRIME BILL GET HIJACKED

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

Mr. RICHARDSON. Mr. Speaker, special interests, lobbies, and partisan politics could kill the crime bill, the one

issue all Americans want us to tackle immediately and without partisanship.

Poll after poll show the American people are fed up with crime and desperately want us to pass a crime bill.

Mr. Speaker, are we prepared to vote against 100,000 new cops on the beat? Are we prepared to vote against three strikes and you are out, the death penalty for over 60 Federal crimes? Are we prepared to vote against tougher sentencing and very strong and effective prevention measures?

Mr. Speaker, the American people do not want petty partisan politics or special interests to hijack this crime bill. Let us pass it, and let us pass it soon.

WRONG TO RUSH HEALTH CARE

(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, let me take you back almost 1 year ago. It was then that President Clinton unveiled his health care plan to a joint session of Congress and the American public. It has taken nearly a year for the American public to discover what was in the Clinton bill, that it contained, among other unpopular measures: job-killing employer mandates; global budgets that ration care; restrictions on choice of doctors and health care plans; and deep cuts in Medicare.

And it has taken nearly a year for the American people to reject this Clinton plan and to bury it. In its place a Clinton-Gephardt bill cropped up that, while hard to imagine, was even worse.

Now it appears that this bill may be pulled as well and will be replaced with the Senate's version, the Mitchell bill, which nobody has had a chance to read. Nearly all we know about the Mitchell bill is that it is 7 inches thick and contains 17 new taxes.

Now the White House and the majority want to force the Mitchell bill through Congress during the next 2 weeks. Mr. Speaker, I plead for time so that the American people and their elected representatives can study this plan and root out the hidden costs. It would be irresponsible and could be disastrous to the American health care system to proceed any other way.

THE FAMILY AND MEDICAL LEAVE ACT

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

Ms. WOOLSEY. Mr. Speaker, what will history remember about the 103d Congress? I believe it will remember what this Congress did to give American families more security. And that started exactly 1 year ago with passage of the Family and Medical Leave Act.

Who did this new law give security to?

To seniors and children, who now can count on the care of their families during medical emergencies.

To parents, who can now balance their careers and family without fear of losing their jobs.

Mr. Speaker, the Family and Medical Leave Act brought this Nation into the modern era. But we cannot stop there.

Real security also means health care coverage that can never be taken away, and safety on our streets and in our homes.

Let us use today's important anniversary of the Family and Medical Leave Act to press ahead by passing comprehensive health care coverage and a crime bill that balances tough punishment and smart prevention. Let us give American families the security they deserve.

TIME NEEDED TO STUDY THE HEALTH BILL

(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, it is becoming more and more clear as I speak to my constituents that the American people do not just want Congress to pass any health care plan they can. They want us to take our time and get it right. Because whatever we pass, we know one thing for sure. It will affect every single American.

I am worried about what happens after the House and Senate have passed their bills. As usually happens, the leaders who control both bodies will meet secretly behind closed doors to write one health care bill. We will have no idea who they are talking to or what deals will be made. Then they may try to ram their plan through in the early morning hours after a marathon session, without giving the Members of Congress or the American people enough time to study the details.

Mr. Speaker, I hope you will make a pledge today that all meetings of the conference committee will be open to the public and that the American people will be given adequate time to study and debate the details of the final health bill before the last votes are taken.

The American people deserve no less.

IN SUPPORT OF MFN STATUS FOR CHINA

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

Mr. INSLEE. Mr. Speaker, I rise in support of the President's decision to delink MFN status for China from the internal affairs of China. There is a reason for that, and that reason is if we

do not follow that policy, we will be taking a simple step, and that is to shoot ourselves in the foot.

□ 1020

Because a failure to delink is simply going to result in a retaliation against American exports to China. We will be losing American jobs associated with export and getting nothing.

When I say getting nothing, that is because the simple sanctions against a few simple products from China is going to only be a pinprick in the hide of this 1 billion population country. It will affect nothing.

The way to affect human rights in China is to give them inspiration, not aggravation. It is to engage them, it is to get to know them, it is to trade with them, because the one thing about America is that when we affect people the way we affect people is to let them get to know us. We have got to get to know them better, not less.

Support the President on MFN.

FLORIDA SENIORS DISTURBED BY AARP'S ENDORSEMENT OF CLINTONCARE

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

Mr. MILLER of Florida. Mr. Speaker, today's Washington Post reports that the AARP has endorsed Clinton-Gephardt's sweeping expansion of Medicare coverage to include the unemployed and other uninsured workers. Coupled with nearly \$500 billion in Medicare cuts, this expansion is a recipe for disaster for seniors.

This massive new entitlement is also the final step toward a single-payer, Government-controlled system, and again, seniors will be the first victims. Britain's single-payer system, for instance, often denies renal dialysis to elderly patients because the cost is deemed too high.

Their members in my district do not agree with the AARP's blanket endorsement of Clintoncare. According to Florence J. Irving of Sun City Center, "the AARP does not speak for many of its members." William G. Smith of Holmes Beach, writes "the AARP leadership has become part of the 'Washington Establishment'— [they] do not represent [their] membership vis-a-vis health care reform."

Mr. Speaker, what is going on over in the Washington offices of the AARP?

"HARRY AND LOUISE" TV ADS ON HEALTH CARE CHANGED, ENDORSE UNIVERSAL COVERAGE

(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, there is an old saying that goes: "Be careful

what you wish for, you just might get it." It is a maxim that, today, should be hanging on the walls of the Health Insurance Association of America. The HIAA is best known as the creator of Harry and Louise, the celluloid couple who led the \$50 million attack on the Clinton health care plan.

But, now that the Clinton bill is off the table, the HIAA is afraid Congress may pass the disastrous Republican alternative without universal coverage and that has Harry and Louise singing a different tune. Ironically, the HIAA is now calling for a plan that has universal coverage as its foundation—much like the Clinton plan which they just spent untold millions to defeat.

Here is a copy of their new ad: "Insurance Reform and Universal Coverage—They Work Together." Democrats in this body could not agree more—that is why the Gephardt bill contains both and why it is the best path to health care reform. We are happy to see that Harry and Louise have finally seen the light. We just wish they had not been in the dark so long.

THE HEALTH CARE DEBATE: A LOGICAL SCHEDULE

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

Mr. HOEKSTRA. Mr. Speaker, yesterday the majority leader outlined a timeline for debating what may be the most important legislation that we have dealt with in Congress in a generation. Incredibly, the leadership apparently wants us to debate and vote on this important issue without being able to examine the proposed legislation in any depth, and without being able to discuss the legislation in any depth, and without being able to discuss the legislation with our constituents.

My question is: What is the hurry? We still have plenty of time left in this Congress to deal with this issue in a responsible fashion. In fact, I and many of my freshman colleagues today will hold a press conference outlining a schedule that allows us to review these bills next week, to go home and review the materials with our constituents, and then come back and debate and vote on this legislation in September.

The President last night began a series of nightly television ads. The Cabinet is being mobilized to go to the American people. But Congress will be held hostage. We will be forced to vote before we can ever discuss these materials and this issue with our constituents.

Please, do not hold elected Representatives of the American people hostage during the health care debate.

HEALTH REFORM NOW

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

Mr. CARDIN. Mr. Speaker, the people of this Nation are asking us to pass health reform now. They benefit from health care reform.

Let me talk about the typical person, "Mary," who works fulltime for a large company and is currently insured. She needs health reform now. Why? She will be able to continue to receive coverage under her private health plan. It will not change. However, she will be guaranteed the right to choose at least one plan, offering unrestricted choice of a doctor or a managed care plan.

She will be able to continue to receive the benefits she is receiving now but they will even be better because they will have to include the national benefit package in addition to the benefits she is currently receiving which her employer will be required to continue.

Her employer will be required to pay at least 80 percent of the plan. She will be protected against some reduction if the employer tried. She will never lose her coverage.

Mary needs health care reform. She benefits. All of our people benefit from health reform. Let us pass it.

TRUE CRIME

(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, an article on the front page of yesterday's New York Times grossly misrepresents the motives and diligence of many Members of this House. According to the article:

All 178 Republicans in the House can be expected to vote against the crime bill since they do so regardless of the nature of the legislation.

If the Times wants to go into the pulp fiction business, that's their concern. But let us separate myth from fact: I and my Republican colleagues want nothing more than to lend full support to a tough and smart crime bill. The problem is that no such legislation exists. What we call a crime bill is little more than a \$33 billion social spending bill full of pork and waste. It is a bill that does a whole lot more to raise the deficit than it does to reduce crime. Right now this so-called crime bill is in Democratic Party gridlock caught up in Democratic Party machinations. It is not the Republicans holding it up.

MS. SMITH WANTS COVERAGE, AFFORDABILITY, AND GUARANTEED ACCESS

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

minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, real people and how they are affected: Ms. Smith, who works for a small company, is currently insured. Under the Gephardt House leadership plan, she receives coverage under either a private plan offered by her employer, a private plan offered through the Federal Employee Health Benefits Plan, or Medicare part C. And she will have a choice of plans within that—choice, important and critical—a choice of at least one plan offering unlimited choice of doctors.

Americans are concerned about that. We are assuring that happens.

Benefits that will be the same or better than she now has? Have her employer pay at least 80 percent of the cost of her premiums, as most employers under this scenario that have insurance now, now pay. She will never lose coverage even if she loses her job. That is what Ms. Smith cares about, the coverage that she can get and afford an always be sure that it is there.

DEMOCRATS, NOT REPUBLICANS, RESPONSIBLE FOR DELAYING HEALTH CARE REFORM

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

Mr. BARTLETT of Maryland. Mr. Speaker, let us see if we can figure it out. In an article in yesterday's Wall Street Journal, several people blamed Republicans for delaying health care reform.

Let us look at the facts: It was the Clinton administration that was over 6 months late in introducing their bill, H.R. 3600, the one everyone was waiting for to start the process.

The Republican alternative, H.R. 3080, was introduced more than 2 months before H.R. 3600. The Republican bill has 38 more cosponsors than the President's bill and 51 more cosponsors than the single-payer bill, H.R. 1200.

And now the recess is being delayed because the majority still does not have their bill ready.

Our side of the aisle has been ready, willing, and able to pass needed and necessary health care reform, Mr. Speaker, but we have not had the opportunity.

I think we have now figured it out. Those on the other side of the aisle control the schedule, and they are responsible for the delays.

□ 1030

GIVING SMALL BUSINESS THE OPPORTUNITY TO OFFER HEALTH INSURANCE

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission

to address the House for 1 minute and to revise and extend her remarks.)

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I happen to be one of those small businesses that cannot afford at this time to offer health care coverage. With the plan that we have coming before us, Mr. Speaker, for the first time I will be able to offer health insurance to the persons that work for my company. Right now I am limited to those who have retired from other jobs or those who can get coverage through their parents or spouses. It does decrease choices. It does cause the feeling that one cannot afford to hire certain people because we cannot afford to offer the plan. With this plan people will have an opportunity to make a choice between plans and never lose their health care coverage whether they continue to work for my company or not.

Mr. Speaker, it is time for us to be able to do that. Small businesses need the opportunity to offer insurance without going out of business. The opportunity is now. We can do it now.

CLINTON-KENNEDY BILL ACTUALLY WORSE THAN CLINTON-GEPHARDT BILL

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

Mr. GINGRICH. Mr. Speaker, once again the Democratic leadership has come up with a good press conference and a bad health bill. The Clinton-Kennedy bill, introduced by Senator MITCHELL, is in fact a bill that has 20 new Government agencies and 17 new taxes. It is a bill which is so complex and so convoluted that it is actually worse than the Clinton-Gephardt bill, which is a giant Government program, but at least it is only one giant Government program.

I simply urge all my colleagues to look very carefully at the Clinton-Kennedy bill introduced by Senator MITCHELL. I say, "Make sure you understand all the taxes, all the Government agencies, all the different ways in which it makes life more complicated, and health more expensive and the ways in which it raises taxes, for example, on virtually every union member in the country. It raises taxes in a very bizarre way on virtually everyone who has a complete health program, and it is a very strange bill put together by staff, not yet printed, not yet truly seen by anyone, with no hearings held on it. It is, in fact, worse than the Clinton-Gephardt bill."

HERE ARE THE FACTS

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

Mr. FAZIO. Mr. Speaker, I hope people can put aside all the rhetoric about taxes and big government bureaucracies. The facts on this plan will come out, and, just because revenues are referenced in the Tax Code 1 time or 17 times does not make it a new tax.

There are a lot of people in my district who need this plan. I have lots of independent farm families paying a lot for health insurance with \$5,000 and \$6,000 deductible policies. Basically all they have is catastrophic coverage unless, of course, they are married to someone who works for a public agency so that they can shift their health care costs to them.

Mr. Speaker, what I hope my constituents understand is: "If you can accept the plan that we are offering, and I hope we can pass it and put it in place, you will have a plan, a private plan, available to you. You will have Medicare part C available to you, something that offers you an unlimited choice of doctors or a managed care plan and a private plan offered through the Federal Health Employee Benefit Program providing you with many, many options. You will have access to fair, community-rated insurance prices under each of the options in the Democratic plan. You will also have 80 percent of the costs of your premium deducted because today self-employed people get zero in terms of tax deductions for the health costs."

Mr. Speaker, this is a huge increase in the pockets of people who are self-employed, farmers and the kinds of self-employed small business people. They need our help. We should pass this bill.

WHERE ARE THE DETAILS?

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

Mr. BOEHNER. Mr. Speaker and our colleagues, our Founding Fathers must be rolling over in their graves as they watch the prospect of how we are going to handle the most massive bill ever introduced in Congress to take control of one-seventh of the Nation's economy. It is called health care reform, and we do not have a bill.

I heard the people from the other side of the aisle talking about all the glorious parts of this, but all it is, Mr. Speaker, is talking points, like the candy man telling someone how good the candy is going to be and not talking about the fact that it is full of sugar.

Where are the details? The details do not exist.

We know when we are going to pass it: August 19. We know when we are going to start the debate. We are going to do that on August 15. But where is the legislation that we are going to debate?

We all know that the devil is in the details, and the American people have

a right to know what is in this legislation. They have a right to participate in this debate, and today, without the details, none of us can do that.

I think it is a shame.

SALUTING THE PRESIDENT AND CONGRESS FOR THEIR SUPPORT OF FAMILIES

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

Mrs. UNSOELD. Mr. Speaker, 1 year ago we stood in the Rose Garden. A mother held the binder while President Clinton signed the Family and Medical Leave Act into law. This was a mother whose child suffered from cancer—a mother whose ability to hold a job and her husband's ability to keep his job were simply denied at a time in their lives when family unity was of the highest priority; denied because employers would not grant medical leave to these parents.

Today 2.5 million people—including 57 percent of working mothers with children under the age of 6—are now able to spend valuable time with a child or with an elderly parent without fear of losing their jobs.

That is support for families. That is a family value.

And guess what? By the end of 1993 most business organizations already have family and medical leave policies in place that go beyond the minimum requirements of this act. For example, 9 out of 10 employers continue to provide benefits other than health care for employees who are taking FMLA leave.

Today we salute the leadership of President Clinton and this Congress in their support of families—support when and where it counts.

MFN ENSURES CONTINUED IMPROVEMENT IN THE HUMAN RIGHTS SITUATION IN THE PEOPLE'S REPUBLIC OF CHINA

(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, one of the most inhumane, immoral things that this Congress could possibly do would be to deny most-favored-nation trading status to the People's Republic of China. Every shred of evidence that we have seen over the past several years has demonstrated that the human rights situation in China has improved. Why? Because of U.S. investment and exposure to Western values.

Now just a couple of weeks ago, Mr. Speaker, reports came out that 80,000,000 people were killed during the Mao era. That report has just come out. It came out today because in a closed society, Mr. Speaker, years ago this information did not get out to the

West, and, if one listens to the statements of some of the most prominent Chinese dissidents, like Yang Zhao who said, "MFN status helps our economic reforms, and in the long run that will help improve human rights," we must renew most-favored-nation trading status for the People's Republic of China so we can ensure improvement in the area of human rights.

CELEBRATING THE 1-YEAR ANNIVERSARY OF THE FAMILY AND MEDICAL LEAVE ACT

(Mr. BECERRA asked and was given permission to address the House and to revise and extend his remarks.)

Mr. BECERRA. Mr. Speaker, as we forge past the gridlock in this Congress that is trying to stop meaningful and needed health care reform, let me rise today in honor of the 1-year anniversary of the Family and Medical Leave Act. It provides essential rights for the working people of our country. It also affords workers an opportunity to take better care of their families. Looking back to where we were merely a year ago, guaranteed family and medical leave was just not available to Americans. Only 37 percent of women in companies with more than 100 employees even had maternity leave, and now most American workers have access to these and even other benefits.

I am a new parent myself, and I say to my colleagues, as a son, as a husband, and now as a very proud father, that no person should be forced to choose between keeping a job and caring for a sick child, parent or spouse, nor should parents be forced to choose between leaving their new-born baby immediately after the child's birth and keeping that job.

If workers lose their jobs because they choose to meet family responsibilities, it not only creates personal strife for that family, but also a burden on social programs and the rest of America.

Mr. Speaker, I am pleased that in celebrating the 1-year anniversary of the Family and Medical Leave Act we can also celebrate the fact that no American worker will have to make such choices between work and family.

HEALTH CARE REFORM

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

Mr. PACKARD. Mr. Speaker, the other night President Clinton addressed the American people and urged them to contact their Representatives in Congress to express their views about health care reform. My constituents took the President's advice and started calling my district offices immediately after the speech and they are still calling.

And what are they saying? Oppose the President's plan; keep big govern-

ment out of my doctor's office; and prevent bureaucrats from tinkering with my health care.

As a dentist, I can understand their concerns. Health care is a personal relationship between doctor and patient. The Clinton-Gephardt-Mitchell approach to health care reform is exactly the kind of big government, one size fits all approach to health care reform my constituents hate.

Instead, those who called my office asked me to work for the kind of health care reforms which address their concerns. My constituents want us to ensure access to health insurance, to protect them from losing their insurance in case they should change jobs or get sick, and to control costs by reforming malpractice laws.

Mr. Speaker, I hope the President is listening, because I sure am. I urge my colleagues to listen as well. Fix what is wrong with the system instead of handing over the entire thing to Government bureaucrats to deal with. It is not what the American people are saying they want or need.

□ 1040

NRA OPPOSES TO FIGHT CRIME, YET OPPOSES THE CRIME BILL

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

Mrs. LOWEY. Mr. Speaker, like a bad horror movie, the NRA is back, rearing its ugly head in a desperate attempt to block action on the crime bill.

For months the NRA has been trying to fool the American people by talking tough on crime.

The NRA says it is committed to fighting crime, but it opposes our tough, smart crime bill that will lock criminals behind bars, put 100,000 new police officers on the beat, and get guns off the streets.

The NRA claims to care about women's safety, but it will not support the Violence Against Women Act, which will help prosecute rapists and help victims of domestic violence.

Let us face it, the NRA does not care about crime, or about victims, or about the safety of our communities and our families.

The NRA cares about one thing, and one thing only: guns.

The NRA is trying to defeat this crime bill because it contains a ban on assault weapons—weapons of war that have been turned on our police officers in the streets and on our children in schoolyards.

Keeping these killing machines legal is more important to the NRA than the lives and safety of the American people.

Mr. Speaker, this Nation needs this crime bill. The public supports it. We cannot let the special interest NRA

block the way. It is time to stand up for our constituents, stand up to the NRA, and pass this crime bill.

STOPPING PORK-BARREL POLITICS FROM INFECTING THE HEALTH CARE DEBATE

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

Mr. ZIMMER. Mr. Speaker, we are all familiar with the hundreds of millions of dollars in favors that were dispensed by the White House in exchange for votes for the North American Free-Trade Act. Now it looks like this let's-make-a-deal attitude has become a part of the health care reform process. Yesterday the Wall Street Journal ran an editorial that said, and I quote, "The White House and Democratic leadership have decided to get this thing passed the old-fashioned way: They're cutting deals, any deals whatever * * *"

I would like my colleagues to know that I will be introducing the Health Care Pork Repeal Act to rescind all the pork-for-votes deals that we can identify. I ask my colleagues and I ask the public to keep your eyes open and let me know about any deals that you become aware of so we can include them in this legislation. We need to put an end to what the Wall Street Journal called the pork spectacle.

FAMILY LEAVE

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

Mr. KLINK. Mr. Speaker, I rise today on the first anniversary of the passage of the Family and Medical Leave Act. This is an important piece of legislation, one I was very happy to work on in my first session here in Congress as a member of the Committee on Education and Labor. Unfortunately for my brother, who lives in Colorado, who was a veteran and who was injured in service to his country, he ended up losing his job because he broke his wrist in an automobile accident just before this piece of legislation became law.

But I do remember the many people who came to me when I was running for this office and said, "You know, we hate to have to make that decision between taking care of a child or parent or a spouse who is sick and our jobs." It is just not right, and that is why this Family and Medical Leave Act is so important.

It simply provides 12 weeks of unpaid leave in the case of a medical emergency in a family. That is unpaid leave. Most industrialized countries require 12 to 14 weeks of paid leave. This is unpaid leave.

The American family has changed dramatically over the years. The days

are gone when you usually had a single breadwinner at work and another parent who is at home. So we really need to commend the chairman of the committee, the gentleman from Michigan [Mr. FORD], and the subcommittee chairman, the gentleman from Montana [Mr. WILLIAMS], for what they did, and we also need to commend the President for signing this bill. It has made a tremendous difference in the lives of Americans.

PORK-BARREL PROGRAMS IN THE CRIME BILL

(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, taxpayer-funded midnight basketball leagues. Federally funded arts and crafts. Dance programs paid for with Federal money. A local partnership act. Sound like a brand new, huge Federal giveaway program? Well, it is. Unfortunately, it is President Clinton's so called crime bill.

Under the guise of crime fighting, President Clinton is trying to spend billions of dollars we do not have on pork-barrel programs which were rejected last year in his so-called stimulus package.

We can do better and we must do better.

Let us reject this bloated bureaucratic boondoggle and pass a real crime fighting bill that focuses on tougher sentencing for crooks, steamlines endless death penalty appeals puts enough police on the beat, and builds the needed prison space.

COMMEMORATION OF SIGNING OF VOTING RIGHTS ACT

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

Ms. BROWN of Florida. Mr. Speaker, I rise today to commemorate the signing of the Voting Rights Act by President Lyndon B. Johnson almost 30 years ago. Unfortunately, we are fighting the same hard-won battles all over again—whether the Congress of the United States should look like all Americans or just some.

It took us 25 years to get the Voting Rights Act enforced. Now that Congress finally begins to look like all Americans—women, African-Americans, Hispanics, and other minorities—the bad old boys from the bad old days are trying to send us back to the back of the political bus.

The recent decision in North Carolina approving the current map, is both timely and proper; it reaffirms my belief that districts created to remedy violations of the Voting Rights Act should not be stricken down by the

courts. The shape of a district is not in the Constitution, but fair representation is guaranteed. The North Carolina decision demonstrates the correctness of looking at what unites districts, not just race, but that these districts have been economically disadvantaged for too long.

In Florida, there was no African-American in Congress for over 120 years. Now there are three African-Americans and two Hispanics, but these accomplishments have been attacked in court.

As President Clinton recently stated,

We are committed to the gains made by minority voters through enforcement of the Voting Rights Act. Inclusion of all Americans in the political process is not a luxury; it is central to our future as the world's most vibrant democracy.

□ 1050

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4658 AND H.R. 4841

Mr. HILLIARD. Mr. Speaker, I ask unanimous consent to have my name removed from cosponsorship of H.R. 4658 and H.R. 4841.

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

There was no objection.

GATT UNFAIR TO AMERICAN PATENT HOLDERS

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

Mr. ROHRBACHER. Mr. Speaker, this body will soon be making a decision on GATT. Unfortunately, powerful interest groups are using this trade legislation as a vehicle to accomplish other goals for themselves. Few of my colleagues realize that the GATT implementation language will dramatically reduce the patent rights of our Nation's inventors, to the benefit of huge Japanese and American multinational corporations.

Mr. Speaker, I support free trade. I was a strong advocate of NAFTA. I ask my colleagues today to join me in opposing GATT as long as it contains provisions that will whittle away the patent rights of our inventors to provide a windfall to the big guys.

I am insulted that they are trying to pull this sort of thing in the first place. Let us send GATT back to Mickey Kantor, tell him to pull out these provisions of GATT, and send it back to the House. Let us not undo the rights of our inventors so that big buys overseas and big guys here can make a profit and benefit from their inventions, while we restrict the patent rights of our own creative people.

HEALTH CARE REFORM

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

Mr. HOKE. Mr. Speaker, I was in my office and I heard the gentlewoman from Texas speak of the problem that she had been unable to buy insurance for her small business. I felt that I had to come over and respond, because I too founded a small business, and what I would like to say to the gentlewoman is that we do not have to change the health care system so that 15 percent of the American economy is nationalized in order to solve this problem. We can do the same thing we did up in Cleveland, OH, which is the city I represent, and have a purchasing cooperative and small business health insurance purchasing reform. That is a part of the Republican health care package that has got 135 or so cosponsors.

The other thing I wanted to speak to is this notion that somehow Republicans are responsible for holding up a health care bill in Congress. That is absolutely preposterous. The numbers speak for themselves. There are 257 Democratic votes in this House. Give us 257 votes, and I guarantee you, we will pass in the next week a complete comprehensive health reform package that will include insurance reform, malpractice tort reform, paperwork reform, small business reform, and medical savings accounts.

MEMBERS URGED TO SUPPORT DISCHARGE PETITION FOR CONGRESSIONAL REFORM

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

Mrs. FOWLER. Mr. Speaker, I would like to call Members' attention to Discharge Petition No. 26 which I filed today. If you have been telling your constituents that you support congressional reform, then you want to sign this discharge petition.

It will allow us to consider the recommendations of the Joint Committee on the Organization of Congress under an open amendment process.

The Speaker has promised to consider the joint committee package on the floor sometime in September. The question is what package and under what kind of rule.

Yesterday, the Rules Committee began marking up a weak version of the reform package. If we are forced to vote on that package with a closed rule, we will not have real congressional reform.

The rule I seek to discharge would guarantee an open amendment process, one that will allow those of us who truly want to see this institution run in a more efficient and effective manner make that happen.

I urge my colleagues to sign Discharge Petition No. 26.

FEDERAL CROP INSURANCE
REFORM ACT OF 1994

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 507 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 507

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. 4217) to reform the Federal crop insurance program, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. 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 Agriculture. 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 Agriculture now printed in the bill modified by the amendments printed in part 1 of the report of the Committee on Rules accompanying this resolution. The committee amendment in the nature of a substitute, as modified, shall be considered as read. All points of order against the committee amendment in the nature of a substitute, as modified, are waived. Before consideration of any other amendment it shall be in order to consider the amendments printed in part 2 of the report of the Committee on Rules. Each amendment printed in part 2 of the report may be offered only by a Member designated in the report, shall be considered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in part 2 of the report are waived. 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, as modified. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

THE SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, during consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 507 is an open rule providing for the consideration of H.R. 4217, the Federal Crop Insurance Reform Act of 1994. The resolution waives all points of order against consideration of the bill, and provides for 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture.

The amendment in the nature of a substitute recommended by the Committee on Agriculture, now printed in the bill, as modified by the amendments printed in part one of House Report 103-666, will be considered as an original bill for the purpose of amendment under the 5-minute rule. All points of order against the committee substitute, as modified, are waived.

Before consideration of any additional amendments, it will be in order to consider the two amendments printed in part two of House Report 103-666: First, an amendment offered by Representative PENNY or Representative GUNDERSON or a designee, and second, an amendment offered by Representative DE LA GARZA or a designee as a substitute for the Penny-Gunderson amendment.

Each amendment may be offered only by a Member specified in the report, will be considered as read, and will be debatable for 30 minutes, equally divided and controlled by the proponent and an opponent thereto. Although both amendments will be open to further amendment under the rule, neither amendment will be subject to a demand for a division of the question in the House or the Committee of the Whole. All points of order against the two amendments are waived, and finally, the resolution provides for one motion to recommit with or without instructions.

Mr. Speaker, the Federal Crop Insurance Reform Act of 1994 would make significant changes in the 1980 Federal Crop Insurance Act and related statutes. These changes are designed to improve the crop insurance program to protect farmers from crop losses caused by natural disasters, and to eliminate the need for ad hoc disaster assistance legislation.

The 1980 Federal Crop Insurance Act attempted to broaden crop insurance coverage and increase farmer participation, spreading the risk of crop losses over a much broader base. However, the level of participation in the program has not reached the level expected when Congress passed the 1980 Act. As a result, the Federal Crop Insurance Corporation has experienced substantial losses since 1981.

The legislation made in order by this rule is designed to improve participation and reduce future losses. It would require the Corporation to establish a

new catastrophic risk protection plan for the 50 crops currently insured against loss through drought, flood, or other disasters. The bill would allow producers to purchase additional coverage for these crops currently insured. The bill would create a permanent disaster assistance program for those crops not currently insurable under the program.

The legislation makes other improvements to the 1980 Act, and it will amend the Balanced Budget and Emergency Deficit Control Act of 1985, better known as Gramm-Rudman, to prevent the designation of appropriations for crop disaster assistance as emergency spending that does not count against discretionary spending limits.

Mr. Speaker, I urge Members to vote for this open rule, which will allow for expeditious consideration of the bill.

□ 1100

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

Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] the distinguished chairman of the Committee on Rules, for yielding time to me, and I join him in supporting this open rule. When the Federal Crop Insurance Reform Act came before the Rules Committee, it had two major problems which will be resolved by this rule. First, there were provisions in the bill which constituted appropriations in a legislative bill, and second, there was a provision within the jurisdiction of the Ways and Means Committee. The rule self-executes amendments which eliminate these problems.

Normally, I would oppose self-executing amendments, but in this case the amendments become part of the base text and are open to further amendment. Therefore, I do not object.

Over the last year, my home State of Tennessee has experienced devastating drought, followed closely by immense flooding in rural areas that forced many farmers to rely on Federal assistance for survival. Other areas of the country fell victim to similar situations, and Congress often must pass emergency disaster assistance bills to pay for crop losses and other damage. The Federal Crop Insurance Program was designed with the best of intentions, but it is not working, and we must make some reforms so that the taxpayers do not have to pay for emergency appropriations each time disaster strikes our Nation.

The change made in this bill will improve the delivery and coverage of Federal crop insurance programs by offering crop producers premium-free catastrophic insurance coverage for crops. One of the main reasons the current program is inadequate is because of lack of participation. This bill provides strong incentives to encourage crop producers to purchase additional coverage from private insurers.

There are some conflicting views over the potential budget impact of this bill, and two differing amendments are expected to be offered which address this issue. The rule provides for these amendments to be considered first, but they would each be subject to further amendment under this open rule.

Mr. Speaker, I urge adoption of this rule.

Mr. Speaker, I include for the RECORD the following information.

OPEN VERSUS RESTRICTIVE RULES 95TH-103D CONG.

Congress (years)	Total rules granted ¹	Open rules		Restrictive rules	
		Number	Per-cent ²	Number	Per-cent ³
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)	85	24	28	61	72

¹Total 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.

²Open 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.

³Restrictive 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-103d Cong.; "Notices of Action Taken," Committee on Rules, 103d Cong., through August 4, 1994.

OPEN VERSUS RESTRICTIVE RULES: 103D CONG.

Rule number and date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 58, Feb. 2, 1993	MC	H.R. 1: Family and medical leave	30 (D-5, R-25)	3 (D-0, R-3)	PQ. 245-176. 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. 247-169. (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	8 (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: Nate 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	53 (D-19, R-32)	8 (D-7, R-1)	PQ. 252-178. A. 236-184. (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	MC	H.R. 2401: National Defense authority	NA	NA	PQ. 237-169. A. 234-169. (Sept. 13, 1993).
H. Res. 250, Sept. 13, 1993	MO	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 authority	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	MC	H.R. 2739: Aviation infrastructure investment	N/A	N/A	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	N/A	N/A	A. Voice Vote. (Oct. 21, 1993).
H. Res. 286, Oct. 27, 1993	O	H.R. 334: Lumbec Recognition Act	1 (D-0, R-0)	0	A. Voice Vote. (Oct. 28, 1993).
H. Res. 287, Oct. 27, 1993	C	H.J. Res. 283: Continuing appropriations resolution	N/A	N/A	A. 252-170. (Oct. 28, 1993).
H. Res. 289, Oct. 28, 1993	O	H.R. 2151: Maritime Security Act of 1993	N/A	N/A	A. Voice Vote. (Nov. 3, 1993).
H. Res. 293, Nov. 4, 1993	MC	H. Con. Res. 170: Troop withdrawal Somalia	N/A	N/A	A. 390-8. (Nov. 8, 1993).
H. Res. 299, Nov. 8, 1993	MO	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. 322: 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. 396: Freedom Access to Clinics	15 (D-3, R-5)	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)	N/A	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: Reinvesting Government	34 (D-15, R-19)	3 (D-3, R-0)	A. 247-183. (Nov. 22, 1993).
H. Res. 336, Feb. 2, 1994	MC	H.R. 3759: Emergency Supplemental Appropriations	15 (D-8, R-5, I-1)	5 (D-3, R-2)	PQ. 244-168. A. 342-65. (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. VV (Feb. 10, 1994).
H. Res. 366, Feb. 23, 1994	MO	H.R. 6: Improving America's Schools	NA	NA	A. VV (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	N/A	N/A	A. Voice Vote. (Apr. 28, 1994).
H. Res. 414, Apr. 28, 1994	O	H.R. 3254: NSF Auth. Act	N/A	N/A	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	N/A	N/A	A. Voice Vote. (May 10, 1994).
H. Res. 422, May 11, 1994	MO	H.R. 518: California Desert Protection	N/A	N/A	PQ. 245-172. A. 248-165. (May 17, 1994).
H. Res. 423, May 11, 1994	O	H.R. 2473: Montana Wilderness Act	N/A	N/A	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)	N/A	A. VV (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, May 28, 1994	MC	H.R. 4539: Treasury/Postal Approps 1995	N/A	N/A	A. 236-177. (June 9, 1994).
H. Res. 457, June 28, 1994	MC	H.R. 4600: Expedited Rescissions Act	N/A	N/A	PQ. 240-185. A. Voice Vote. (July 14, 1994).
H. Res. 468, June 28, 1994	MO	H.R. 4299: Intelligence Auth., FY 1995	N/A	N/A	A. Voice Vote. (July 19, 1994).
H. Res. 474, July 12, 1994	MO	H.R. 3937: Export Admin. Act of 1994	N/A	N/A	A. Voice Vote. (July 14, 1994).
H. Res. 475, July 12, 1994	O	H.R. 1188: Anti. Redlining in Ins	N/A	N/A	A. Voice Vote. (July 20, 1994).
H. Res. 482, July 20, 1994	O	H.R. 3838: Housing & Comm. Dev. Act	N/A	N/A	A. Voice Vote. (July 21, 1994).
H. Res. 483, July 20, 1994	O	H.R. 3870: Environ. Tech. Act of 1994	N/A	N/A	A. Voice Vote. (July 26, 1994).
H. Res. 484, July 20, 1994	MC	H.R. 4604: Budget Control Act of 1994	3 (D-2, R-1)	3 (D-2, R-1)	PQ. 245-180. A. Voice Vote. (July 21, 1994).
H. Res. 491, July 27, 1994	O	H.R. 2448: Radon Disclosure Act	N/A	N/A	A. Voice Vote. (July 28, 1994).
H. Res. 492, July 27, 1994	O	S. 208: NPS Concession Policy	N/A	N/A	A. Voice Vote. (July 28, 1994).

OPEN VERSUS RESTRICTIVE RULES: 103D CONG.—Continued

Rule number and date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 494, July 28, 1994	MC	H.R. 4801: SBA Reauth & Amdmts. Act	10 (D-5, R-5)	6 (D-4, R-2)	PQ: 215-169 A: 221-161 (July 29, 1994).
H. Res. 500, Aug. 1, 1994	MO	H.R. 4003: Maritime Admin. Reauth.	N/A	N/A	A: 336-77 (August 2, 1994).
H. Res. 501, Aug. 1, 1994	O	S. 1357: Little Traverse Bay Bands	N/A	N/A	A: Voice Vote (August 3, 1994).
H. Res. 502, Aug. 1, 1994	O	H.R. 1066: Pokagon Band of Potawatomi	N/A	N/A	A: Voice Vote (August 3, 1994).
H. Res. 507, Aug. 4, 1994	O	H.R. 4217: Federal Crop Insurance	N/A	N/A	

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

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

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. MONTGOMERY). Pursuant to House Resolution 507 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 4217.

The Chair designates the gentleman from Maryland [Mr. CARDIN] as Chairman of the Committee of the Whole, and requests the gentleman from Washington [Mr. DICKS] to assume the chair temporarily.

□ 1104

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. 4217) to reform the Federal crop insurance program, and for other purposes, with Mr. DICKS, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 30 minutes, and the gentleman from Texas [Mr. COMBEST] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I find myself in a very awkward and uneasy situation in that we have a simple bill that hopefully will correct the crop insurance program, take away the perennial ad hoc disaster that has cost \$2.3 billion, \$3 some billion, if we correct properly the crop insurance for farmers which benefits farmer, consumer, and allows for the continuation of producing food and fiber, indeed, for our very national security.

This is a situation that, hopefully, we are trying to correct. The government/private sector partnership in pro-

viding low-cost insurance to the producers.

Why low-cost insurance? For a very simple reason: If it were a viable money-making endeavor, the private sector would be doing it on their own. They cannot. So we have to intervene for our very national security to provide for the food and fiber.

We are the best fed nation in the world, in the history of the world, with the least amount of disposable income per family of the major industrialized countries in the world. That does not change. That is the reason that we have this safety net.

But because of budgetary constraints and trying to help, indeed, our friends and colleagues from the Committee on Appropriations, we put on budget ad hoc disaster and say that farmers have to buy the insurance, pay up front and then a comprehensive. So that our friends on the Committee on Appropriations will not have to work or worry about ad hoc disasters in the billions of dollars.

And we are here because the President recommended a fix to the crop insurance program. His budget allowed for a billion dollars to do that. We did not get the billion dollars. We were some \$200 plus million short.

This is what the argument will be about, that how do we take care of that?

We propose, and I will offer an amendment that pays for 3 years. Allows us time for a GAO study to find out where we are, to find out what we need to do in order to make it a viable program. It never has been a pay-go situation.

If anyone, if anyone at any time points a finger at this committee, they do so unjustly, because we have been at the forefront. We have saved \$60 billion in the past 12 years.

If every committee in this House had done that, we would not have a deficit. We have been responsible. We have taken the blows from agriculture. We never have asked anyone to share the burden with us. We have taken the blow. I am very concerned, disappointed and frustrated that somehow the issue has come around that it is us versus WIC or feeding programs.

□ 1110

This is erroneous. Some of the "Dear Colleague" letters are completely erroneous in that respect. We meet the pay-go. It was this committee that established the Mickey Leland legisla-

tion. We have been in the forefront. For anyone to say or even insinuate that we are out to get WIC or endanger WIC, it is not accurate. It is not correct.

We have been in the forefront. I, me personally, my colleague from Texas died working to help hungry people. I would be the last one personally to in any way smear his name or endanger the programs that he worked so hard for.

On the contrary, some of those that are now accusing us have at one time or another sought reductions in some of those programs, Public Law 480, food stamps. Somehow the stripes on some of those individuals have changed, and they put us in this very awkward, frustrating situation.

I challenge anyone to say that our committee has not been in the forefront. On the contrary, when the Select Committee on Hunger in the wisdom of this House was abolished, we established a Subcommittee on Hunger, so it would not die, so that Mickey Leland's name would not die with him.

Odd as it may seem, even though we had reduced the number of subcommittees, I asked that we add another subcommittee, that we add hunger to that subcommittee, and the gentleman from Minnesota [Mr. PENNY] was made chairman of that subcommittee.

That is our history. That is what we have done. I am so frustrated that because of misinformation, that there are those that are now pointing the finger at us: If you fund crop insurance, WIC will die.

Under my amendment and under this bill, WIC is funded for 3 years. We are arguing about 2 years that should not be. I hope that the Members would listen to the facts, would not get carried away with emotion, but most of all, that my colleagues would look to the background of this committee, of this gentleman from Texas, of the members of our committee who have worked diligently, hand in hand with the appropriators.

We do not want a problem with the appropriators. They have a hard enough problem without us intervening or interfering, but we have a difference of opinion. Unfortunately, some personalities have come into the picture.

I want to disassociate myself from all that. The question, Mr. Chairman, is very simple, actually, very truthfully. One program, they think they pay for everything in 5 years. They think they do. They now accuse us, that if we do it

our way, somehow we will endanger WIC and the feeding programs and Public Law 480. We do not do that. That is not our intention. That has not been our background. That has not been what we have done.

I come before my colleagues, actually putting my name and my person on the line, the activity of our committee on the line, and saying, "Look at what we have done, and pay no heed of what we are being accused unjustly, unmerited, unwarranted, and totally without fact."

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

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

Mr. Chairman, today the House considers legislation that has been in the making since 1990 and is long past due in becoming law. The goal of H.R. 4217, the Federal Crop Insurance Reform Act of 1994, is to stop ad hoc agricultural disaster assistance, that has become an annual event, it seems, and to provide a slightly better crop insurance product than farmers can buy today. This two-part goal is worthy of adoption by the House.

H.R. 4217 is designed to save us from ourselves. Whether or not it will, frankly, remains to be seen. When acts of God strike, the Congress understandably wants to assist those who have been harmed. Last year's Midwest floods are estimated to cost \$3.3 billion in assistance to agriculture. It is costly, and this cost is the reason for bringing H.R. 4217 to the floor.

Let me take 1 minute to provide some perspective. During the last 5 years, the Federal Government has spent on average \$1.5 billion on agricultural disaster assistance. That is in addition to the more than \$750 million that has been spent in the multiperil crop insurance program.

A General Accounting Office report published in January 1992, provides the numbers between 1980 and 1990 that show why we need to reform agricultural disaster assistance. Indeed, why we can no longer afford such assistance. I should note that some of these expenditures overlap from one calendar year to the next. But in 1989 alone, generally as a result of the devastating 1988 drought, the Federal Government dispersed a little more than \$7 billion in crop insurance indemnities, disaster payments, and Farmers Home Administration emergency loans. In every year between 1980 and 1990, crop disaster payments or loans were made to producers, and those payments totaled more than \$25 billion, according to the GAO.

Using his experience while a member of the Agriculture Committee and responding to the Midwest floods, Secretary Mike Espy earlier this year proposed legislation that I found to be on the right track. It tracked a legislative proposal that the House Agriculture

Committee had been pursuing since the drought years of 1988 and 1989, and most importantly, it recognized more funds were needed to make the proposal work.

The bill is reform. It prohibits spending under the budget act by excluding agricultural disasters from those emergencies the President may declare as off budget. It also provides a catastrophic insurance policy to all farmers who produce crops currently reinsured by the Federal Crop Insurance Corporation [FCIC]. It provides assistance comparable to what producers have received under past disaster legislation.

It also gives producers the option of buying higher insurance coverage for both yield and price selection, and it does this at a slightly lower cost than under the current program.

For a \$50 administrative fee per crop per county that is capped at \$100 per farmer per county, producers receive this protection. If they participate in any price support or production adjustment program at USDA or benefit from any Farmers Home Administration farm lending program, they are required to obtain the catastrophic insurance coverage. The committee believes that offering producers an insurance policy they can plan for and depend on makes good risk management sense. Because most of our farmers depend on annual loans for crop production, lenders also agree that this is a positive initiative that will help the entire agribusiness community.

For those who produce crops not currently insured by FCIC, a standing disaster assistance program will be available until FCIC can offer reinsurance for those crops. This permanent disaster assistance is available generally to producers of specialty crops such as floracultural, ornamental nursery, Christmas tree or turfgrass crops as well as other food and fiber crops not currently insurable.

While the bill beefs up multiperil crop insurance and gives all farm program participants and others a backstop against catastrophic perils, it also makes several significant administrative changes to cut abuses and the evergrowing paperwork burdens of the delivery system. It does this by tracking agents who may be abusing the system and by moving sales closing dates forward in the planting year to restrict possible producer abuse. Additionally, it requires the FCIC to determine the per policy costs of administering this program and to take affirmative action to cut costs where appropriate.

Finally, and unfortunately, Mr. Chairman, a fair breeze has not propelled this legislation through the committee and here to the floor. To be blunt, our colleagues on the appropriations committee spent money in the fiscal year 1995 spending bill that has traditionally been used for administrative and operating expenses of insur-

ance companies and agents. I am not going to get into the details of this matter; all of our committees have had to make tough decisions about where limited funds are to be spent. The appropriations committee is no exception.

Today, however, the Agriculture Committee will offer an amendment that will contribute \$489 million in budget authority and \$226 million in outlays during 1995 through 1999. It hits producers and the insurance industry to make these program reductions. Mr. Chairman, this effectively pays for the House Appropriations Committee's responsibility for crop insurance for the next 3 years. It is a fair compromise.

I would urge my colleagues to support it, and to oppose the Penny amendment.

Mr. Chairman, I would like to also talk a moment about what I think is some misinformation that in fact is circulating. The Committee on Agriculture has been accused of punting the ball, passing the ball, passing the buck, not living up to its responsibility, not living up to the pay-go provisions of the budget rules.

Mr. Chairman, that is simply not correct, in that the House Committee on Agriculture had substantially less to work with than was initially anticipated and recommended by the administration. The committee made the cuts that were required in order to legitimize this bill with pay-go provisions.

All that the committee asked was that we would have an opportunity in a major crop insurance reform to determine whether or not that reform was going to work. If in fact the Penny-Gunderson amendment is accepted, it will be a self-fulfilling prophesy, and the crop insurance program will not work, and we will be right back where we started before this bill was ever introduced.

We have asked for the opportunity to see if, as anticipated, this program is going to work the way we would like to see it work. The Committee on Agriculture is not going to pass the buck to the appropriators, it is not going to shirk the responsibility to someone else. The chairman of the committee has rightly stated that "I do not believe that there is a committee in the House that has been more responsible, when given the task of making cuts, to make those cuts ourselves."

□ 1120

All we are asking is give this bill that we pay for for 3 years the opportunity to see if it is going to work, and then let us make those budgetary decisions based upon that information.

In the meetings with the chairman of the House Appropriations Subcommittee on Agriculture, in meetings with the gentleman from Minnesota [Mr.

PENNY], who is a member of the committee, in meetings with the gentleman from Wisconsin [Mr. GUNDERSON], who is a member of the Agriculture Committee, we have indicated that we have no intentions at all to pass this responsibility to someone else. We are going to take this responsibility, we are going to do it as painful as it may be, and we are going to try to do it in the least negative fashion that we possibly can.

But, Mr. Chairman, the concerns and the expressions of the fact that we are not doing our job, and that we are going to leave this job to someone else, and that we are not paying for this bill are simply, absolutely not true.

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

Mr. DE LA GARZA. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from South Dakota [Mr. JOHNSON], chairman of the subcommittee that has jurisdiction over this matter.

Mr. JOHNSON of South Dakota. Mr. Chairman I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in strong support of H.R. 4217, the Federal Crop Insurance Reform Act of 1994. I applaud my colleagues on the Agriculture Committee for passing a bipartisan bill that makes fundamental changes to the way our farmers will manage financial risk due to crop shortfalls. I particularly want to commend the gentleman from Texas [Mr. COMBEST], ranking member of the committee, for his constructive work on this very difficult legislation.

As the chairman of the Agriculture Subcommittee with jurisdiction over this bill, I held four hearings on H.R. 4217. At each hearing there was unanimous consent that the present crop insurance program was not working. Two problems with the current program were immediately evident: First, participation was too limited to be a successful risk management tool for our Nation's farmers; and second, coverage was often inadequate when crops losses did occur.

It was realized that broadening participation and increasing benefits would increase the cost of the Federal crop insurance program. The administration requested that the average annual expenditures for ad hoc disaster payments for farmers of \$1 billion be added to the budget baseline. I want to thank my colleagues on the Budget Committee for honoring this request.

I also want to emphasize to my colleagues that this is a fiscally responsible bill. You may hear debate today about the funding mechanism and who pays for the reform package, whether the money is charged to the authorizing committee or the appropriating committee, whether the funding should be discretionary or mandatory. But, this is inside-the-beltway talk. The

money added to the baseline will not increase the deficit. It merely redirects how the money will be spent—instead of enacting annual emergency ad hoc disaster payments that are not subject to pay-go rules, the money will be used to fund the reform of the crop insurance program. In fact, the bill saves money over the next 5 years.

Let me tell you about the improved benefits of the bill. It provides two levels of protection. For the 50 crops that are insured, catastrophic coverage is free, except for a \$50 processing fee. Crops not covered by crop insurance are available for free noninsured disaster assistance payments. Payments are made to a farmer when they lose more than half their crop. For greater protection, higher levels of crop insurance coverage can be purchased with Government subsidies averaging about 40 percent of the premium, in effect reducing a farmer's out-of-pocket costs by 8 to 17 percent from present levels. With increased levels of protection being offered and lower costs, farmer participation is expected to increase from present levels of about 30 percent to about 80 percent of all insurable land.

But the bill does more than just help our farmers. Unlike, ad hoc disaster payments, funding for crop insurance is guaranteed to be in place every year. This means that farmers can take crop insurance to the bank, and use the insurance as collateral for farm loans. With secure financing and income protection from crop losses due to natural disasters, consumers can be assured of a plentiful supply of food at reasonable prices. For these reasons, I urge my colleagues to support H.R. 4217.

Mr. QUILLEN. Mr. Chairman, I yield whatever time he might consume to the gentleman from Pennsylvania [Mr. MCDADE], ranking member of the Committee on Appropriations.

(Mr. MCDADE asked and was given permission to speak out of order and to revise and extend his remarks.)

ADMINISTRATION MUST GIVE US TOTAL PICTURE IN RWANDA

Mr. MCDADE. Mr. Chairman, I express my deep appreciation to the gentleman from Texas for yielding me the time. I rise not to speak on this particular bill. I rise to bring before the committee a matter that I consider to be of grave importance.

Mr. Chairman, I urge my colleagues to pay full attention to the reports from Rwanda being brought to us by our news organizations and their outstanding correspondents. I commend the media—especially the Washington Post and the New York Times—for providing us with in-depth coverage of the troubles in Rwanda.

Unfortunately, the information on this crisis provided to Congress by the administration—as far as I have learned, as the ranking member of the Defense Appropriations Subcommit-

tee—has not kept pace with the reporting done by news organizations. I regret drawing a parallel, but I fear that we may be seeing similarities between the current Rwandan situation and our involvement in Vietnam nearly 30 years ago.

I do not mean to say that we will be confronted by a formidable armed adversary with the same capabilities as the North Vietnamese. But now, as then, I believe that the American people do not know the stakes involved in a Rwandan commitment. Also, what I have heard from the administration is not in line with what I have learned from the news reports. And like 30 years ago, I believe that the administration's funding requests for this mission have been vastly understated.

In 1965 and 1966, the Johnson administration minimized the extent of our involvement in Vietnam by not fully requesting of Congress the funding required to carry out our deepening involvement there. And in this situation in Rwanda, the administration has only asked Congress for those funds needed to carry out the humanitarian mission through the end of September. It should be apparent to everyone that a sustained humanitarian effort will take more than 8 weeks.

As we move into a new fiscal year in October, it is important to note that the administration estimates that the Rwanda effort will cost the Department of Defense at least \$45 million per month. Over the course of an entire year, this would be \$540 million which neither has been budgeted nor requested.

I was delighted to see the Secretary of Defense publicly articulate yesterday, four guidelines to govern the use of our military in Rwanda and other humanitarian and peacekeeping missions ensuring the safety of our troops; preventing mission creep, or going in with good intentions but being caught in an unforeseen and expanded mission; assessing the effects on our total military readiness; and evaluating whether it is a proper mission for the U.S. military.

But without total candor regarding future defense budget requirements and the complexities of the situation on the ground in Rwanda, we cannot properly evaluate our role in Rwanda or the impact on our national defense. It is my hope that the current administration will avoid the mistakes of the past, and give the American people the fullest possible picture of our military's mission in Rwanda.

To paraphrase the philosopher George Santayana, "Those who do not know the past are condemned to repeat it."

□ 1130

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, today I rise in support of this comprehensive reform of our Nation's crop insurance system. This legislation will fundamentally change the way the Federal Government responds to natural disasters in rural America.

Recent evidence has shown us that the Federal crop insurance program is in dire need of change due to chronic losses, limited participation, and claims of inadequate coverage.

Despite the program's \$900 million annual price tag, Congress and the administration have provided ad hoc disaster payments in the last 8 years at an average cost of \$1 billion per year.

This bill will combine the present crop insurance program and the ad hoc disaster programs into a single new catastrophic insurance program.

In doing so, current legal authorities for ad hoc disaster are repealed. In the future, this new program will replace these disaster bills as the Federal response to emergencies involving widespread crop loss.

By replacing crop loss disaster aid with expanded more accessible crop insurance, it brings reality to the budget process and provides security for farmers against uncontrollable weather and natural disaster.

The American taxpayer must be assured that their tax dollars are being used in a cost-effective and efficient manner, while the American farmer must have access to a risk management tool that will allow him to manage the high cost associated with agriculture today.

I believe this bill is a step in the right direction, therefore, I urge my colleagues to support this legislation that will provide our farmers with an affordable and predictable risk management program and end the constant need for emergency disaster declarations.

Mr. Chairman, I also hope that other committees will follow the leadership of the Committee on Agriculture and have similar legislation on the floor in the very near future.

Mr. COMBEST. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas [Mr. ROBERTS], the ranking member of the committee.

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

Mr. Chairman, I rise in support of the crop insurance reform package as reported by the House Committee on Agriculture.

When our committee started action on crop insurance reform, we were very confident this legislation would establish a viable and reformed crop insurance program that provided our farmers and ranchers an array of risk-management tools. We also thought it would forcefully meet the challenge of preventing the future consideration of costly ad hoc disaster assistance programs.

If we do that, it is going to save taxpayers about \$400 million a year based on the annual average of the disaster assistance that we have had in the past. With this bill, we thought it would address the immediate concerns in regard to the shortfall in discretionary funding relative to the current program. However, subsequent to the committee action, we were made aware of additional concerns relative to the budget-scoring process as well as concerns of other committees.

Consequently, the chairman and I worked, hopefully in bipartisan fashion, to fashion an amendment to insure that this crop insurance reform would be fully funded, be fully funded, and within the budget rules of the House, and the chairman's amendment does that, that it would make additional cuts in the program where reasonable and appropriate, and in such a manner so as not to destroy the viability of the reform package to meet its goals of preventing future cost outlays for disaster programs.

Most important, and something that has not been mentioned very often here, is that it would provide our farmers and ranchers with the proper risk-management tools so they could stay in business during very difficult times.

I want to reiterate to all of my colleagues that the de la Garza amendment to be considered on down the road here as we debate this addresses the concerns of the Committee on the Budget, and in doing so, made the tough choices that provide our colleagues on the Committee on Appropriations some solutions relative to the anticipated discretionary spending shortfalls.

I think simply, to sum up, we have a choice. We can go ahead with crop insurance reform that will work, or we can take another course where farmers and ranchers will be hit with the costs of a crop insurance program that will be less desirable, and this Congress will be subject to the pressures again of disaster bills. That is exactly what Secretary Espy has said in a letter to all of us, and I encourage my colleagues to read the letter from the Secretary in reference to what this administration wants.

Let me say, as a Republican member of the Committee on Agriculture, as the ranking member, that I respect the administration's decision finally to step up to crop insurance reform and to provide the needed funds so that we can get the job done. It is a paradox of enormous irony that we have people in this House that, for some reason, and I will not go into all of those, and I hoped that that would not be part of the debate here, in terms of strong differences of opinion, that would take away from this funding and make crop insurance reform not possible and our farmers and ranchers pay for it.

So I would urge my colleagues to consider this carefully, and when the

amendment offered by the chairman, the gentleman from Texas [Mr. DE LA GARZA], is offered, the committee amendment, to support it.

Mr. DE LA GARZA. Mr. Chairman, I yield 3 minutes to our distinguished colleague, the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, this is a topic of great interest to me.

The bill involves a program, Federal crop insurance, that has been extremely important to the farmers I represent in North Dakota. North Dakota has one of the highest rates of participation in Federal crop insurance year after year after year.

In addition, my background as a State insurance regulator has had me working very closely to make sure the crop insurance reforms embodied in this bill are put together in a manner that will work.

At the heart of this legislation is a historic tradeoff, a tradeoff of the prospect of future disaster relief in exchange for an improved Federal crop insurance program. Now, without the ag disaster programs that have been funded by Congress, thousands of North Dakota farmers would have been wiped out in the 1988 drought, the 1993 flood, and countless other times where it has been critical, and the relief has been critical. So to trade off the prospect of future ag disaster relief is a frightening prospect when you represent North Dakota.

I am prepared to do it, because I think an improved Federal crop insurance program gives the farmers a better deal. It gives them certainty. It gives them a risk-management tool they know will be there, not a disaster program that depends upon the whim and the will of Congress on an ad hoc basis. So the tradeoff, while it is a frightening one, is a good one provided, and only provided, that the Federal Crop Insurance Program actually works, that we give them an improved product at the end of the day.

This is where the difference in the amendments to be brought to be considered this afternoon are so critical. The amendment offered by my friend and colleague, the gentleman from Minnesota [Mr. PENNY], in my opinion, breaks the public-private partnership required to make this program work. I believe it takes private sector reimbursement levels to an area where we will not have the participation from the private sector required to make the program work. This is where the chairman's amendment has involved so much effort, so many discussions with all of the participants, to actually fashion a level of funding that will retain private-sector participation.

□ 1140

When you have a public-private partnership, the private partner must be treated fairly. The private partner

must be compensated at a level essential to keep them in the business if they are going to rely on that private partner to make the program work.

That is exactly what is at stake here. It is a historic tradeoff. It will be a huge step for improving budget discipline of this country. It involves some risk to production agriculture and, therefore, the program has to work.

Go with the deal cut by the chairman and support the de la Garza amendments before you this afternoon and support the bill.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. SMITH], a member of the committee.

Mr. SMITH of Oregon. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, crop insurance has been a second cousin to disaster relief since I have been in Congress, and we played one off against the other, costing billions of dollars in additional money, I believe, to the American public.

If we pass this bill, H.R. 4217, I think we will clear up one of the major problems we have had between these two programs. For the first time, if you grow a program crop you must have crop insurance and, therefore, you cannot come to the Congress and ask for disaster relief.

However, there is a very difficult problem here. For many, many years I have followed the gentleman from Minnesota, Mr. PENNY's lead in trying to trim Government, reduce the cost of Government, and yet he has gone beyond good judgment in this case with his amendment, very frankly, because he costs farmers more money than is necessary and he costs insurers to the point that we do not know whether they will even offer insurance.

Therefore, we think Mr. PENNY goes too far.

The gentleman from Texas' [Mr. DE LA GARZA] amendment addresses the policy question of funding crop insurance and it is much more prudent to do that.

Mr. PENNY's position lost heavily in committee. It is opposed by the administration. It is opposed by every leader in the Agriculture Committee that you have heard and will hear, and we believe the de la Garza amendment is a responsible way to address this issue.

The only thing assured here about this whole discussion is simply that the gentleman from Minnesota [Mr. PENNY] and I will not be here next year to answer the consequences of what we do because we are both going to retire.

Mr. DE LA GARZA. Mr. Chairman, I yield such time as I may consume to myself.

Mr. Chairman, again I continue with the same degree of frustration, exasperation as to the events that have

brought us here. One of them is a "Dear Colleague" letter that has been distributed by Mr. PENNY and Mr. McMILLAN that is actually an insult to our committee and to those of us who have worked so diligently, saving \$60 billion of taxpayers' money in the past 12 years. It shows two cows at a table saying, "Please pass the buck." This is below the level of debate in our committee, and has been all along.

But my concern, though, is that that "Dear Colleague" says only one-half of the funding responsibility for the package is paid for honestly. This statement is not correct.

Another: While this approach technically adheres to pay-go restriction, it does not conform to the spirit of fiscal responsibility. Mr. Chairman, is not \$60 billion worth of cuts fiscal responsibility? I ask my colleagues.

While passing the buck, leaving their fingerprints on difficult decision, without spending cuts required to pay for the program.

I come back, \$60 billion, and our fingerprints are on it, our name is on it, the name of our committee is on it, and we tell the world.

Mr. Chairman, it is not fair, it is not accurate, it is an abuse of the privilege of debate which we should always honor and adhere to under the norm, which this committee has always worked toward. With the respect and admiration that we have for all the members, we have never, you have never seen a "Dear Colleague" like this from the Agriculture Committee.

I keep repeating, I hope that we get it: The issue is very simple, as a matter of fact, I could stand here—and I will: Mr. COMBEST almost said it—we tell the chairman of the Subcommittee on Appropriations that deals with this matter that we, if we are here 3 years from now, we will see that this responsibility does not fall on your committee. We never have done that, and we are not going to start now.

I stand here and pledge my sacred name and honor that we are not going to in any way impose on the Agriculture Committee because we have never done it. We are being accused of things that never were, that might not be, and I hope that my colleagues would understand that, that our pledge is that we are trying to fix a program that is broken, that does not work. Mr. Chairman, the best minds in our committee rejected the Penny amendment. I cannot do anything about that.

The members voted "no."

Mr. PENNY insisted that he be given an opportunity. So I went to the Committee on Rules and in his presence said allow the Penny amendment so that he can have an opportunity to present it to the House.

That did not merit this type of "Dear Colleague" letter when we honestly, directly, and I personally and the ranking member said, "Allow Mr. PENNY his day in court."

We are here to do that. We are here to do that.

I am proud of the fact that this is how we operate, openly, aboveboard.

I know there is an attack on agriculture, per se, for many reasons, most of it mass media, I guess. But the fact is that we have been responsible. Our contract with the Budget Committee, we sat down with Chairman SABO and we did what he said we should do. We will do more in the amendment. But our commitment with the Budget Committee has always been and will continue to be that you give us a number, allow us to do the cuts, and we will give you that amount.

We have done it every time since we have had a budget, and we will continue to do that.

But I still feel frustrated that putting us against WIC, that is not the case. That has never been the case. We have been at the forefront of feeding the needy, feeding the poor. All of those commodities you see going to Rwanda, those are U.S. commodities that go on the Surplus Commodities Program to the schools, that comes from things that we do.

So I assure the Members, and I hope and implore that you do what in your heart you feel is the right thing to do, but that you do it with the honest interpretation of the facts, which have been misrepresented by many of the "Dear Colleague" letters.

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

Mr. COMBEST. Mr. Chairman, I yield myself 1 minute.

I want to make just a follow-up comment on what the chairman, the gentleman from Texas, just said. The chairman is not making a promise to be upheld in the future with no history of background; this committee, as I had indicated earlier, has always taken the number the Budget Committee has given us and we have made the hard, difficult choices ourselves and we have not passed those to anyone else.

I would also like to mention that in the Penny-McMillan "Dear Colleague" letter they say "this approach," the chairman's approach, the committee's approach, "technically adheres to pay-go. It does not conform to the spirit."

Mr. Chairman, what are the rules? The rules are that if you adhere to the rules of the House, you adhere to them.

□ 1150

Are we going to start making a judgment on:

"Well, gee, you adhere to the rule, but you didn't go far enough beyond that?"

We are within the budget. The Committee on the Budget has agreed to that. We have addressed the concerns and the rules of the House. Let us make the decision based upon the fact of, if the rules were met in this case, we meet the rules.

Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT of Nebraska. Mr. Chairman, the intent of this legislation is to put in place an alternative to what has become annual, off-budget, ad hoc disaster relief bills, and still provide agricultural producers with risk management protection for their crops. This is something that needs to be done, but if not structured correctly, this bill will create financial problems for farmers at a time when they most need assistance.

While I will support the bill, I still have reservations about the long-term financing mechanism upon which it relies. Unfortunately, the administration's luke-warm attempt to secure the appropriate funds to pay for its bill—and this is the administration's bill—causes me serious concern.

Having said that, I want to thank the chairmen and ranking members of both the subcommittee and full committee, for working with me during the process, to help construct a program that encourages private sector participation, in order to better serve farmers, and lower the overall Government cost per insurance policy.

Specifically, my amendment, which is incorporated in the bill before us, directs the Federal Crop Insurance Corporation to reduce the paperwork burden to private insurance providers and agents, and lower the cost of each policy held by farmers. Further, the corporation after reporting to Congress, must adopt new procedures to reduce the cost of each crop insurance policy by a targeted percentage.

Not only will these provisions allow the private sector to more efficiently deliver crop insurance, but the excessive administrative costs of the Federal Crop Insurance Corporation will be reduced.

With reference to the so-called dual delivery system included in H.R. 4217, many current USDA employees—those people now administering the commodity programs—have told me that they want no part of becoming insurance salespersons. And in checking with the department, I have found there is nothing budgeted to help train and cover the expenses for these local offices to adequately sell crop insurance.

The simple fact is that the USDA will not be able to pull off crop insurance sales, and the department knows this. USDA will need—and I think fully expects—the private sector to help deliver crop insurance.

What I found frustrating is that knowing this, the administration fought my efforts to include stronger language for private delivery throughout consideration of this bill in subcommittee and full committee.

Although this bill is not all I had wanted in the name of crop insurance reform, Mr. Chairman, it is a step in

the right direction, and it should help our producers.

I support the bill, and I urge the House to pass it.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman and Members, this is the first time in my 14 years as a member of the House Committee on Agriculture that I have come to the floor and had a disagreement with the leadership of my committee, and I say that because I think it is important to understand what the problem is today. The problem, very frankly, is that this administration, to their credit, allocated \$1.1 billion over the next 5 years to make crop insurance an available program, and the problem is that the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and related agencies spent the money elsewhere, and so we are in a dilemma here this morning of what are we going to do.

Mr. Chairman, we have a couple of choices. The first premise is that we are going to pass crop insurance in lieu of disaster insurance. Now there are 18 States, including Wisconsin, that have less than 10 percent of our eligible acreage in crop insurance, and yet we are not going to make that the basis of all commodity security in this country. That would be fine, if we had the public-private partnership that our colleague from North Dakota [Mr. POMEROY] said that crop insurance is, but the problem is it is not a public-private partnership anymore. That money, through no fault of the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA], through no fault of the gentleman from Kansas [Mr. ROBERTS], through no fault of anybody on the House Committee on Agriculture, was spent elsewhere.

So, Mr. Chairman, now we have this dilemma in front of us, and it is very simple.

It all boils down to money—who is going to pay and how much. Now, I am not going to stand here and justify the Appropriations Committee's act of underfunding the current Federal Crop Insurance Program by \$213 million in the upcoming fiscal year. Plain and simple, that action was wrong and it is the root cause of the fiscal problems we are addressing right now as we try to pass crop insurance reform legislation.

At the same time, that battle is over and we lost. So adopting the budgetary assumption that this lack of funding continues over the next 5 fiscal years, the current issue is where are we going to make up the difference? Rest assured, we have to cut the baseline somewhere. And, if we do not make those cuts in the crop insurance program itself, we will have to find the money elsewhere—research, extension, FmHA, WIC, commodity programs, or the like.

The chairman of our committee is quite correct when he talks about the \$60 billion of cuts which the Agriculture Committee has made in recent years. Indeed, if every other committee was as frugal as we have been, the budget mess facing this Congress would have been solved in large part. I agree with him that it is fundamentally unfair to balance the Federal budget on the backs of the American farmer.

Actually, that is exactly what the Penny-Gunderson amendment seeks to prevent, Mr. Chairman. All we are saying is that fair is fair whether we are trying to balance the entire Federal budget, or just a single program, on the backs of farmers.

The bottom line of the Penny-Gunderson amendment is that, if we have a shortfall in crop insurance funds, we need to make up that difference within that program. Here's why. In my own congressional district, only 10 percent of eligible acres are enrolled in crop insurance. That's because either the Federal Crop Insurance Corporation doesn't have a policy for the crops they grow or the rate structure doesn't justify participation. Why should the rest of my producers have to take cuts in their commodity, loan, or conservation programs in order to fund higher policy subsidies for the small percentage of farmers which participate in the program or to fund higher reimbursement rates for the participant's agents?

This situation is not unique to the State of Wisconsin, Mr. Chairman. According to the most recent statistics available from the Federal Crop Insurance Corporation, Arizona, California, Connecticut, Delaware, Kentucky, Maine, Maryland, Massachusetts, Michigan, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Tennessee, and Vermont all have 10 percent or less of insurable acres actually enrolled in Federal crop insurance. Why should those producers have to take cuts in their commodity, loan, or conservation programs to fund the participation of producers in other States?

The answer is simple—they shouldn't. All the Penny-Gunderson amendment does is find sufficient cuts within the Federal Crop Insurance Program itself to meet the budget parameters within which that program has to operate over the next 5 fiscal years. With four exceptions, it is identical to the chairman's amendment which will be offered as a substitute. Here are the differences: First, it reduces the agent reimbursement to 30 percent for new policies and 28 percent for renewals immediately, rather than waiting 2 years to make that reduction; second, it charges a \$50 fee for all policies issued whether a farmer sticks with the basic policy or buys supplementary coverage; third, it reduces the catastrophic coverage provided by the basic policy from 50-60 to 50-56; and fourth, it requires a

filing fee for producers to make a disaster claim for crops for which no policy is offered.

These changes are hardly draconian. If we're reducing the agent reimbursement rate in the out years, why not immediately? The proposed 28-29-30 percent reimbursement rate for crop insurance far exceeds the 10-11-12 percent reimbursement rate on automobile insurance. Now, I recognize that there is a volume difference between the two; however, dropping the reimbursement rate 2 percent 2 years early is not going to drive anyone out of business, particularly if we can get some paperwork reduction to those agents.

Similarly, the reduction in catastrophic coverage from 50-60 to 50-56 will result in a maximum reduction of 2 percent in the maximum loss payment received by any farmer under the basic policy. Again, every little bit hurts, but it is a small price in terms of the big picture.

The ultimate question, Mr. Chairman, is if we are unwilling to make the cuts necessary in the program itself, are we better off with permanent disaster assistance authority in lieu of any crop insurance program? The simple facts are that, even with a Federal Crop Insurance Program, we have had to make billions of dollars of crop emergency assistance available in each of the last 8 years—sometimes as much as \$3.5 billion. That's why CBO has consistently scored hundreds of millions of dollars in savings annually from eliminating the crop insurance program in favor of permanent disaster assistance authority.

So, Mr. Chairman, fundamental fairness requires the adoption of the Penny-Gunderson amendment so that other important agricultural and feeding programs do not suffer from the shortfall in funding for crop insurance. If we're unwilling to do that, then I suggest we consider dropping the whole crop insurance program in favor of permanent disaster authority. In the long run, producers and taxpayers would be better off.

Mr. COMBEST. Mr. Chairman, I yield 3 minutes to the gentleman from New Mexico [Mr. SKEEN].

Mr. SKEEN. Mr. Chairman, I noticed that the previous gentleman did not offer any no fault to the appropriators, so we are here under no fault conditions.

I want to say at the outset that we are dealing with an issue in these two committees that there are no ready answers to. We have already initiated a crop insurance program in these United States under the auspices of both committees, and it did not work. It broke, as the chairman of the Committee on Agriculture has said. We have got a broken system because we pushed no crop insurance, or crop insurance, to the point that it could not sustain it-

self. It did not work because we did not give it a chance to work. We tried to make it do all the things for all people in agriculture to get us out of the disaster payment mode nationwide.

Mr. Chairman, we on the Committee on Appropriations did the very best job with the work that we had to do with the elements we had to deal with and the systems we dealt with. We offer no apologies to anybody, but we do need some help to come up with a compromise that is going to make this thing work. In my view, Mr. Chairman, I think we have arrived at that position because I think the chairman of the House Committee on Agriculture, and the ranking member and those members who are supporting it have an amendment that will work because it gives it time with a finite set of conditions and funding for at least 3 years. I am not going to score the other alternatives because once again I think we have to look at function first, and we are assured of function, at least in this particular program; we are not in others because once again we rely on going back to the private sector and saying, "We'll just dump the funding load back on you for the 5-year term."

Mr. Chairman, I cannot agree to that, so we are here today talking a compromise. I think we have it at hand, one we are going to have to deal with. I say to my colleagues, "If you're going to be real about this thing, and ask the private sector to engage in that kind of insurance, and get us out of this disaster quagmire, we have got the system to do it and the mechanism to do it, and we ought to make the right choice, and I think the right choice is Chairman DE LA GARZA's and Mr. ROBERTS' amendment, and I support it."

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. Mr. Chairman, I rise today in support of H.R. 4217 and in support of the amendment offered by the gentleman from Texas [Mr. DE LA GARZA], and I oppose the Penny-Gunderson amendment.

One important part of this insurance program is that we will now have every farmer in this country who participates in a Federal program to sign up for this program which gives some protection to the Federal Government in the case of those farmers who lose their crops. It also will give protection to banks who loan money to those producers who loan money to buy the seed, or whatever it takes, to produce those crops. So, it is truly an insurance program that every producer in this country who participates in Federal farm programs will participate in, and we do create incentives to encourage farmers to buy up, to have additional coverage, which, by buying additional coverage, helps protect themselves, as well as the Government and as well as those banks and loan programs.

I encourage my colleagues to vote for H.R. 4217.

□ 1200

The CHAIRMAN. The gentleman from Texas [Mr. COMBEST] has 4½ minutes remaining, and the gentleman from Texas [Mr. DE LA GARZA] has 4 minutes remaining.

Mr. COMBEST. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Chairman, we are here today because the Federal crop insurance program in America does not work.

I want to congratulate the chairman of the committee, the ranking member, and all the members of the committee who have worked hard to try to find a way to make the system work better for all farmers in America. Most of my farmers in Ohio do not sign up because it is not economically feasible. It makes no sense because the system is weighted to help somebody else.

The bill that we have before us helps to fix the current system, and the current system does need fixing.

One of the reasons we have this problem with crop insurance is that we undercut it every even-numbered year with some disaster payments that Congress wants to come along and provide and look like Santa Claus in all those even-numbered years, and so we undercut the ability of the program to work.

The bill that we have before us takes some of that disaster money that gets spent and puts it into a crop insurance program that will work for every farmer in America. It makes a great deal of sense, so let us pass it.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. LUCAS].

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

Mr. Chairman, year in and year out the folks in this country who have chosen the noble profession of farming are faced with an uncertainty that very few occupations in our Nation must endure. Drought, hail, flood, tornado, hurricane, and other natural disasters threaten the livelihood of every agriculture professional who provides our great Nation with the food that our citizens eat, enjoy, and expect.

Most agree that the Federal budget cannot continue to support both an on-budget subsidized crop insurance program and off-budget emergency ad hoc disaster payments. The question of the day is, "How do we best deal with the unknowns that face our nation's farmers?" How can we effectively minimize their risk in an equitable and workable fashion?

I believe that H.R. 4217 as reported out of the Agriculture Committee and as hopefully altered by my chairman's amendment is the right answer to this question. This is the vehicle that will eliminate the need for future off-budget disaster supplemental appropriations bills. By getting significantly

more producers insured, we will have provided them the assurance that their risk management and disaster relief needs are met.

Historically 1 out of every 12 acres planted by farmers is not harvested because of adverse weather conditions or other natural disasters. We are at a proverbial fork in the road of agricultural risk management. We must decide today whether we want a workable crop insurance program that provides adequate coverage at a cost that is affordable to the farmer and all other taxpayers. Or do we want to continue and play ad hoc disaster roulette by passing legislation that will undermine any attempt to adequately expand our current crop insurance program and leave our response to natural disasters that damage crops largely in the hands of Mother Nature.

Mr. Chairman, I would like to encourage my fellow Members to vote in favor of the de la Garza amendment and for final passage of H.R. 4217. It is a fiscally responsible and workable measure that will protect American farmers from financial ruin and the Federal deficit from being increased by future ad hoc disaster bills.

Mr. DE LA GARZA. Mr. Chairman, I yield such time as he may consume to our distinguished colleague, the gentleman from Michigan [Mr. BARCIA].

Mr. BARCIA of Michigan. Mr. Chairman, I thank the chairman of the committee very much for his gracious cooperation in working to address the problems that Michigan farmers have faced and the problems that farmers across the country have faced, especially in light of the recent disastrous torrential rainfalls that have occurred throughout the Midwest and around the country.

Mr. Chairman, I compliment the committee and its chairman for having moved forward with important improvements in the crop insurance program. I am concerned, though, that this bill does not go far enough in providing insurance for all commodities.

Mr. Chairman, while insurance is available in Michigan for 17 commodities, it is not for 74 others. I believe that if we move toward a cost-of-production insurance program, we can expand the range of crops that are covered and eligible for crop insurance. The Senate bill contains a pilot cost-of-production insurance program very similar to the program I had proposed in H.R. 3623. Such a pilot program would work extremely well in Michigan.

Can the chairman of the committee assure me that this provision in the Senate bill will receive full consideration in the conference?

Mr. DE LA GARZA. Mr. Chairman, if the gentleman will yield, let me say that the gentleman has my assurances that this provision will be given every consideration by our committee.

Mr. COMBEST. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Chairman, before I was elected to Congress I sold insurance, and I, in fact, am the only chartered casualty property underwriter in this body, so I have been out there on the streets and know what is real and know what is just congressional talk. So I want to speak in behalf of the bill and speak against the Penny amendment.

This bill will work. It is not perfect, but this body has never worried about perfection. It is better than what we have now. One of the key components of it is this concept of spreading the risk, getting more farmers to participate. One of the things you have to have in order to do that is a distribution system of the private sector. Insurance agents can sell this product. Right now they are not doing it because there is no money in crop insurance for the insurance agent, and they do not want to do it.

The only reason an insurance agent would do it is to pick up a guy's homeowner's insurance or the insurance on his tractor or his truck. They do not go out and make a living selling crop insurance. That is why there is not much market penetration right now.

The Penny amendment would reduce that even further and thus pull out one of the strong legs of this whole program.

Mr. Chairman, I urge my colleagues to vote for the bill and against the amendment.

The CHAIRMAN. The gentleman from Texas [Mr. COMBEST] has 1½ minutes remaining.

Mr. COMBEST. Mr. Chairman, I yield that minute and a half to the gentleman from Illinois [Mr. EWING].

Mr. EWING. Mr. Chairman, let me say that this is an important debate. I am probably one of the few Members that actually introduced legislation to revise our Federal crop insurance program, and that was a result of my first campaign for Congress, which was a special election in the middle of the drought in 1991. So I saw it firsthand. I saw the importance of a good Federal crop insurance program, and we did not have one.

The Clinton administration has given us an opportunity to have an excellent Federal crop insurance program. We need to seize on that. We need to pass this bill.

Members might ask, what is the problem? Well, of course the problem is the dispute between the appropriators and the authorizing committee, and they really did not cut all that much money, but enough was cut to cripple the program.

I believe that the chairman of the Committee on Agriculture has presented us with a reasonable, well thought out solution to that problem,

and we ought to get behind it. We need to pass this bill and move on. It is good for American agriculture, it is good for the American taxpayers, it is wise public policy by the Clinton administration, and I urge a yes vote for the bill and support for Chairman DE LA GARZA's amendment.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] has 2½ minutes remaining in general debate.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to our distinguished colleague, the gentleman from Minnesota [Mr. MINGE].

Mr. MINGE. Mr. Chairman, I rise to address the body this morning with respect to the crop insurance reform proposal.

All of us have heard a number of arguments as to the importance of this legislation. The one thing that needs to be emphasized now is that we must encourage broad participation in Federal crop insurance throughout the Nation.

One of the difficulties that we have suffered from is adverse selection, the so-called moral hazard, where people purchase crop insurance when they find that crop insurance is going to benefit them and then their neighbors who are somewhat unhappy about the existence of benefits do not make the purchase. The result is that in certain sections of the country we have very low participation and at the same time very high losses.

The Federal crop insurance reform legislation which is before us today will end that type of practice. It will also make a number of reforms in the way Federal crop insurance is financed, and in the end, I think, it will make this program a model of Federal insurance that we can then use to try to make sure that our agricultural programs and disaster programs generally benefit this country.

□ 1210

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the scenario as we see it, it could change, but there will be an amendment offered by the gentleman from Minnesota [Mr. PENNY] and there will be a substitute offered.

Mr. Chairman, I yield the balance of my time to the distinguished gentleman from Georgia [Mr. BISHOP].

Mr. BISHOP. Mr. Chairman, I am pleased to rise in support of H.R. 4217, the Federal Crop Insurance Reform Act of 1994, as reported by the committee. Because thousands of acres of farmland in my district were flooded during the recent flood in Georgia, I am especially sensitive to the need for an adequate crop insurance program.

This legislation presents a historic opportunity to provide improved risk protection for our Nation's farmers, including my own farmers in Georgia. For several years, we have experienced

good participation in the Federal Crop Insurance Program by producers of high-value crops, such as peanuts and tobacco. Unfortunately, the same cannot be said for crops like corn and soybeans.

Under the bill adopted by the Committee on Agriculture, of which I am a member, thousands of additional farmers in Georgia and throughout the Nation will be strongly encouraged to take catastrophic crop insurance for a minimum and reasonable fee, per farmer, per county.

In return, a farmer will receive a catastrophic insurance policy. While this policy will provide only a minimum coverage of 50 percent of a farmer's yield, at 60 percent of the market price it will be consistent with what farmers have traditionally received from disaster bailouts—when they were lucky enough to receive Federal assistance.

More importantly, the Crop Insurance Reform Program is structured to strongly encourage farmers to buy additional federally subsidized crop insurance from private insurance agents. The farmer is encouraged to purchase a level of protection that he needs to stay in business in case of a crop failure. If disaster does strike, this approach is far more preferable to the traditional combination of insurance policies and disaster bailouts.

Normally, farmers do not receive additional assistance from the Federal Government unless the drought, flood, or other natural disaster is wide spread enough to warrant congressional passage of a special legislative disaster bill.

Unfortunately, there are different parts of my congressional district that are hit by a different disaster or crop failure every year. Many times there will be a drought that will cause crop failure in one part of a county and yet, there are other parts of the county that will produce bumper crops. Therefore, the only sound way to true risk management and disaster protection is a program that encourages every farmer to buy the level of protection, with Government assistance, that they need. H.R. 4217 meets that test.

At the same time, I support the committee bill, and I strongly urge my colleagues to vote against an amendment offered by Congressman PENNY and Congressman GUNDERSON to cut over \$600 million from this program.

If this magnitude of cut is made in the committee bill, the program will no longer be attractive to many of the farmers in my district. Moreover, drastic cuts in reimbursement for the private delivery system will make it uneconomical to deliver crop insurance to many of the small family farmers in my district.

Therefore, I hope that my colleagues will not be tempted to vote for the Penny-Gunderson amendment in an effort to achieve savings that are not

necessary to comply with the Budget Act.

As reported by the committee, and amended by the chairman, H.R. 4217 is in full compliance with budget rules and would in fact save taxpayers money.

Again, let us not jeopardize this long, and hard-fought effort to bring a true and sound risk assessment to agriculture, offering to our farmers in the United States—this great breadbasket to the world—the tools they need to successfully till the soil, feed our livestock, and nurture our children.

Ms. LAMBERT. Mr. Chairman, I rise today in strong support of H.R. 4217, the Federal Crop Insurance Reform Act. I believe that this legislation moves us toward a positive and responsible effort to provide stability to farm income while at the same time making wise use of taxpayer resources.

This bill would provide premium-free catastrophic risk protection for a minimal \$50 processing fee with the option of buying more comprehensive coverage from a private insurer. Our current program has been dramatically inept at providing the risk management that America's producers need to remain competitive. Because the program has been so unattractive—providing too few benefits at too great a cost—whenever disaster has struck, our producers have relied on the Government to provide ad hoc disaster assistance, and we have done so—year after year after year. The result has been a massive cost to the American taxpayer and an unreliable system of reimbursement to often-devastated farm families.

This legislation delivers a reformed program that provides basic protection with the flexibility to insure at higher levels, thereby giving the farmer, the taxpayer, and the Government a reliable, fiscally sound insurance program.

I would like to commend the administration for their diligence in pursuing this issue as well as subcommittee chairman JOHNSON for his hard work on a technically challenging bill. I also commend my colleague, Mr. PENNY, for his commitment to fiscal responsibility as well as Chairman DE LA GARZA for his leadership and hard work.

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, modified by the amendments printed in part 1 of House Report 103-666, 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, as modified, is as follows:

H.R. 4217

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

SECTION 1. SHORT TITLE, TABLE OF CONTENTS, AND DEFINITIONS.

(a) **SHORT TITLE.**—This Act may be cited as the "Federal Crop Insurance Reform Act of 1994".

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title, table of contents, and definitions.

- Sec. 2. Members of Board of Directors of Federal Crop Insurance Corporation.
- Sec. 3. General powers of Corporation.
- Sec. 4. Personnel.
- Sec. 5. General authority to offer crop insurance.
- Sec. 6. Catastrophic risk protection, buy-up levels, premiums, and yield determinations.
- Sec. 7. Preparation of policies, claims, and reinsurance.
- Sec. 8. Authorization of appropriations and crop insurance fund.
- Sec. 9. Advisory Committee.
- Sec. 10. Noninsured crop disaster assistance.
- Sec. 11. Crop insurance requirements under price support programs.
- Sec. 12. Elimination of gender references.
- Sec. 13. Prevented planting.
- Sec. 14. Effective date.

(c) **DEFINITIONS.**—Section 502 of the Federal Crop Insurance Act (7 U.S.C. 1502) is amended—

(1) by striking the section heading and "Sec. 502." and inserting the following:

"SEC. 502. PURPOSE AND DEFINITIONS.

"(a) **PURPOSE.**—"; and

(2) by adding at the end the following new subsection:

"(b) **DEFINITIONS.**—For purposes of this title:

"(1) **SECRETARY.**—The term 'Secretary' means the Secretary of Agriculture.

"(2) **CORPORATION.**—The term 'Corporation' means the Federal Crop Insurance Corporation established under section 503.

"(3) **BOARD.**—The term 'Board' means the Board of Directors of the Corporation established under section 505(a).

"(4) **LOSS RATIO.**—The term 'loss ratio' means the ratio of all sums paid by the Corporation as indemnities under all crop insurance policies to that of the premiums designated for anticipated losses and a reasonable reserve, not including the portion of the premiums designated for operating and administrative expenses.

"(5) **TRANSITIONAL YIELD.**—The term 'transitional yield' means the maximum average production per acre or equivalent measure that is assigned to acreage for a crop year by the Corporation in accordance with its regulations whenever the producer fails—

"(A) to certify that acceptable documentation of production and acreage for that crop year is in the producer's possession; or

"(B) to present such acceptable documentation upon the demand of the Corporation or an insurance company reinsured by the Corporation."

(d) **CONFORMING AMENDMENTS.**—The Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) is amended—

(1) in section 503 (7 U.S.C. 1503), by striking "(herein called the Corporation)"; and

(2) in section 505(a) (7 U.S.C. 1505(a)), by striking "(hereinafter called the 'Board')".

SEC. 2. MEMBERS OF BOARD OF DIRECTORS OF FEDERAL CROP INSURANCE CORPORATION.

Section 505(a) of the Federal Crop Insurance Act (7 U.S.C. 1505(a)) is amended in the second sentence—

(1) by striking "or Assistant Secretary" the first place it appears; and

(2) by striking "the Under Secretary or Assistant Secretary of Agriculture responsible for the farm credit programs of the Department of Agriculture" and inserting "one additional Under Secretary of Agriculture (as designated by the Secretary of Agriculture)".

SEC. 3. GENERAL POWERS OF CORPORATION.

(a) **CLAIMS SETTLEMENT.**—Section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506) is amended—

(1) by redesignating subsections (j), (k), (l), (m), and (n) as subsections (k), (l), (m), (n), and (o), respectively; and

(2) by inserting after subsection (i) the following new subsection:

"(f) CLAIMS SETTLEMENT.—The Corporation shall have the authority to make final and conclusive settlement and adjustment of any claims made by or against the Corporation or the accounts of its fiscal officers."

(b) REGULATIONS; PREEMPTION.—Subsection (e) of such section is amended—

(1) by striking "governing" and inserting "to carry out this title and to govern"; and

(2) by adding at the end the following new sentence: "State and local laws or rules shall not apply to rules and regulations adopted by the Corporation to the extent that such rules and regulations so provide or to the extent that State and local laws or rules are inconsistent with such rules and regulations."

(c) DEFINITION OF SUBSTANTIAL BENEFICIAL INTEREST.—Subsection (m) of such section (as redesignated by subsection (a)(1)) is amended in paragraph (4) by striking "5 percent" and inserting "10 percent".

(d) PENALTY FOR FALSE INFORMATION.—Subsection (n) of such section (as redesignated by subsection (a)(1)) is amended in paragraph (1) by striking subparagraph (B) and inserting the following new subparagraph:

"(B) disqualify the person—
 "(i) from purchasing catastrophic risk protection under section 508(b) or participating in the noninsured assistance program under section 519 for a period not to exceed 2 years; and
 "(ii) from receiving any other benefit under this title for a period not to exceed 10 years."

(e) ACTUARIAL SOUNDNESS.—Subsection (o) of such section (as redesignated by subsection (a)(1)) is amended—

(1) in paragraph (1), by striking "beginning farmers from obtaining adequate Federal crop insurance, as determined by the Corporation" and inserting "beginning farmers, as determined by the Secretary, from obtaining Federal crop insurance";

(2) in paragraph (3), by striking "and" at the end of the paragraph;

(3) by redesignating paragraph (4) as paragraph (5); and

(4) by inserting after paragraph (3) the following new paragraph:

"(4) establishing a database that contains social security numbers or employee identification numbers of insurance agents and adjusters and using the numbers to identify agents and adjusters who are high risk for actuarial purposes, and for other purposes permitted by law; and"

(f) REGULATORY AND PAPERWORK REDUCTION.—Such section is further amended by adding at the end the following new subsection:

"(p) REGULATORY AND PAPERWORK REDUCTION.—

"(1) CATASTROPHIC RISK PROTECTION.—In developing and carrying out the policies and procedures for catastrophic risk protection under section 508(b), the Corporation shall minimize, to the maximum extent practicable, the paperwork required and the complexity and costs of procedures governing the application for, and the processing and servicing of, catastrophic risk protection.

"(2) OTHER PLANS.—To the extent that the policies and procedures developed under paragraph (1) may be applied to other plans of insurance offered under this title without jeopardizing the actuarial soundness or integrity of the crop insurance program under this title, the Corporation shall apply the policies and procedures to the other plans of insurance within a reasonable period of time (as determined by the Corporation) after the effective date of this paragraph.

"(3) SOLICITATION OF COST INFORMATION AND COST-REDUCTION PROPOSALS.—

"(A) COST INFORMATION.—The Corporation shall solicit from private insurance providers and agents information regarding—

"(i) their average cost per policy of complying with requirements, regulations, procedures, and processes under this title; and

"(ii) the data upon which such costs are determined.

"(B) COST-REDUCTION PROPOSALS.—The Corporation shall also solicit from private insurance providers and agents proposals for modifying or altering the requirements, regulations, procedures, and processes under this title to reduce their total average cost per policy.

"(C) REPORT.—By June 1, 1995, the Corporation shall submit a report to Congress containing the information received under subparagraph (A) and an evaluation of the cost-reduction proposals received under subparagraph (B).

"(4) COST REDUCTION PLAN.—

"(A) PLAN REQUIRED.—Subject to the condition that the Corporation maintain the integrity of the crop insurance program under this title, the Corporation shall include in the report required under paragraph (3) a plan to reduce the average cost per policy incurred by private insurance providers and agents to comply with requirements, regulations, procedures, and processes under this title. To the extent practicable, the Corporation shall set a target percentage by which such costs should be reduced.

"(B) IMPLEMENTATION OF PLAN.—Not later than 60 days after submitting the report required under paragraph (3), and in accordance with the plan contained in the report, the Corporation shall adopt such measures consistent with maintaining the integrity of the crop insurance program under this title as the Corporation determines are appropriate—

"(i) to improve Corporation liaison with policyholders and private insurance providers; and

"(ii) to reduce the average cost per policy to meet the target percentage set by the Corporation."

(g) IMPROVED PROGRAM COMPLIANCE.—Such section is further amended by inserting after subsection (p) (as added by subsection (f)) the following new subsection:

"(q) PROGRAM COMPLIANCE.—

"(1) TIMELINESS.—The Corporation shall work actively with private insurance providers to address program compliance and integrity issues as such issues develop.

"(2) NOTIFICATION OF COMPLIANCE PROBLEMS.—The Corporation shall notify in writing any private insurance provider with whom the Corporation has an agreement under this title of any error, omission, or failure to follow Corporation regulations or procedures for which the private insurance provider may be responsible and which may result in a debt owed the Corporation. Such notice shall be given within 3 years of the end of the insurance period during which the error, omission, or failure is alleged to have occurred, except that such time limit shall not apply with respect to errors, omissions, or procedural violations that are willful or intentional. The failure to timely provide the notice required under this subsection shall relieve the private insurance provider from the debt owed the Corporation."

SEC. 4. PERSONNEL.

Section 507 of the Federal Crop Insurance Act (7 U.S.C. 1507) is amended—

(1) in subsection (a), by striking "and counsellor crop insurance committeemen";

(2) in subsection (c), by striking "in which case the agent or broker" in the first sentence and all that follows through the period at the end of the second sentence and inserting a period;

(3) in subsection (d), by striking "except that" and all that follows through the period at the end of the subsection and inserting a period; and

(4) by adding at the end the following new subsection:

"(g) SPECIALTY CROPS COORDINATOR.—The Corporation shall establish a senior-level position to be known as the Specialty Crops Coordinator. The Specialty Crops Coordinator shall have primary responsibility for addressing the needs of specialty crop producers and for providing information and advice in connection with the Corporation's activities to improve and expand the insurance program for specialty crops. In carrying out such responsibility, the Specialty Crops Coordinator shall act as the Corporation's liaison with representatives of specialty crop producers and provide the Corporation with the producers' knowledge, expertise, and familiarity with risk management and production issues pertaining to specialty crops. The Specialty Crops Coordinator shall also use information collected from Corporation field office directors in States in which specialty crops have a significant economic effect and from other sources, including the extension service and colleges and universities."

SEC. 5. GENERAL AUTHORITY TO OFFER CROP INSURANCE.

(a) GENERAL AUTHORITY TO OFFER INSURANCE.—Subsection (a) of section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended to read as follows:

"(a) AUTHORITY TO OFFER INSURANCE.—

"(1) GENERAL AUTHORITY AND LOSSES COVERED.—If sufficient actuarial data are available, as determined by the Board, the Corporation may insure (or provide reinsurance for insurers of) producers of agricultural commodities grown in the United States under any plan or plans of insurance determined by the Board to be adapted to the agricultural commodity involved. To qualify for coverage under these plans of insurance, the losses of the insured commodity shall be due to drought, flood, or other natural disaster, as determined by the Secretary.

"(2) PERIOD OF COVERAGE.—Except in the case of tobacco, insurance shall not extend beyond the period the insured commodity is in the field. For the purpose of the foregoing sentence, in the case of aquacultural species, the term 'field' means the environment in which the commodity is produced.

"(3) EXCLUSIONS.—Insurance provided under this section shall not cover losses—

"(A) due to the neglect or malfeasance of the producer;

"(B) due to the failure of the producer to reseed to the same crop in those areas and under such circumstances where it is customary to reseed; or

"(C) due to the failure of the producer to follow good farming practices, as determined by the Corporation.

"(4) EXPANSION TO OTHER AREAS OR SINGLE PRODUCERS.—

"(A) AREA EXPANSION.—The Corporation may offer plans of insurance or reinsurance for production of agricultural commodities in the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands in the same manner as provided in this section for production of agricultural commodities in the United States.

"(B) PRODUCER EXPANSION.—In areas in the United States or specified in subparagraph (A) where crop insurance is not available for a particular agricultural commodity, the Corporation may offer to enter into a written agreement with an individual producer operating in that area for insurance coverage under this title if the producer has actuarially sound data relating to the producer's production of that commodity and such data is acceptable to the Corporation.

"(5) DISSEMINATION OF CROP INSURANCE INFORMATION.—The Corporation shall make available to producers through local offices of the Department of Agriculture—

“(A) current and complete information on all aspects of Federal crop insurance; and

“(B) a listing of insurance agents and companies offering to sell crop insurance in their area.

“(6) ADDITION OF NEW AND SPECIALTY CROPS.—

“(A) DATA COLLECTION.—Not later than 6 months after the date of the enactment of this paragraph, the Secretary shall issue guidelines for publication in the Federal Register for data collection to assist the Corporation in formulating crop insurance policies for new and specialty crops.

“(B) ADDITION OF NEW CROPS.—Not later than 1 year after the date of the enactment of this paragraph, and annually thereafter, the Corporation shall report to Congress on the progress and expected timetable for expanding crop insurance coverage under this title to new and specialty crops.

“(C) ADDITION OF DIRECT SALE PERISHABLE CROPS.—Not later than 1 year after the date of the enactment of this paragraph, the Corporation shall report to Congress on the feasibility of offering a crop insurance program designed to meet the needs of specialized producers of vegetables and other perishable crops who market through direct marketing channels.”

(b) REPORT ON IMPROVING DISSEMINATION OF CROP INSURANCE INFORMATION.—Not later than 6 months after the date of the enactment of this Act, the Federal Crop Insurance Corporation shall submit a report to Congress containing a plan to implement a sound program for producer education regarding the crop insurance program and for the dissemination of crop insurance information to producers, as required by section 508(a)(5) of the Federal Crop Insurance Act. Subsequent reports on the progress of the implementation of the program shall be submitted to Congress in 1996 and 1997.

SEC. 6. CATASTROPHIC RISK PROTECTION, BUY-UP COVERAGE, PREMIUMS, AND YIELD DETERMINATIONS.

(a) IN GENERAL.—Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended—

(1) by striking subsections (c), (e), (f), (g), (h), (i), (l), (m), and (n);

(2) by redesignating subsections (b) and (d) as subsections (h) and (i), respectively; and

(3) by inserting after subsection (a) the following new subsections:

“(b) CATASTROPHIC RISK PROTECTION.—

“(1) CATASTROPHIC RISK PROTECTION REQUIRED.—The Corporation shall offer to producers of agricultural commodities grown in the United States a catastrophic risk protection plan to indemnify a producer for crop losses due to loss of yield or prevented planting resulting from drought, flood, or other natural disaster, as determined by the Secretary, if the producer is unable to plant other crops for harvest on that acreage for that crop year.

“(2) AMOUNT OF COVERAGE.—

“(A) IN GENERAL.—Subject to subparagraph (B), under catastrophic risk protection, the Corporation shall offer producers—

“(i) coverage equal to 50 percent loss in yield (determined on an area or individual yield basis as described in subsection (g)) indemnified at 60 percent of the expected market price of the commodity (as determined by the Corporation); or

“(ii) other coverage established by the Corporation that is comparable to the coverage described in clause (i).

“(B) REDUCTION IN ACTUAL PAYMENT.—The amount paid to a producer on a claim under catastrophic risk protection may reflect a reduction that is proportional to the out-of-pocket expenses that are not incurred by the producer as a result of not planting, growing, or harvesting the crop for which the claim is made, as determined by the Corporation.

“(3) YIELD AND LOSS BASIS.—Producers shall have the option of purchasing catastrophic risk

protection based on either an individual yield and loss basis or on an area yield and loss basis, as described in subsection (g), when both options are offered by the Corporation.

“(4) SALE OF CATASTROPHIC RISK PROTECTION.—

“(A) APPLICATION.—Except as provided in subparagraph (B), producers shall submit an application at the local office of the Department of Agriculture or to a private insurance provider approved by the Corporation to participate in catastrophic risk protection. To the extent sales of catastrophic risk protection are made through local offices of the Department of Agriculture, the Secretary may require the local office to contract with private insurance providers to service the insurance contracts.

“(B) RESTRICTION OF SALES TO PRIVATE INSURANCE PROVIDERS.—If the Secretary determines that the number or capacity of private insurance providers in a county is sufficient to adequately provide catastrophic risk protection to producers in that county for a particular crop year, the Secretary may discontinue the sale for that crop year of catastrophic risk protection at local offices of the Department of Agriculture serving that county. A determination of the Secretary under this subparagraph to discontinue the sale of catastrophic risk protection at local offices of the Department of Agriculture, and the process by which the determination is made, shall not be subject to judicial review under the Administrative Procedure Act or any other provision of law.

“(C) CONSIDERATIONS.—In making a determination under subparagraph (B) with respect to discontinuing the sale of catastrophic risk protection at local offices of the Department of Agriculture, the Secretary shall consider equally the following factors:

“(i) Whether the use of Department personnel and offices to provide catastrophic risk protection is the most efficient and cost-effective use of Department resources.

“(ii) The availability and training of Department personnel to handle applications for catastrophic risk protection.

“(iii) The needs of, and fairness to, local producers.

“(D) COMPARISON OF PRIVATE AND PUBLIC DELIVERY SYSTEMS.—To evaluate the appropriateness of determinations under subparagraph (B), the Secretary shall require each local office of the Department of Agriculture at which producers apply for catastrophic risk protection to annually provide to the Secretary information regarding the number of catastrophic risk protection policies sold, the training and personnel costs incurred to provide and service the policies, the average cost per policy to provide and service the policies directly, and (if applicable) the cost of contracting with private insurance providers to service the policies. For comparison purposes, the Secretary may also request comparable information from private insurance providers selling catastrophic risk protection.

“(E) REPORT.—Not later than 18 months after the date of the enactment of the Federal Crop Insurance Reform Act of 1994 (and annually thereafter), the Secretary shall submit to Congress a report—

“(i) listing the counties at which producers were permitted to apply for catastrophic risk protection during the period covered by the report; and

“(ii) containing and evaluating the information collected under subparagraph (D) for that period.

“(5) ADMINISTRATIVE FEE.—

“(A) FEE REQUIRED.—Producers shall pay an administrative fee for catastrophic risk protection. The administrative fee for each producer shall be \$50 per crop per county, but not to exceed \$100 per producer per county. The adminis-

trative fee shall be paid by the producer at the time the producer applies for catastrophic risk protection.

“(B) WAIVER OF FEE.—The Corporation shall waive the administrative fee for limited resource farmers, as defined by the Corporation.

“(C) USE OF FEES.—There are authorized to be appropriated from fees required under subparagraph (A) such sums as may be necessary for operating and administrative expenses incurred for the delivery of catastrophic risk protection.

“(6) COVERAGE OF ALL CROPS.—To be eligible for benefits under any commodity price support, production adjustment, or conservation program administered by the Department of Agriculture, or for the farmer loan programs of the Farmers Home Administration or any successor of that agency, a producer must obtain at least catastrophic risk protection for each crop of economic significance produced on each farm in any county in which the producer has an interest, if insurance is available in the county for those crops. For purposes of this paragraph, the term ‘crop of economic significance’ means a crop that has contributed, or is expected to contribute, 10 percent or more of the total expected value of all crops grown by the producer.

“(7) COVERAGE UNDER ONE POLICY.—If a producer applies for catastrophic risk protection for a crop produced by the producer in a county, the producer shall be required to secure such protection under a single policy.

“(8) AUTHORITY TO LIMIT CATASTROPHIC RISK PROTECTION.—The Board may limit the availability of catastrophic risk protection in any county or area, or on any farm, on the basis of the insurance risk involved.

“(9) TRANSITIONAL COVERAGE FOR 1995 CROPS.—Effective only for the 1995 crops and for which the sales period for crop insurance expires before the date of the enactment of the Federal Crop Insurance Reform Act of 1994, the Corporation shall allow producers of such crops until at least the end of the 6-month period beginning on such date to obtain catastrophic risk protection for such crops. Upon the enactment of such Act, producers who made timely purchases of a crop insurance policy before the date of the enactment of such Act, under the provisions then in effect, shall be eligible for the same benefits to which a producer would be entitled under comparable buy-up coverage under subsection (c).

“(c) COVERAGE LEVELS GREATER THAN CATASTROPHIC RISK PROTECTION.—

“(1) BUY-UP COVERAGE GENERALLY.—The Corporation shall offer to producers of agricultural commodities grown in the United States plans of crop insurance providing levels of coverage greater than that available under catastrophic risk protection under subsection (b). Plans of insurance under this subsection shall be known as ‘buy-up coverage’. Producers shall apply to private insurance providers approved by the Corporation for purchase of buy-up coverage if such coverage is available from private insurance providers. If buy-up coverage is unavailable privately, the Corporation may offer buy-up coverage plans of insurance directly to producers. If a producer applies for catastrophic risk protection at an office of the Department of Agriculture but then elects to purchase buy-up coverage under this subsection, the insurance file for that producer shall be transferred to the approved private insurance provider servicing the buy-up coverage policy.

“(2) ADMINISTRATIVE FEE.—

“(A) FEE REQUIRED.—If a producer elects to purchase buy-up coverage for a crop at a level less than 65 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage, the producer shall pay an administrative fee for such buy-up coverage. Subsection (b)(5)

shall apply in determining the amount and use of the administrative fee or in determining whether to waive the administrative fee.

"(B) EXCEPTION.—If a producer elects to purchase buy-up coverage for a crop equal to 65 percent or more of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage, the producer shall not be subject to the administrative fee required by this paragraph or subsection (b)(5). If the producer has already paid the administrative fee for a lower level of coverage for that crop, the administrative fee shall be refunded to the producer unless the refund would reduce to less than \$100 the total amount of the administrative fee paid by the producer for more than 2 crops in the same county for which a lower level of coverage is obtained.

"(3) YIELD AND LOSS BASIS.—Producers shall have the option of purchasing buy-up coverage based on either an individual yield and loss basis or on an area yield and loss basis, as described in subsection (g), when both options are offered by the Corporation.

"(4) YIELD ELECTIONS.—Yield coverage shall be made available to the producer on the basis of any yield election that equals or is less than 85 percent of the individual yield or 95 percent of the area yield, as determined by the Corporation.

"(5) PRICE LEVELS.—

"(A) IN GENERAL.—The Corporation shall establish a price level for each commodity on which buy-up coverage is offered that—

"(i) shall not be less than the expected market price for the commodity, as determined by the Corporation; or

"(ii) at the discretion of the Corporation, may be based on the actual market price at the time of harvest, as determined by the Corporation.

"(B) SPECIAL RULE FOR MALTING BARLEY.—For malting barley covered by a contract between a producer and a processor, the Corporation may offer a plan of insurance that allows the producer to select the contract price as the price election if—

"(i) the contract is definite as to the quantity and the price;

"(ii) the producer submits a copy of the contract with the application for insurance prior to the sales closing date for the crop;

"(iii) coverage does not exceed the quantity contained in the contract;

"(iv) the contracted quantity does not exceed the production guarantee;

"(v) the contract is usual and customary in form and content for the area;

"(vi) the processor is completely independent from the producer; and

"(vii) the processor does not have an insurable interest in the crop.

"(6) PRICE ELECTIONS.—Subject to paragraph (10), insurance coverage shall be made available to the producer on the basis of any price election that equals or is less than that established by the Board.

"(7) LEVEL OF COVERAGE.—Not later than the beginning of the 1996 crop year, the level of coverage shall be quoted in terms of dollars per acre.

"(8) REDUCTION IN ACTUAL PAYMENT.—The amount paid to a producer on a claim under buy-up coverage may reflect a reduction that is proportional to the out-of-pocket expenses that are not incurred by the producer as a result of not planting, growing, or harvesting the crop for which the claim is made, as determined by the Corporation.

"(9) FIRE AND HAIL COVERAGE.—For levels of buy-up coverage equal to 65 percent or more of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage, the producer may elect to delete from the buy-up coverage

any coverage against damage caused by fire and hail if the producer obtains an equivalent or greater dollar amount of coverage for damage caused by fire and hail from a private insurance provider. Upon written notice of such election to the company issuing the policy providing buy-up coverage and submission of evidence of substitute coverage on the commodity insured, the producer's premium shall be reduced by an amount determined by the Corporation to be actuarially appropriate, taking into account the actuarial value of the remaining coverage provided by the Corporation. In no event shall the producer be given credit for an amount of premium determined to be greater than the actuarial value of the protection against losses caused by fire and hail that is included in the buy-up coverage for the crop.

"(10) LIMITATIONS ON BUY-UP COVERAGE.—The Board may limit the availability of buy-up coverage under this subsection in any county or area, or on any farm, on the basis of the insurance risk involved. The Board shall not offer buy-up coverage equal to less than 50 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage.

"(d) PREMIUMS.—

"(1) PREMIUMS REQUIRED.—The Corporation shall fix adequate premiums for all its plans of insurance at such rates as the Board deems actuarially sufficient to attain an expected loss ratio of not greater than 1.1.

"(2) PREMIUM AMOUNTS.—The premium amounts for catastrophic risk protection under subsection (b) and buy-up coverage under subsection (c) shall be fixed as follows:

"(A) In the case of catastrophic risk protection, the amount of the premium shall be sufficient to cover anticipated losses and a reasonable reserve.

"(B) In the case of buy-up coverage below 65 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage, but greater than 50 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage, the amount of the premium shall—

"(i) be sufficient to cover anticipated losses and a reasonable reserve; and

"(ii) include an amount for operating and administrative expenses, as determined by the Corporation, that is less than the amount established for coverage at 65 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage.

"(C) In the case of buy-up coverage equal to or greater than 65 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage, the amount of the premium shall—

"(i) be sufficient to cover anticipated losses and a reasonable reserve; and

"(ii) include an amount for operating and administrative expenses, as determined by the Corporation, on an industry-wide basis as a percent of the amount of the premium used to define loss ratio under section 502.

"(3) PREMIUM REDUCTION.—If a private insurance provider determines that it may provide insurance more efficiently than the expense reimbursement amount established by the Corporation, the private insurance provider may reduce, subject to the approval of the Corporation, the premium charged the insured by an amount corresponding to such efficiency. The private insurance provider shall apply to the Corporation for authority to reduce the premium before making such a reduction, and the reduction shall be subject to the rules, limitations, and procedures established by the Corporation.

"(e) PAYMENT OF PORTION OF PREMIUM BY CORPORATION.—

"(1) IN GENERAL.—For the purpose of encouraging the broadest possible participation of producers in the catastrophic risk protection provided under subsection (b) and the buy-up coverage provided under subsection (c), the Corporation shall pay a part of the premium in the amounts provided in this subsection.

"(2) AMOUNT OF PAYMENT.—The amount of the premium to be paid by the Corporation shall be as follows:

"(A) In the case of catastrophic risk protection, the amount shall be equivalent to the premium established for catastrophic risk protection under subsection (d)(2)(A).

"(B) In the case of coverage below 65 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage, but greater than 50 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage, the amount shall be equivalent to the amount of premium established for catastrophic risk protection coverage and the amount of operating and administrative expenses established under subsection (d)(2)(B).

"(C) In the case of coverage equal to or greater than 65 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage, on an individual or area basis, the amount shall be equivalent to an amount equal to the premium established for 50 percent loss in yield indemnified at 75 percent of the expected market price and the amount of operating and administrative expenses established under subsection (d)(2)(C).

"(3) STATE SUBSIDY AUTHORIZED.—The Board may enter into agreements with any State or agency of a State under which the State or agency may pay to the approved insurance provider an additional premium subsidy to further reduce the portion of the premium paid by producers in the State.

"(f) ELIGIBILITY REQUIREMENTS.—

"(1) PERSONS ELIGIBLE.—Except as otherwise provided in this title, no producer may be denied insurance under this section if the producer meets the definition of person, as defined by the Secretary. In the case of plans of insurance under this title other than catastrophic risk protection, the definition of person shall include a producer who is over 18 years of age or older and has a bona fide insurable interest in a crop as an owner, owner-operator, landlord, tenant, or sharecropper.

"(2) SALES CLOSING DATE.—A producer who desires to obtain catastrophic risk protection under subsection (b) or buy-up coverage under subsection (c) for a crop shall submit an application by the sales closing date for the crop. The Corporation shall establish sales closing dates to maximize convenience to producers in obtaining benefits under commodity price support and production adjustment programs of the Department whenever feasible; except that, in establishing such dates, the Corporation shall ensure that the goal of actuarial soundness for the crop insurance program under this title is met.

"(3) RECORDS AND REPORTING.—To obtain catastrophic risk protection under subsection (b) or buy-up coverage under subsection (c), a producer shall—

"(A) provide, to the extent required by the Corporation, records acceptable to the Corporation of historical acreage and production of the crops for which the insurance is sought or accept a yield determined by the Corporation; and

"(B) report acreage planted and prevented from planting by the designated acreage reporting date for that crop and location as established by the Corporation.

"(4) LIMITATION ON MULTIPLE BENEFITS FOR SAME LOSS.—If a producer who is eligible to receive benefits under catastrophic risk protection

under subsection (b) or noninsured crop disaster assistance under section 519 is also eligible to receive assistance for the same loss under any other program administered by the Secretary, the producer shall be required to elect whether to receive benefits under this title or under such other program, but not both. A producer who purchases buy-up coverage under subsection (c) may also receive assistance for the same loss under other programs administered by the Secretary, except that the amount received for the loss under the buy-up coverage together with the amount received under such other programs may not exceed the amount of the producer's actual loss.

"(g) YIELD COVERAGE DETERMINATIONS.—

"(1) IN GENERAL.—The Corporation shall implement crop insurance underwriting rules that ensure that yield coverage, as specified in this subsection, is provided to eligible producers obtaining catastrophic risk protection under subsection (b) or buy-up coverage under subsection (c).

"(2) INDIVIDUAL YIELD BASIS.—

"(A) ACTUAL PRODUCTION HISTORY.—The Corporation shall determine yield coverage using the producer's actual production history over a period of not less than the 4 previous consecutive crop years and not more than 10 consecutive crop years. Subject to subparagraph (B), the yield for insurance purposes for the year for which insurance is sought shall be equal to the average of the producer's actual production history during the period considered.

"(B) ASSIGNMENT OF YIELD.—Except as provided in subparagraphs (C) and (D), if a producer does not submit adequate documentation of production history to determine crop yield under subparagraph (A), the Corporation shall assign to the producer a yield equal to not less than 65 percent of the transitional yield of the producer (adjusted to reflect actual production reflected in the records acceptable to the Corporation for continuous years), as specified in regulations issued by the Corporation based on production history requirements.

"(C) PILOT PROGRAM OF ASSIGNED YIELDS FOR NEW PRODUCERS.—

"(i) PROGRAM REQUIRED.—For each of the 1995 and 1996 crop years, the Corporation shall carry out a pilot program to assign to eligible new producers higher assigned yields than would otherwise be assigned to such producers under subparagraph (B). The Corporation shall include in the pilot program 30 counties that are determined by the Corporation to be adequate to provide a comprehensive evaluation of the feasibility, effectiveness, and demand among new producers for increased assigned yields.

"(ii) INCREASED ASSIGNED YIELDS.—In the case of an eligible new producer participating in the pilot program, the Corporation shall assign to the new producer a yield equal to not less than 110 percent of the transitional yield otherwise established by the Corporation.

"(iii) ELIGIBLE NEW PRODUCER.—The Secretary shall establish a definition of new producer for purposes of determining eligibility to participate in the pilot program.

"(D) ALTERNATIVE ASSIGNED YIELDS FOR PRODUCERS OF FEED OR FORAGE.—

"(i) FEED OR FORAGE YIELDS.—For the first crop year for which an eligible producer described in clause (ii) obtains catastrophic risk protection under subsection (b) or buy-up coverage under subsection (c) for a feed or forage crop, the Corporation shall assign to the producer a yield equal to not less than 80 percent of the transitional yield established by the Corporation (adjusted to reflect the actual production history of the producer) if the producer does not provide satisfactory evidence of the yield under subparagraph (A). For not more than three additional years, the Corporation

shall provide the producer with a yield based on the greater of—

"(I) the producer's actual production history for the preceding year (or years if available); and

"(II) the assigned yield determined under this clause.

"(ii) ELIGIBLE PRODUCERS.—An eligible producer referred to in clause (i) is a producer that, as determined by the Secretary—

"(I) grows the insured feed or forage crop primarily for on-farm use in a livestock, dairy, or poultry operation; and

"(II) derives over 50 percent of the producer's gross farm income from the livestock, dairy, or poultry operation.

"(iii) TERMINATION OF AUTHORITY.—The authority provided by this subparagraph shall apply only during the 1995 through 1998 crop years.

"(3) AREA YIELD BASIS.—The Corporation may offer a crop insurance plan based on an area yield that allows an insured producer to qualify for an indemnity if a loss occurs in an area, as specified by the Corporation, in which the farm of the producer is located. Under an area yield plan, an insured producer shall be allowed to select the level of area production at which an indemnity will be paid consistent with the terms and conditions established by the Corporation.

"(4) COMMODITY-BY-COMMODITY BASIS.—A producer may choose between either individual yield or area yield coverage, where available, on a commodity-by-commodity basis."

(b) CONFORMING AMENDMENTS.—

(1) REPEAL OF EXISTING CROP INSURANCE YIELD COVERAGE.—Section 508A of the Federal Crop Insurance Act (7 U.S.C. 1508A) is repealed.

(2) PREEMPTION.—Section 511 of such Act (7 U.S.C. 1511) is amended by adding the following sentence: "The Corporation's contracts of insurance and the contracts of insurance reinsured by the Corporation shall be exempt from taxation imposed on any State, municipality, or local taxing authority."

(3) PERSONS UNDER 21 YEARS OF AGE.—Section 520 of such Act (7 U.S.C. 1520) is repealed.

SEC. 7. PREPARATION OF POLICIES, CLAIMS, AND REINSURANCE.

(a) SUBMISSION OF POLICIES.—Subsection (h) of section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508), as redesignated by section 6(a)(2), is amended—

(1) in paragraph (1), by striking "subsection (a)" and inserting "subsection (c)"; and

(2) by striking paragraphs (2), (3), and (4) and inserting the following new paragraphs:

"(2) SUBMISSION OF POLICIES.—A policy or other material submitted to the Board under this subsection may be prepared without regard to the limitations contained in this title, including the requirements concerning the levels of coverage and rates and the requirement that a price level for each commodity insured must equal the expected market price for the commodity as established by the Board. In the case of such a policy, the payment by the Corporation of a portion of the premium of the policy may not exceed the amount that would otherwise be authorized under subsection (e).

"(3) REVIEW AND APPROVAL BY THE BOARD.—A policy or other material submitted to the Board under this subsection shall be reviewed by the Board and, if the Board finds that the interests of producers are adequately protected and that any premiums charged to such producers are actuarially appropriate, shall be approved by the Board for reinsurance and for sale to producers as an additional choice at actuarially appropriate rates and under appropriate terms and conditions. The Corporation may enter into more than one reinsurance agreement with the private insurance provider simultaneously to facilitate the offering of such new policies.

"(4) GUIDELINES FOR SUBMISSION AND REVIEW.—The Corporation shall issue regulations to establish guidelines for the submission and Board review of policies or other material submitted to the Board under this subsection. At a minimum, the guidelines shall ensure the following:

"(A) Proposals submitted to the Board under this subsection shall be considered as confidential commercial or financial information for purposes of section 552(b)(4) of title 5, United States Code, until approved by the Board. Proposals disapproved by the Board shall remain confidential commercial or financial information.

"(B) The Board shall provide an applicant with the opportunity to present the proposal to the Board in person if the applicant so desires.

"(C) The Board shall provide an applicant with notification of intent to disapprove a proposal not later than 30 days prior to taking such action. An applicant that receives such notification may modify such application, and such modification shall be considered an original application for purposes of this paragraph.

"(D) Specific guidelines shall deal with the timing of submission of proposals under this subsection and timely consideration by the Board so that any approved proposal may be made available to all persons reinsured by the Corporation in a manner permitting them to participate, if they so desire, in offering such a proposal in the first crop year in which it is approved by the Board for reinsurance, premium subsidy, or other support offered by this title.

"(5) REQUIRED PUBLICATION.—Any policies, provisions of policies, and rates approved under this subsection shall be published as a notice in the Federal Register and made available to all persons contracting with or reinsured by the Corporation under the same terms and conditions as between the Corporation and the person originally submitting the policy or other material."

(b) CLAIMS FOR LOSSES AND REINSURANCE.—Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is further amended—

(1) by redesignating subsections (j) and (k) as subsections (l) and (m), respectively; and
(2) inserting after subsection (i), as redesignated by section 6(a)(2), the following new subsections:

"(j) CLAIMS FOR LOSSES.—

"(1) IN GENERAL.—Under rules prescribed by the Corporation, the Corporation may provide for adjustment and payment of claims for losses. The rules prescribed by the Corporation shall establish standards to ensure that all claims for losses are adjusted, to the extent practicable, in a uniform and timely manner.

"(2) DENIAL OF CLAIMS.—

"(A) IN GENERAL.—Subject to subparagraph (B), if a claim for indemnity is denied by the Corporation or by the private insurance provider, an action on the claim may be brought against the Corporation or Secretary or the insurance provider only in the United States district court for the district in which the insured farm is located.

"(B) STATUTE OF LIMITATIONS.—A suit on the claim may be brought not later than 1 year after the date on which written notice of denial of the claim is provided to the claimant.

"(3) INDEMNIFICATION.—The Corporation shall provide private insurance providers with indemnification, including costs and reasonable attorney fees incurred by the private insurance provider, due to errors or omissions on the part of the Corporation.

"(k) REINSURANCE.—Notwithstanding any other provision of this title, the Corporation shall, to the maximum extent practicable, provide reinsurance to insurers approved by the Corporation that insure producers of any agricultural commodity under a plan or plans acceptable to the Corporation. Such reinsurance

shall be provided upon such terms and conditions as the Board may determine to be consistent with subsections (b) and (c) and sound reinsurance principles. The Corporation's reinsurance agreements with the reinsured companies shall require the reinsured companies to bear a sufficient share of any potential loss under such agreement so as to ensure that the reinsured company will sell and service policies of insurance in a sound and prudent manner, taking into consideration the financial condition of the reinsured companies and the availability of private reinsurance."

(c) CROSS REFERENCES.—

(1) CLAIMS FOR LOSSES.—Section 506(d) of the Federal Crop Insurance Act (7 U.S.C. 1506(d)) is amended in the first sentence by striking "section 508(f)" and inserting "section 508(j)".

(2) SUBMISSION OF MATERIALS TO BOARD.—Section 507(c) of such Act (7 U.S.C. 1507(c)) is amended in the last sentence by striking "section 508(b)" and inserting "section 508(h)".

(3) DEFINITION OF AGRICULTURAL COMMODITY.—Section 518 of such Act (7 U.S.C. 1518) is amended by striking "or (k)" and inserting "or (m)".

SEC. 8. AUTHORIZATION OF APPROPRIATIONS AND CROP INSURANCE FUND.

Section 516 of the Federal Crop Insurance Act (7 U.S.C. 1516) is amended to read as follows:

"SEC. 516. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS FOR CORPORATION SALARIES AND AGENT COMMISSIONS.—There are hereby authorized to be appropriated such sums as are necessary to cover the salaries and administrative expenses of the Corporation and the administrative and operating expenses of the Corporation for the sales commissions of agents.

"(b) CROP INSURANCE FUND.—

"(1) ESTABLISHMENT.—There is hereby established an insurance fund for deposit of premiums collected under section 508(d), income from reinsurance operations, and appropriations made available under paragraph (2).

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of the insurance fund.

"(c) PURPOSES OF INSURANCE FUND.—In such aggregate amount as is provided in advance in appropriations Acts, the Corporation may use amounts in the insurance fund to pay the following:

"(1) Beginning with the 1996 crop year, the administrative and operating expenses of approved insurance providers, other than expenses for which funds are authorized to be appropriated under subsection (a).

"(2) All other expenses of the Corporation (other than expenses for which funds are authorized to be appropriated under subsection (a)), including all premium subsidies and indemnities.

"(3) For the 1995 crop year, all administrative and expense reimbursements due under a reinsurance agreement with an approved private insurance provider.

"(4) Expenses incurred by the Corporation to carry out research and development.

"(5) For the 1996 crop year, the administrative and operating expenses of the Corporation for the sales commissions of agents, but not to exceed an amount equal to 10.5 percent of the total amount of premiums paid by producers for insurance policies for the 1996 crop year."

SEC. 9. ADVISORY COMMITTEE.

The Federal Crop Insurance Act is amended by inserting after section 514 (7 U.S.C. 1514) the following new section:

"SEC. 515. ADVISORY COMMITTEE FOR FEDERAL CROP INSURANCE.

"(a) ESTABLISHMENT AND TERMINATION.—The Secretary may establish within the Department

of Agriculture an advisory committee to be known as the advisory committee for Federal Crop Insurance. If established, the Advisory Committee shall remain in existence until September 30, 1998.

"(b) PRIMARY RESPONSIBILITY.—The primary responsibility of the Advisory Committee shall be to advise the Secretary on the implementation of this title and on other issues related to crop insurance, as determined by the Manager.

"(c) MEMBERSHIP.—The Advisory Committee shall be composed of the Manager of the Corporation, the Secretary (or a designee of the Secretary), and not less than 12 members representing organizations and agencies involved in the provision of crop insurance under this title. Not less than 3 of the members of the Advisory Committee shall be representatives of the specialty crops industry. The organizations or agencies represented by members on the Advisory Committee may include insurance companies, insurance agents, farm producer organizations, experts on agronomic practices, and banking and lending institutions.

"(d) ADMINISTRATIVE PROVISIONS.—

"(1) TERMS.—Members of the Advisory Committee shall be appointed by the Secretary for a term of up to 2 years from nominations made by the organizations and agencies specified in subsection (c). The terms of the members shall be staggered.

"(2) CHAIRPERSON.—The Advisory Committee shall be chaired by the Manager of the Corporation.

"(3) MEETINGS.—The Advisory Committee shall meet at least annually. The meetings of the Advisory Committee shall be publicly announced in advance and shall be open to the public. Appropriate records of the activities of the Advisory Committee shall be kept and made available to the public on request.

"(e) REPORTS.—Not later than June 30 of each year, the Advisory Committee shall submit to the Secretary a report specifying its conclusions and recommendations regarding—

"(1) the progress toward implementation of the provisions of this title;

"(2) the actuarial soundness of the Federal crop insurance program;

"(3) the rate of producer participation in both catastrophic risk protection under section 508(b) and buy-up coverage under section 508(c); and

"(4) the progress toward improved crop insurance coverage for new and specialty crops."

SEC. 10. NONINSURED CROP DISASTER ASSISTANCE.

(a) IN GENERAL.—Section 519 of the Federal Crop Insurance Act (7 U.S.C. 1519) is amended to read as follows:

"SEC. 519. NONINSURED CROP DISASTER ASSISTANCE PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—

"(1) ESTABLISHMENT.—In the case of an eligible crop described in paragraph (2), the Corporation shall establish a noninsured crop disaster assistance program to provide coverage equivalent to the catastrophic risk protection otherwise available under section 508(b).

"(2) ELIGIBLE CROPS.—

"(A) IN GENERAL.—For purposes of this section, the term 'eligible crop' means each commercial crop or other agricultural commodity (except livestock)—

"(i) for which catastrophic risk protection under section 508(b) is not available; and

"(ii) which is produced for food, fiber, or as an industrial crop (as defined by the Corporation).

"(B) CROPS SPECIFICALLY INCLUDED.—The term 'eligible crop' shall include floricultural, ornamental nursery, and Christmas tree crops and turfgrass sod.

"(3) CAUSE OF LOSS.—To qualify for assistance under this section, the losses of the non-

insured commodity shall be due to drought, flood, or other natural disaster, as determined by the Secretary.

"(b) APPLICATION FOR NONINSURED CROP DISASTER ASSISTANCE.—

"(1) TIMELY APPLICATION.—To be eligible for assistance under this section, producers shall submit an application for noninsured crop disaster assistance at a local office of the Department of Agriculture. The application shall be in such form, contain such information, and be submitted at such time as the Corporation may require.

"(2) RECORDS AND REPORTS.—To obtain noninsured crop disaster assistance, a producer shall—

"(A) provide records acceptable to the Corporation of historical acreage and production of the eligible crops for which assistance is sought or accept a yield determined by the Corporation; and

"(B) report acreage planted and prevented from planting by the designated acreage reporting date for that crop and location as established by the Corporation.

"(3) EXCLUSIONS.—Noninsured crop disaster assistance under this section shall not cover losses due to—

"(A) the neglect or malfeasance of the producer;

"(B) the failure of the producer to reseed to the same crop in those areas and under such circumstances where it is customary to reseed; or

"(C) the failure of the producer to follow good farming practices, as determined by the Corporation.

"(4) REVENUE LIMITATION.—A person who has qualifying gross revenues in excess of \$2,000,000 annually, as determined by the Secretary, shall not be eligible to receive any noninsured crop disaster assistance payments. For purposes of this section, the term 'qualifying gross revenues' means—

"(A) if a majority of the person's gross revenue is received from farming, ranching, and forestry operations, the gross revenue from the person's farming, ranching, and forestry operations; and

"(B) if less than a majority of the person's gross revenue is received from farming, ranching, and forestry operations, the person's gross revenue from all sources.

"(c) LOSS REQUIREMENTS.—

"(1) REQUIRED AREA LOSS.—A producer of an eligible crop shall not receive noninsured crop disaster assistance unless the average yield for that crop, or an equivalent measure in the event yield data are not available, in an area falls below 65 percent of the expected area yield, as established by the Corporation.

"(2) PREVENTED PLANTING.—Subject to paragraph (1), the Corporation shall make a prevented planting noninsured crop disaster assistance payment if the producer is prevented from planting more than 35 percent of the acreage intended for the eligible crop because of drought, flood, or other natural disaster, as determined by the Secretary.

"(3) REDUCED YIELDS.—Subject to paragraph (1), the Corporation shall make a reduced yield noninsured crop disaster assistance payment if the total quantity of the eligible crop that a producer is able to harvest on any farm is, because of drought, flood, or other natural disaster as determined by the Secretary, less than 50 percent of the expected individual yield for the crop, as determined by the Corporation, factored for the producer's interest for the crop.

"(d) PAYMENTS.—

"(1) REDUCED YIELDS.—If the producer is eligible for reduced yield noninsured crop disaster assistance, payments shall be made for farm losses in excess of 50 percent of the established farm yield for the eligible crop indemnified at 60

percent of the average market price for that crop, or a comparable coverage as determined by the Corporation. Any eligible crop that is produced with significant and variable, post-planting expenses, the payment shall be reduced to reflect reduced production costs and harvesting costs if the crop is not harvested.

"(2) PREVENTED PLANTING.—If the producer is eligible for a prevented planting payment under this section, the amount paid to the producer on a claim under this section may reflect a reduction that is proportional to the out-of-pocket expenses that are not incurred by the producer as a result of not planting, growing, or harvesting the crop for which the claim is made, as determined by the Corporation.

"(e) YIELD DETERMINATIONS.—

"(1) ESTABLISHMENT.—The Corporation shall establish farm yields for purposes of providing noninsured crop disaster assistance under this section.

"(2) ACTUAL PRODUCTION HISTORY.—The Corporation shall determine yield coverage using the producer's actual production history over a period of not less than the 4 previous consecutive crop years and not more than 10 consecutive crop years. Subject to paragraph (3), the yield for the year in which noninsured crop disaster assistance is sought shall be equal to the average of the producer's actual production history during the period considered.

"(3) ASSIGNMENT OF YIELD.—If a producer does not submit adequate documentation of production history to determine a crop yield under paragraph (2), the Corporation shall assign to the producer a yield equal to not less than 65 percent of the transitional yield of the producer (adjusted to reflect actual production reflected in the records acceptable to the Corporation for continuous years), as specified in regulations issued by the Corporation based on production history requirements.

"(f) PAYMENT OF LOSSES.—Payments for noninsured crop disaster assistance losses under this section shall be made from the insurance fund established under section 516. Such losses shall not be included in calculating the premiums charged to producers for insurance under section 508.

"(g) PAYMENT LIMITATIONS.—The total amount of payments that a person shall be entitled to receive annually under this section may not exceed \$100,000. For purposes of applying this limitation, the Secretary shall issue regulations defining the term 'person' that shall conform, to the extent practicable, to the regulations defining 'person' issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308)."

(b) CONFORMING AMENDMENTS.—

(1) EXISTING EMERGENCY CROP LOSS ASSISTANCE PROGRAM.—Effective July 1, 1995, chapter 3 of subtitle B of title XXII of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421 note) is amended by striking subchapter A.

(2) EMERGENCY APPROPRIATIONS.—Effective July 1, 1995, the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(A) in section 251(b)(2)(D)(i) (2 U.S.C. 901(b)(2)(D)(i)), by adding at the end the following new sentence: "The preceding sentence shall not apply to appropriations to cover agricultural crop disaster assistance."; and

(B) in section 252(e) (2 U.S.C. 902(e)), by adding at the end the following new sentence: "The preceding sentence shall not apply to direct spending provisions to cover agricultural crop disaster assistance."

SEC. 11. CROP INSURANCE REQUIREMENTS UNDER PRICE SUPPORT PROGRAMS.

(a) RICE.—Section 101B(c) of the Agricultural Act of 1949 (7 U.S.C. 1441-2(c)) is amended—

(1) by striking paragraph (1)(F); and

(2) by striking paragraph (2) and inserting in lieu thereof the following:

"(2) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such coverage is offered by the Federal Crop Insurance Corporation."

(b) EXTRA LONG STAPLE COTTON.—Section 103(h) of the Agricultural Act of 1949 (7 U.S.C. 1444(h)) is amended—

(1) by redesignating paragraph (16) as paragraph (17) and moving the margin 2 ems to the left; and

(2) by inserting after paragraph (15) the following new paragraph:

"(16) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such coverage is offered by the Federal Crop Insurance Corporation."

(c) UPLAND COTTON.—Section 103B(c) of the Agricultural Act of 1949 (7 U.S.C. 1444-2(c)) is amended—

(1) by striking paragraph (1)(F); and

(2) by striking paragraph (2) and inserting in lieu thereof the following:

"(2) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such coverage is offered by the Federal Crop Insurance Corporation."

(d) FEED GRAINS.—Section 105B(c) of the Agricultural Act of 1949 (7 U.S.C. 1444(f)) is amended—

(1) by striking paragraph (1)(G); and

(2) by striking paragraph (2) and inserting in lieu thereof the following:

"(2) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such coverage is offered by the Federal Crop Insurance Corporation."

(e) TOBACCO.—Section 106 of the Agricultural Act of 1949 (7 U.S.C. 1445) is amended by striking subsection (e) and inserting in lieu thereof the following:

"(e) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such coverage is offered by the Federal Crop Insurance Corporation."

(f) WHEAT.—Section 107B(c) of the Agricultural Act of 1949 (7 U.S.C. 1444b-3a(c)) is amended—

(1) by striking paragraph (1)(G); and

(2) by striking paragraph (2) and inserting in lieu thereof the following:

"(2) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such

coverage is offered by the Federal Crop Insurance Corporation."

(g) PEANUTS.—Section 108B of the Agricultural Act of 1949 (7 U.S.C. 1445c-3) is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection:

"(h) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such coverage is offered by the Federal Crop Insurance Corporation."

(h) OILSEEDS.—Section 205 of the Agricultural Act of 1949 (7 U.S.C. 1446f) is amended—

(1) by redesignating subsection (n) as subsection (o); and

(2) by inserting after subsection (m) the following new subsection:

"(n) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such coverage is offered by the Federal Crop Insurance Corporation."

(i) SUGAR.—Section 206 of the Agricultural Act of 1949 (7 U.S.C. 1446g) is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection:

"(j) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such coverage is offered by the Federal Crop Insurance Corporation."

(j) HONEY.—Section 207 of the Agricultural Act of 1949 (7 U.S.C. 1446h) is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection:

"(j) CROP INSURANCE REQUIREMENT.—As a condition of receiving any benefit (including payments) under this section, a producer must obtain at least catastrophic risk protection insurance coverage under section 508(b) of the Federal Crop Insurance Act for the crop and crop year in which the benefit is sought, if such coverage is offered by the Federal Crop Insurance Corporation."

(k) DISASTER PAYMENTS.—Section 208 of the Agricultural Act of 1949 (7 U.S.C. 1446i) is repealed.

SEC. 12. ELIMINATION OF GENDER REFERENCES.

(a) MANAGEMENT OF CORPORATION.—Section 505 of the Federal Crop Insurance Act (7 U.S.C. 1505) is amended—

(1) in subsection (a), by striking the third sentence and inserting "The Board shall be appointed by, and hold office at the pleasure of, the Secretary. The Secretary shall not be a member of the Board."; and

(2) in subsection (d)—

(A) by striking "upon him"; and

(B) by striking "He shall be appointed by," and inserting "The manager shall be appointed by,".

(b) PERSONNEL.—Section 507 of such Act (7 U.S.C. 1507) is amended—

(1) in subsection (a), by striking "as he may determine: Provided, That" and inserting "as the Secretary may determine appropriate. However,"; and

(2) in subsection (d), by striking "as he may request" and inserting "that the Secretary requests".

(c) **INDEMNITIES EXEMPT FROM LEVY.**—Section 509 of such Act (7 U.S.C. 1509) is amended by striking "or his estate" and inserting "or the estate of the insured".

SEC. 13. PREVENTED PLANTING.

(a) **IN GENERAL.**—Effective for the 1994 crop year, a producer described in subsection (b) shall receive compensation under the prevented planting coverage policy provision described in subsection (b)(1) by—

(1) obtaining from the Secretary of Agriculture the applicable amount that is payable under the conservation use program described in subsection (b)(4); and

(2) obtaining from the Federal Crop Insurance Corporation the amount that is equal to the difference between—

(A) the amount that is payable under the conservation use program; and

(B) the amount that is payable under the prevented planting coverage policy.

(b) **ELIGIBLE PRODUCERS.**—Subsection (a) shall apply to a producer who—

(1) purchased a prevented planting policy for the 1994 crop year from the Federal Crop Insurance Corporation prior to the spring sales closing date for the 1994 crop year;

(2) is unable to plant a crop due to major, widespread flooding in the Midwest, or excessive ground moisture, that occurred prior to the spring sales closing date for the 1994 crop year;

(3) had a reasonable expectation of planting a crop on the prevented planting acreage for the 1994 crop year; and

(4) participates in a conservation use program established for the 1994 crop of wheat, feed grains, upland cotton, or rice established under section 107B(c)(1)(E), 105B(c)(1)(E), 103B(c)(1)(D), or 101B(c)(1)(D), respectively, of the Agricultural Act of 1949 (7 U.S.C. 1445b-3a(c)(1)(E), 1444f(c)(1)(E), 1444-2(c)(1)(D), or 1441-2(c)(1)(D)).

(c) **OLSEED PREVENTED PLANTING PAYMENTS.**—

(1) **IN GENERAL.**—Effective for the 1994 crop year, a producer of a crop of oilseeds (as defined in section 205(a) of the Agricultural Act of 1949 (7 U.S.C. 1446j(a))) shall receive a prevented planting payment for the crop if the requirements of paragraphs (1), (2), and (3) of subsection (b) are satisfied.

(2) **SOURCE OF PAYMENT.**—The total amount of payments required under this subsection shall be made by the Federal Crop Insurance Corporation.

(d) **PAYMENT.**—A payment under this section may not be made before October 1, 1994.

SEC. 14. EFFECTIVE DATE.

Except as provided in section 10(b) and section 13, this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act and shall apply to the provision of crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) beginning with the 1995 crop year. With respect to the 1994 crop year, the Federal Crop Insurance Act (as in effect on the day before the date of the enactment of this Act) shall continue to apply.

The CHAIRMAN. Before consideration of any other amendment, it shall be in order to consider the amendments printed in part 2 of the report. Each amendment may be offered only by a Member designated in the report, shall be considered as read, shall be debatable under the terms specified in the report, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in part 2 of House

Report 103-666. For what purpose does the gentleman from Minnesota rise?

PARLIAMENTARY INQUIRY

Mr. PENNY. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PENNY. Mr. Chairman, I have a technical, or I should not call it technical, a modifying amendment to our amendment. In what fashion could that be considered so as not to complicate the debate time on the subsequent amendments?

The CHAIRMAN. The gentleman should offer his amendment first and then ask for the modification.

AMENDMENT OFFERED BY MR. PENNY

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. PENNY: Page 46, line 4, insert after "operations," the following: "all other amounts collected by or on behalf of the Corporation."

Page 46, strike lines 10 through 12 and insert the following:

"(c) **EXPENDITURES FROM INSURANCE FUND.**—In such aggregate amount as provided in advance in appropriation Acts, the Corporation may use amounts in the insurance fund to pay the following:

Page 11, strike lines 8 through 11 and insert the following new paragraph:

(2) in subsection (c), by striking "in which case the agent or broker" in the first sentence and all that follows through the period at the end of the second sentence and inserting the following: "except that the reimbursement rate established by the Board for such agents and brokers may not exceed 30 percent of the premium for each new sale and may not exceed 28 percent of the premium for the renewal of an insurance policy for a successive term."

Page 17, line 12, strike "indemnified at 60 percent" and insert "indemnified at 56 percent".

Page 18, strike line 7 and all that follows through line 7 on page 21, and insert the following new paragraph:

"(4) **APPLICATION.**—To participate in catastrophic risk protection, producers shall submit an application at the local office of the Department of Agriculture or to a private insurance provider approved by the Corporation.

Page 21, line 13, strike "\$100 per producer per county." and insert "\$200 per producer per county up to a maximum of \$600 per producer for all counties in which a producer has insured crops."

Page 21, strike lines 20 through 25 and insert the following new subparagraph:

"(C) **DEPOSIT OF FEES.**—Administrative fees collected by an office of the Department of Agriculture or by a private insurance provider shall be deposited in the crop insurance fund established under section 516(b), to be available to the Corporation in such amounts as provided in advance in appropriation Acts.

Page 24, strike line 11 and all that follows through line 11 on page 25 and insert the following new paragraph:

"(2) **ADMINISTRATIVE FEE REQUIRED.**—If a producer elects to purchase buy-up coverage for a crop, the producer shall pay an admin-

istrative fee for such buy-up coverage. Subsection (b)(5) shall apply in determining the amount and use of the administrative fee or in determining whether to waive the administrative fee. If the producer has already paid the administrative fee for catastrophic risk protection for the same crop, the producer shall not be required to pay an additional administrative fee for buy-up coverage for that crop.

Page 31, after line 4, add the following new paragraph:

"(4) **INDIVIDUAL AND AREA CROP INSURANCE COVERAGE.**—The Corporation shall allow approved insurance providers to offer to producers a plan of insurance that combines both individual yield coverage and area yield coverage at a premium rate determined by the provider, subject to the following conditions:

"(A) The individual yield coverage shall be equal to or greater than catastrophic risk protection, as described in subsection (b).

"(B) The combined policy shall include area yield coverage that is offered by the Corporation or similar area coverage, as determined by the Corporation.

"(C) The Corporation shall provide reinsurance on the area yield portion of the combined policy at the request of the provider, except that the provider shall agree to pay to the producer any portion of the area yield and loss indemnity payment received from the Corporation or a commercial reinsurer that exceeds the individual indemnity payment made by the provider to the producer.

"(D) The Corporation shall pay a part of the premium equivalent to—

"(i) the amount authorized under subsection (e)(2) (except provisions regarding operating and administrative expenses); and

"(ii) the amount of operating and administrative expenses authorized by the Corporation for the area yield coverage portion of the combined policy.

"(E) The provider shall provide all underwriting services for the combined policy, including the determination of individual yield coverage premium rates, the terms and conditions of the policy, and the acceptance and classification of applicants into risk categories, subject to subparagraph (F).

"(F) The Corporation shall approve the combined policy unless the Corporation determines that the policy is not actuarially sound or that the interests of producers are not adequately protected."

Page 33, line 22, add after the period the following: "Beginning with the 1995 crop year, the Corporation shall establish for each insurable crop a sales closing date that is 30 days earlier than the corresponding sales closing date that was established for the 1994 crop year."

Page 53, after line 17, insert the following new paragraph:

"(4) **EFFECT OF CONTRACT PAYMENTS.**—A producer who receives a guaranteed payment for production, as opposed to delivery, of a crop pursuant to a contract shall have the production of the producer adjusted upward by an amount equal to the difference between—

"(A) the amount of the production corresponding to the contract payment received; and

"(B) the amount of the production actually delivered by the producer under the contract.

Page 55, after line 12, insert the following new paragraphs:

"(4) **PROHIBITION ON ASSIGNED YIELDS IN CERTAIN COUNTIES.**—If the acreage of a crop in a county has increased by more than 100

percent since the 1987 crop year, a producer who produces that crop on a farm located in that county may not obtain an assigned yield under paragraph (3). Instead, the producer must provide detailed documentation of production costs, acres planted, and yield (as required by the Corporation) to become eligible for a noninsured assistance payment.

"(5) LIMITATION ON RECEIPT OF SUBSEQUENT ASSIGNED YIELD.—A producer who receives an assigned yield for the current year of a natural disaster because required production records were not submitted to the local office of the Department shall not be eligible for an assigned yield for the year of the next natural disaster unless the required production records of the previous 1 or more years (as applicable) are provided to the local office.

"(6) YIELD VARIATIONS DUE TO DIFFERENT FARMING PRACTICES.—The Corporation shall ensure that noninsured crop disaster assistance accurately reflects significant yield variations due to different farming practices, such as between irrigated and nonirrigated acreage.

Page 55, line 18, add after the period the following: "A producer who makes a claim for payment under this section shall be responsible for an administrative fee of \$50, which shall be deducted from the payment made to the producer."

Page 63, strike line 6 and all that follows through line 5 on page 65.

MODIFICATION TO AMENDMENT OFFERED BY MR. PENNY

Mr. PENNY. Mr. Chairman, I offer a modification to the amendment just offered, and I ask unanimous consent for its acceptance.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Mr. PENNY: The amendment is modified by adding at the end the following:

Page 6, line 13, insert the following new paragraph (and redesignate subsequent paragraphs accordingly):

(1) In the matter preceding the paragraphs, by inserting after "1.1," the following: "and on and after October 1, 1998, an overall projected loss ratio of not greater than 1.0;"

Page 29, line 3, insert after "1.1" the following: ", on and after October 1, 1995, and not greater than 1.0, on and after October 1, 1998".

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

There was no objection.

[NOTE: The foregoing modification only adds language at the end of the original amendment, as printed hereinbefore, and the complete amendment, as modified, is, therefore, not reprinted at this point.]

The CHAIRMAN. Pursuant to the rule, the gentleman from Minnesota [Mr. PENNY], will be recognized for 15 minutes, and a Member in opposition will be recognized for 15 minutes.

AMENDMENT OFFERED BY MR. DE LA GARZA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. PENNY, AS MODIFIED

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment as a substitute for the amendment, as modified.

The CHAIRMAN. The Clerk will designate the substitute amendment.

The text of the amendment offered as a substitute for the amendment, as modified, is as follows:

Amendment offered by Mr. DE LA GARZA as a substitute for the amendment offered by Mr. PENNY as modified: Page 31, after line 4, add the following new paragraph:

"(4) INDIVIDUAL AND AREA CROP INSURANCE COVERAGE.—The Corporation shall allow approved insurance providers to offer to producers a plan of insurance that combines both individual yield coverage and area yield coverage at a premium rate determined by the provider, subject to the following conditions:

"(A) The individual yield coverage shall be equal to or greater than catastrophic risk protection, as described in subsection (b).

"(B) The combined policy shall include area yield coverage that is offered by Corporation or similar area coverage, as determined by the Corporation.

"(C) The Corporation shall provide reinsurance on the area yield portion of the combined policy at the request of the provider, except that the provider shall agree to pay to the producer any portion of the area yield and loss indemnity payment received from the Corporation or a commercial reinsurer that exceeds the individual indemnity payment made by the provider to the producer.

"(D) The Corporation shall pay a part of the premium equivalent to—

"(i) the amount authorized under subsection (e)(2) (except provisions regarding operating and administrative expenses); and

"(ii) the amount of operating and administrative expenses authorized by the Corporation for the area yield coverage portion of the combined policy.

"(E) The provider shall provide all underwriting services for the combined policy, including the determination of individual yield coverage premium rates, the terms and conditions of the policy, and the acceptance and classification of applicants into risk categories, subject to subparagraph (F).

"(F) The Corporation shall approve the combined policy unless the Corporation determines that the policy is not actuarially sound or that the interests of producers are not adequately protected."

Page 33, line 22, add after the period the following: "Beginning with the 1995 crop year, the Corporation shall establish for each insurable crop a sales closing date that is 30 days earlier than the corresponding sales closing date that was established for the 1994 crop year."

Page 55, after line 12, insert the following new paragraphs:

"(4) PROHIBITION ON ASSIGNED YIELDS IN CERTAIN COUNTIES.—If the acreage of a crop in a county has increased by more than 100 percent since the 1987 crop year, a producer who produces that crop on a farm located in that county may not obtain an assigned yield under paragraph (3). Instead, the producer must provide detailed documentation of production costs, acres planted, and yield (as required by the Corporation) to become eligible for a noninsured assistance payment.

"(5) LIMITATION ON RECEIPT OF SUBSEQUENT ASSIGNED YIELD.—A producer who receives an assigned yield for the current year of a natural disaster because required production records were not submitted to the local office of the Department shall not be eligible for an assigned yield for the year of the next natural disaster unless the required production records of the previous 1 or more years (as applicable) are provided to the local office.

"(6) YIELD VARIATIONS DUE TO DIFFERENT FARMING PRACTICES.—The Corporation shall ensure that noninsured crop disaster assistance accurately reflects significant yield

variations due to different farming practices, such as between irrigated and nonirrigated acreage.

Page 63, strike line 6 and all that follows through line 5 on page 65.

Page 50, strike lines 9 through 11 and insert the following new clause:

"(1) which is produced for food or fiber.

Page 18, strike line 7 and all that follows through line 7 on page 21, and insert the following new paragraph:

"(4) APPLICATION.—To participate in catastrophic risk protection, producers shall submit an application at the local office of the Department of Agriculture or to a private insurance provider approved by the Corporation.

Page 11, strike lines 8 through 11 and insert the following new paragraph:

(2) in subsection (c), by striking ", in which case the agent or broker" in the first sentence and all that follows through the period at the end of the second sentence and inserting the following: ", except that the rate established by the Board of Reimburse approved insurance providers and agents for their administrative and operating costs shall not exceed, for the 1997 crop year, 29 percent of the premium used to define loss ratio under section 502, and for the 1998 and 1999 crops, such reimbursement rate shall not exceed 28 percent of the premium used to define loss ratio under section 502. Consistent with the provisions of section 506(p), the Board shall provide regulatory relief to such approved insurance providers and agents in an amount proportional to the reduction in the reimbursement rate established by the Board for the 1997, 1998, and 1999 crop years. No action shall be taken which would jeopardize program integrity, enhance opportunities for fraud or abuse, hinder program expansion or diminish quality of service to customers."

Page 21, line 13, strike "\$100 per producer per county." and insert "\$200 per producer per county up to a maximum of \$600 per producer for all counties in which a producer has insured crops."

Page 25, strike lines 8 through 11 and insert the following: "would reduce to less than \$200 the total amount of the administrative fees paid by the producer for 2 or more crops in the same county for which a lower level of coverage is obtained."

On page 65, strike line 6 and insert the following:

SEC. 14. GAO CROP INSURANCE PROVIDER STUDY.

The General Accounting Office shall, within 2 years of enactment, investigate the contractual relationship between the Federal Crop Insurance Corporation and approved insurance providers to determine the quality, costs and efficiency of the provision of multiperil crop insurance to producers of agricultural commodities covered in this Act. The study shall be completed in two parts. The first, to be completed within one year of enactment, shall examine the currently available data to make the determinations required by this section. The second part shall examine the changes that occur because of expansion of the program as participation increases.

This study shall include, but not be limited to, an investigation of providers' actual cost of delivery of multiperil crop insurance for which providers receive reimbursement from the Corporation, cost differences for different provider firm sizes, and changes in cost resulting from expansion of the program. The study shall also compare delivery costs of multiperil crop insurance to other

insurance coverage that the provider may sell and identify any cross-subsidization from federally reimbursed delivery to delivery costs of other insurance coverage.

The study shall assess, to the extent practicable, alternative methods of reimbursing delivery costs to providers. In addition, the study shall identify unnecessary expenditure, if any, required by the Corporation for compliance and program integrity.

In addition, the study shall include, but not be limited to, the provisions of the standard reinsurance agreement between the Corporation and approved providers including the risk transferred to Corporation under the terms of the agreement, the return on providers' capital, a determination of the return on capital relative to differences in provider firm size, and a determination of the return on providers' capital in multiperil crop insurance relative to other insurance coverage.

The study shall assess, to the extent practicable, the potential for provider firm concentration in the multiperil crop insurance industry and any economic distortions that might occur from such concentration.

In conducting this study, the General Accounting Office shall maintain the privacy of provider proprietary information.

The General Accounting Office shall have full powers to subpoena any required information from any provider firm.

SEC. 15. EFFECTIVE DATE.

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 15 minutes, and a Member in opposition will be recognized for 15 minutes. Is the gentleman from Minnesota in opposition to the de la Garza substitute?

Mr. PENNY. Mr. Chairman, I am in opposition to the de la Garza substitute.

The CHAIRMAN. The Chair will treat the time as fungible. The gentleman from Texas [Mr. DE LA GARZA], will be recognized for 30 minutes, and the gentleman from Minnesota [Mr. PENNY] will be recognized for 30 minutes.

Mr. DE LA GARZA. Mr. Chairman, I yield 15 minutes of the time allocated to me to the distinguished gentleman from Texas [Mr. COMBEST], and ask unanimous consent that the gentleman be allowed to control that time.

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

There was no objection.

PARLIAMENTARY INQUIRY

Mr. PENNY. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PENNY. Mr. Chairman, if there were an amendment to the substitute, would that have to be presented at this point, or could that be presented later in the debate?

The CHAIRMAN. It can be presented at any time that the substitute is pending.

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

Mr. Chairman, first I want to stipulate there are many positive features in this legislation. It would require as

a prerequisite for participation in farm programs that all farmers buy crop insurance coverage. It would eliminate the need for annual disaster bills and in fact places any future disaster legislation on budget, which is to say there would be points of order against the consideration of these emergency spending measures.

The goal obviously is to increase participation in the crop insurance program and make it a successful program. It is estimated that the provisions of this bill might in fact double the rates of participation in our crop insurance program. These are salutary objectives and deserve the support of this body.

It certainly moves us in the right direction. The basic thrust of this bill is absolutely on target and long overdue.

Mr. Chairman, it is unpleasant to be in a position of disagreement with so many of my committee colleagues. It is seldom that I appear on the floor to oppose the legislation of our committee, because I think generally we have been a responsible committee, contributing, as the chairman has indicated, over \$60 billion toward deficit reduction in this past decade.

I like my colleagues on this committee and it is not easy to strain that relationship by opposing the chairman and other leaders on this particular issue.

What I do not like is our Congressional budget procedures under which we operate in a nonsensical fashion. These procedures allow us to technically approve legislation requiring appropriations of funds when in fact we know full well that those funds will not be available. The dollars that we are calling to be spent on subsidies for this program are not available in the appropriations process. Those dollars are gone, and yet our budget rules allow us to pretend that somehow they are there.

The fundamental issue at stake on the amendments under debate at this moment is accountability. The issue is accountability. We can pay now by cuts within the crop insurance program, or we will certainly pay later as the Committee on Appropriations pits crop insurance against other priority items.

Again, the goals are all in agreement. We need crop insurance reform, we need to eliminate these emergency disaster bills. The Clinton administration has allowed within the budget \$1 billion for us to implement crop reform. That is a generous amount. Nonetheless, as reported, the Committee on Agriculture bill presents a \$600 million problem. These uncovered costs would be passed along to the Committee on Appropriations and, quite frankly, again, in an era of ever tighter budgets, the Committee on Appropriations will be hard pressed to find the money for this program without cutting other vital programs.

The Penny-Gunderson amendment simply calls for a slight reduction in the subsidy to insurance agents and a slight reduction in the disaster payments made to farmers. It is as simple as that. Capitol Hill allows us to proceed with a nonsensical debate in which we can say that it is not our committee that is responsible for these cuts, it is some other committee's problem, and that it is not this year we ought to make these cuts, but we should make them 2 and 3 years down the road.

The central issue here today is accountability. We can either pay now up front, or we will certainly pay later.

□ 1220

The responsible thing for us to do is to pay now. We can do that by supporting the Penny-Gunderson amendment.

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

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

I rise in opposition to the amendment and, again, reiterate the fact, we are not intending to shift the burden on any other committee. We have never done this. We do not intend to begin now. This is just a matter that we have a different way to get to the point that all of us want to get to.

But the fact of life is that we need a viable, workable crop insurance program, because now, out there, the reality is that when a farmer goes to the bank, they ask him two questions: "Are you in a Federal program or do you have crop insurance?" If not, they will not speak to him. That is the need for the reform of the crop insurance, to make it viable and workable.

And the misrepresentation that somehow we are trying to evade our responsibility, we are not. We never have. That is not in the history of this committee in the past 12 years. We never have shifted the responsibility.

Now, if my distinguished colleague and friend from Minnesota has a problem with the budget process, we cannot do that for him. Goodness knows, he has had enough opportunities on the floor, combined with other Members. We cannot reform the budget process. We go by the rules as they are. We satisfy the rules as they are. That is what we have done and intend to do.

Again, I really hate going back to my original frustration that we are pictured as ogres trying to evade the budget, trying to impose the burden on another committee, trying to cut the WIC, trying to let hungry children go hungry. Just look around, just look at the record of this committee. We have never done that, and we are not going to start now.

I hope the Members vote against the Penny amendment, against his amendment, whichever face it takes, and support the committee version.

Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, I thank the gentleman for yielding time to me. I wish to commend the gentleman and the gentleman from South Dakota [Mr. JOHNSON], the gentleman from Texas [Mr. COMBEST], and the rest of the Committee on Agriculture for this legislation.

I, for one, recognize that in this bill we are doing away with disaster relief for my producers and all over the United States. And we are doing it with the assumption that in this bill our producers will not only participate in the catastrophic coverage but the buy-up coverage.

With that understanding, I look at the amendments that we have from the gentleman from Minnesota and the gentleman from Texas. Under the amendment of the gentleman from Minnesota, which I strongly oppose, my participation rate of my farmers is not going to go up; it is probably going to go down, which means that they will not have any disaster relief. They will not have any crop insurance. And when they do have a drought or a flood or the rains come and do not end and they cannot plant, they get nothing. And what it means is, we do not have a program at all for our farmers under the Penny amendment.

Therefore, I request the Members of the House to do like the USDA, the Department of Agriculture, which opposes the Penny amendment, strongly supports the amendment of the gentleman from Texas, my chairman, the gentleman from Texas [Mr. DE LA GARZA].

Mr. PENNY. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, I rise in support of the Penny-Gunderson amendment, obviously, and in opposition to the chairman's amendment.

The reason I do that is because, folks, we are at a point where we have to decide. The reality is that both of these amendments pay for crop insurance in the first 3 years. The reality also is that in years 4 and 5, there is about a \$250 million gap.

The chairman is right, under pay-go we meet the first 3-year requirement. But the question we face is exactly the question the chairman brought up. Are we going to take money out of WIC? Are we going to take money out of CRP? Are we going to take money out of conservation? Are we going to take money out of commodities support programs?

I do not want to send a signal to America and to America's farmers that disaster assistance is gone, crop insurance is here, without making that tough decision.

Now, if we are going to have crop insurance and if the money is not available from someplace else, and Lord

knows, it is not, then we ought to face the music today. We ought to say, if 28-percent reimbursement means that we are not going to have any agent sell insurance, then let us face that music today. Let us not put this off for 3 years and say, "now we have got a problem because the agents will not continue to carry and issue the policies."

If there is a problem in terms of the filing fees, then let us deal with that issue today. If there is a problem, as the gentleman from Missouri [Mr. VOLKMER] said, in what is going to be the catastrophic coverage, then let us deal with this up front, because there will not be any money tree that grows out of nowhere between now and 3 years from now that is going to make that decision any easier to make.

We ought to face the music. We ought to face the facts and say, if crop insurance is going to work, it will have to work on its own, because the hard, cold reality is, there isn't any other money that is going to come along and bail this program out.

I do not enjoy saying that, Lord knows. But if it is reality, then let us deal with it openly and honestly today.

I ask my colleagues, support the Penny-Gunderson amendment. It is the only way we are going to say to this program, from day one and through the 5 years it is going to be in existence, that it is a program that is going to be paid for. Either it is going to work or we will have to deal with reality that it does not work and come up with a different solution.

Mr. COMBEST. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas [Mr. ROBERTS], a member of the committee.

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

The gentleman from Minnesota says pay now and pay later, either pay now or pay later. It is time to assess some responsibility.

We have already paid. We have already paid. This administration, after 16 years of trying to reform crop insurance, provided \$1.1 billion to do the job. Now, some of that money has been taken and is now spent on other programs. The chairman of the full committee has indicated exactly what other programs. We are not into a fight with that.

If we are going to fund that, fund that. But we already took the crop insurance money, and it went for somebody else. That is the responsibility.

Now, how do we pay for the difference? Do we take it out of the crop insurance program? Do we take it out of farmers and ranchers? Or do we go back to the 16-year record of the appropriations subcommittee and at least pay for the delivery of the service? That is what has been done. Now we are in a new world order.

Now we have on the subcommittee on appropriations a different scheme. We are going to take it out of farm programs on down the road.

What happens if we take it out of crop insurance? What happens?

□ 1230

Mr. Chairman, I will tell the Members what will happen. I am quoting from Secretary Espy. The Penny-Gunderson amendment would make farmers pay for less insurance. The amendment proposes to increase the fee a farmer would pay for the basic catastrophic coverage, while at the same time decreasing the extent to which the policy would protect a farmer in times of disaster.

I will not go into the rest of it. However, the bottom line, in short, Secretary Espy says, "When the effect of these provisions is combined, it could undermine the ability of the crop insurance reform program to serve as an adequate substitute for disaster assistance." Secretary Espy says this will not work. It will cost us more money down the road.

What happens, Mr. Chairman? The farmer pays more for less insurance, and he will not sign up. We hear a lot of talk in this well and in this Congress about something called unfunded mandates. The secret to this is, every farmer that wants to participate in the farm program, and every Southern producer of nonprogram crops, once they sign on to this, this is a mandate and we are not funding it. It is an unfunded mandate.

I have an amendment already prepared that, if we are not going to fund this, I may introduce the amendment and say, "Let us not mandate it on our farmers." In some respects, this is an unfunded mandate.

Let us talk about something called blackmail, or milkmail, or wheatmail, or cottonmail. The reason the gentleman from Wisconsin [Mr. GUNDERSON] wants the Penny-Gunderson amendment is that he does not want the Committee on Appropriations to take the money out of the dairy program next time when we consider the farm bill. The reason others and many farm commodity groups are hiding in the bushes on this is that they live in mortal fear of what the Committee on Appropriations is going to do down the road.

The farmer walks by and he says, "Come by the Committee on Appropriations park. We will give you crop insurance reform." and we mug him, and we say, "You have to pay more for less." He says, "I do not think that is a pretty good deal." We say, "You had better sign up, or you will not get the farm program. When you walk through the park again, we are going to mug you again, because if you do not pay for it on crop insurance, you are going to pay for it down the road in regard to farm programs."

Mr. Chairman, this is not going to work. This is not going to work. I would ask the Members to please support the amendment of the chairman of the Committee on Agriculture. We can fix crop insurance. We can get out of the disaster business. We can treat the farmer and rancher fairly, and yes—yes, on down the road we can work with our good friends and our colleagues on the Committee on Appropriations on a new definition of "fair share."

Mr. PENNY. Mr. Chairman, I would inquire as to how much time we have remaining.

The CHAIRMAN. The gentleman from Minnesota, Mr. PENNY, has 23 minutes remaining, and each of the gentleman from Texas, Mr. COMBEST and Mr. DE LA GARZA, has 11 minutes remaining.

Mr. PENNY. Mr. Chairman, I yield myself 2 minutes, in order to clarify.

Mr. Chairman, I have the highest regard for the gentleman from Kansas [Mr. ROBERTS] and the arguments he has made about the viability of this program are well-taken. We do not want a crop insurance program that will discourage enrollment. We need the highest level of participation in order to make crop insurance a substitute for annual emergency disaster bills.

It is estimated, Mr. Chairman, that the provisions of this legislation would double the participation rates in our crop insurance program. It has been suggested, however, by the gentleman from Kansas [Mr. ROBERTS] and others that if we adopt the Penny-Gunderson amendment, we will devastate the program and discourage enrollment in the program.

Mr. Chairman, I find that remarkable. We have to look at some basic facts here. Right now insurance agents are reimbursed at 31 percent of the price of the premium. That is a very generous reimbursement rate. We only marginally reduce that with the Penny-Gunderson amendment. They would still be reimbursed at 30 percent of new policies and 28 percent of premium on renewal policies.

Mr. Chairman, when we compare that to property and casualty, most insurance agents across America receive a 10 percent or 12 percent commission on premium, so this is a tremendously generous insurance subsidy. It will not discourage insurance agents from selling these policies if we adopt the Penny-Gunderson amendment.

Furthermore, Mr. Chairman, we only marginally reduce the benefits to farmers by slightly reducing the percentage of price that would be paid on disastrous losses, and by charging each farmer a nonrefundable \$50 for that disaster coverage.

Mr. Chairman, my farmers in southern Minnesota do not want something for nothing. A \$50 fee is not a burden-

some fee for them to pay for very generous disaster coverage. I just wanted to take this time to refute the arguments of the gentleman from Kansas [Mr. ROBERTS], because I believe the program will be a success with the Penny-Gunderson amendment.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from South Dakota [Mr. JOHNSON], the distinguished chairman of the Subcommittee on General Farm Commodities of the Committee on Agriculture.

Mr. JOHNSON of South Dakota. Mr. Chairman, I simply want to respond briefly to the remarks of the gentleman from Minnesota about how reimbursement to insurance agents is somehow extravagant. I would have to say that, with all due regard and respect for the gentleman from Minnesota, I do not believe that he is particularly expert in the insurance industry.

However, Mr. Chairman, I would say that the leadership of the Federal Crop Insurance Corporation, which is expert, the leadership of the U.S. Department of Agriculture, the Office of Management and Budget, and the White House have all said in writing that if the Penny amendment is adopted, it will in fact unravel the crop insurance scheme, and this thing will simply not work.

Those who are professional, who are expert in that area, have opinions which differ very sharply from those of the gentleman from Minnesota [Mr. PENNY].

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

Mr. JOHNSON of South Dakota. I yield to the gentleman from Minnesota.

Mr. PENNY. Mr. Chairman, does the gentleman acknowledge in the substitute amendment offered by the gentleman from Texas [Mr. DE LA GARZA], the chairman of the full committee, that the reduced payments to insurance agents is part of that amendment and would go into effect in the out years?

Mr. JOHNSON of South Dakota. It goes in the out years after the level of crop insurance purchased has vastly expanded.

Mr. COMBEST. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, on this subject, let us get to the real world. One of the reasons we finally got this out of committee was that the crop insurance agents were writing farmers and saying, "We are not going to renew your insurance." What we have here is a proposal to reduce the Government subsidy, if you will, or payment on the reimbursement part to pay for the delivery of the service.

Mr. Chairman, I will tell the Members what the insurance folks are now telling us. They are saying that if the

Federal Crop Insurance Corporation cannot reduce the paperwork, they are getting out of the business. That is the real world. We just heard the gentleman from Georgia [Mr. KINGSTON]. He was in the business. People do not sell crop insurance to make a profit. People sell crop insurance because it is obligatory. It is the thing to do to sell other insurance.

What is going to happen when the amendment offered by the gentleman from Minnesota [Mr. PENNY], which sounds very good in this budget world here, is that the crop insurers are not going to sell the product unless we get regulatory reform. Mr. Ken Ackerman has cardiac arrest, and he is in charge of FCIC, every time he tries to do that. That is an impossible goal. It will unravel crop insurance reform.

AMENDMENT OFFERED BY MR. DURBIN TO THE AMENDMENT OFFERED BY MR. DE LA GARZA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. PENNY, AS MODIFIED

Mr. DURBIN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Texas [Mr. DE LA GARZA] as a substitute for the amendment, as modified.

The Clerk read as follows:

Amendment offered by Mr. DURBIN to the amendment offered by Mr. DE LA GARZA as a substitute for the amendment, offered by Mr. PENNY, as modified: amend the de la Garza substitute amendment by striking section 15.

Mr. DURBIN. Mr. Chairman, if we understand insurance to mean people at risk paying sufficient premiums for insurance to cover their losses, Federal crop insurance is not even close. Our crop insurance program is not an insurance program. In fact, it is a program that is heavily subsidized by the taxpayers of this country.

Having said that, Mr. Chairman, it is still a very important and valuable program which should be maintained and modernized. I salute the Committee on Agriculture. They have taken on this challenge and have made meaningful changes in the crop insurance program to reduce the disaster payments paid each year, to bring each farmer into the program buying insurance, and thereby reduce, in the long haul, the obligations of America's taxpayers. In that regard, they have done a good job.

Unfortunately, Mr. Chairman, they are two-steps away from having done a great job. That is a 5-year change. For the first 3 years, the proposal by the Committee on Agriculture in fact will pay for the reform. It is a pay-as-you-go plan. They say to farmers, "As you make this change, you pay for it in 3 years." I salute them for that. I think that is admirable.

Where I take exception, Mr. Chairman, and why I join the gentleman from Minnesota [Mr. PENNY] in his effort, is because at the end of 3 years they drop the ball. At the end of 3 years they end up constructing a program, a reform program, which will

cost taxpayers almost \$300 million, \$300 million over the massive subsidies which we will continue to put in this crop insurance program.

What happens to the \$300 million? It is my responsibility as chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and related agencies of the Committee on Appropriations to come up with that money.

□ 1240

That is why I am here today. I think we should truly have a pay-as-you-go crop insurance reform, and so does the gentleman from Minnesota [Mr. PENNY]. He has made proposals to achieve that. If he fails in his effort, then in those 2 years I will have to cut another \$300 million in spending on programs funded by the U.S. Department of Agriculture, programs like conservation, soil and water conservation, programs like wetlands reserve, programs like agricultural research and yes, programs like the supplemental feeding program for women, infants and children, a program which today serves 40 percent of the mothers and infants in America to make sure that they get prenatal counseling and good nutritious food so kids grow up healthy. I will have to cut money from those programs, 300 million dollars' worth to make up for the shortfall in the proposal by the House Agriculture Committee.

I do not think that is fair. In fact, let me tell Members how frustrating it is. Many Members today are standing up and saying forget the \$300 million. We will worry about it later. If you have to make cuts, we'll do it on another day. Come on. It is down the line. That is a future Congress. Many of these same Members just weeks ago refused to vote for my appropriations bill on agriculture saying "It cuts too much from agriculture programs." Yet today we create a situation where in the future years I will have to cut more, and they will come up with the same lame excuses why they cannot go along with the cuts. That is what this is all about.

I am in favor of crop insurance. I am in favor of crop insurance reform. But it is only fair for the farmers and producers who are part of this program to shoulder the burden and carry it forward in reform. Do not push this burden off to future appropriation bills. Do not push it off on the WIC Program. Do not push it off on agriculture research. Make this program stand on its own two feet. A GAO study is not going to do it. The Penny amendment will do it.

I have listened to this debate this afternoon. I am amazed at the Members who have stood up and said they oppose the Penny amendment. They ought to look, as they can in virtually every agriculture district, and see what we as taxpayers lose on every policy of crop insurance that is written. A farm-

er pays a certain premium, the Federal Government steps in and pays 30 percent of every dollar he owes to start with, and then covers his losses. Like I said, it is not real insurance, so that when the losses come due, the premiums are never enough to pay. So we continue to lose, year after year after year, hundreds of millions of dollars on this program.

What the chairman of the Committee on Agriculture is doing today is a step in the right direction. It is a good change, but two steps away from being a great change.

I urge all of my colleagues from agriculture districts and across the United States to support the Penny amendment. It is the responsible way to deal with crop insurance reform.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the requisite number of words and I rise to speak against the amendment.

Mr. Chairman, I appreciate the concern of my distinguished colleague from the Appropriations Committee. I share his concern. We are aiming in the same direction. But we have to deal with facts, and those who know the facts say that if the Penny amendment is agreed to it will have the possibility of dismantling the program. Secretary Espy says that.

This amendment would frustrate the fundamental goals of crop insurance reform, and will make it more likely that Congress will once again be asked to provide ad hoc disaster assistance. This is what we are trying to protect the appropriations subcommittee from, that we do not have those ad hoc disaster payments that now will come on budget. We do not want him to be making those decisions. We are arguing over something we should not be arguing about.

I am honestly telling Members we do not have all of the facts. We are hoping that in 3 years the GAO will have sufficient information to allow us to proceed in an orderly manner and see where and how the program has worked.

OMB has agreed with us. They say that Congress will again be asked to provide ad hoc disaster assistance if we adopt the Penny amendment and dismantle what we are trying to correct in the crop insurance.

So it is not pay now or pay later. We know, we admit that is what we are aiming for. But we need more facts.

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

Mr. DE LA GARZA. I yield to my distinguished colleague, the gentleman from Kansas.

Mr. GLICKMAN. I thank my colleague for yielding.

First of all, I think the gentleman from Minnesota [Mr. PENNY] deserves a lot of credit for bringing the issue up in terms of how to pay for crop insurance. I think that the de la Garza amend-

ment is an appropriate response, but it would not have happened without the gentleman from Minnesota [Mr. PENNY] bringing this issue up in the first place.

Why are we doing this? We are doing this reconstruction of crop insurance so that we can eliminate these ad hoc annual disaster payments that people do not like and cost too much money. So we have to have a crop insurance program that works and people will want to participate in, because if we do not, everybody will be out of it, and they will all come back up here wanting disaster assistance every single year, which costs a lot of money.

So my concern is that the Penny amendment and all of its kind of nuances will so discourage participation in the crop insurance program that what will happen is we will end up with nothing in it, we will then push people back into the disaster program, annual yearly disaster program.

The de la Garza amendment provides for the first 3 years of reduction in crop insurance spending, and the last 2 years comes out of the appropriated account. So spending is reduced all 5 years. It is just done in a different way.

The second thing is this: The issues we are talking about here directly relates to what we are going to do in next year's farm bill, the reauthorization of all farm programs. A well constructed crop insurance program will reduce farm bill spending. So next year when we come back here we will look at deficiency payments, and target prices, and other spending and we will have to have a crop insurance program that works well in order to get that spending down. A poorly constructed crop insurance program will have us coming back next year as part of the farm bill with increased spending in order to deal with the disaster payments or other problems of farmers.

Which is the best approach? My judgment is the best approach to give farmers some stability that the crop insurance program will work, in my judgment the de la Garza amendment is better than the Penny amendment and will make sure that people come into the program. Then next year when we rewrite the 1990 farm bill we will look at some of the other issues that relate to crop insurance, risk management, and the deficiency payment problems.

So while I compliment the gentleman from Minnesota [TIM PENNY] for what he has done here, as usual he has brought intellectually the debate to a high level where we talk seriously about a reduced Federal spending generally and in agriculture, I honestly believe the best interests of farmers and ranchers in this country, and best interests of agriculture are best served by the adoption of the de la Garza amendment.

PARLIAMENTARY INQUIRY

Mr. COMBEST. Mr. Chairman, are we operating under the 5-minute rule on the Durbin amendment?

The CHAIRMAN. The gentleman is correct.

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

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

There was no objection.

The CHAIRMAN. The gentleman from Minnesota [Mr. PENNY] has 21 minutes remaining, the gentleman from Texas [Mr. DE LA GARZA] has 10 minutes remaining, and the gentleman from Texas [Mr. COMBEST] has 10 minutes remaining.

Mr. COMBEST. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman, I thank the gentleman for yielding the time.

Mr. Chairman, I would like to point out one disadvantage that I see in the Penny amendment. I object philosophically to a program that mandates that every farmer that participates in farm programs in this country be required to buy into catastrophic insurance.

The Penny amendment will increase the cost to these farmers and decrease insurance benefits in the event of a disaster. Having mandated insurance programs that require more paper work, increased regulations, and result in increased numbers of bureaucrats that are going to walk on your farm for more inspections is bad enough. I am philosophically opposed to it. Farmers should have the option of whether or not to buy this insurance in the first place. I see the Penny amendment having the advantage of reducing cost to the taxpayer and the disadvantage of increasing the cost to farmers for crop insurance that this bill requires they sign up for.

Mr. PENNY. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER].

□ 1250

Mr. MILLER of California. I rise in support of the Penny-Gunderson amendment. I do so out of the concerns of recognizing that this account can only handle so many draws on it, and if we have a crop insurance program that continues to be underfunded, that obviously is going to come out of the hide of other programs, and one of those programs that I am deeply concerned about and have spent my entire time in Congress working on is the Women, Infants, and Children nutritional program that has tremendous bipartisan support because we recognize how much this contributes to the health of low-income pregnant women and to newborn infants, newborn babies, and during their first year of life.

It is well documented that without this program we would be spending far more money in excess of what we are spending on the program to take care of low-birthweight babies that are born that cost us somewhere between \$60,000 to \$100,000, spend many more days in the hospital than a normal birthweight baby. This program, the Women, Infants, and Children Program, has a direct impact on the health of those pregnancies and those mothers including all of the other attendant benefits we get out of health screening and counseling and discussions with these women about cessation of smoking, about alcohol use, drug use, all of those benefits, and that is why over and over again every independent audit has strongly supported the program on the basis we benefit far in excess of what we spend on that program.

It is very clear, unfortunately, because of our inability to raise sufficient revenues to fund this Government, that all of these accounts are in trouble. We have the same problem in the natural resources area. We are going back to the users of those programs. We are imposing fees on those individuals, where once we could afford to fund them as a Federal Government, but we cannot.

But when you have this kind of a program where it has the wherewithal to fund it, and you pit it against something like WIC where there is not the ability of those households to fund it, we have got to be concerned about what a continued deficit in the crop insurance program is going to mean to those other programs that come out of the agricultural appropriations.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to our distinguished colleague, the gentleman from Minnesota [Mr. PETERSON].

Mr. PETERSON of Minnesota. Mr. Chairman, I want to commend yourself and the subcommittee for bringing this bill up and commend the gentleman from Minnesota [Mr. PENNY] for raising this issue.

I think we need to step back and look at this a little bit and just look at what we are talking about.

You know, really what we are talking about is who you believe when we are looking at where we are going to be 2 years from now in terms of the money that is going to be needed for this program.

I guess I would err on the side of making sure this program is going to work, and I am persuaded, as the gentleman from South Dakota [Mr. JOHNSON] pointed out, all of the people that are experts in this say they think this Penny amendment is going to potentially damage this program and make it not work as well.

Really what we are talking about is do we know how much money this is going to cost us in the fourth and fifth year of this program. I would argue we

do not. We are looking at projections from actuaries, from budget analysts. I do not think any of them can predict what we are going to be spending in the fourth and fifth year of this program, because we have got a farm bill coming up. We do not know what is going to happen with disasters and so forth.

So I would encourage all of my colleagues to err on the side of making this program work.

PARLIAMENTARY INQUIRY

Mr. COMBEST. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state this parliamentary inquiry.

Mr. COMBEST. Mr. Chairman, who would have the right to close debate? Would it be the gentleman from Texas [Mr. DE LA GARZA]?

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] would have the right to close debate.

Mr. PENNY. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I rise in support of the funding provisions offered my good friend, the gentleman from Minnesota.

I believe in fiscal responsibility, and I believe in individual responsibility. Mr. Chairman, I see here an example of the heartburn you get into when you go into weaning time. It is always tough when it is time to wean, and I can tell you that when you are being weaned from the milk of sacred cows, you are bound to get heartburn in no uncertain terms. That is what we see today.

The fact of the matter is when people are told you will no longer get as whole a subsidy or as complete a subsidy for what you enjoy from the Federal Government, they tend to believe they cannot get along without it, because they have been too dependent upon it for too long.

But in order to put this dilemma in context, the arguments are difficult on both sides, let us return for a moment, if we will, to first principles. The American taxpayer is not obliged to pay the farmers for their crop failures. The American taxpayer is not obliged to pay for crop insurance for those farmers. It is a choice that we make, because we do not think that a hurricane or a tornado or a flood or a drought or a hailstorm should ruin a farmer. But it is the choice we make.

We can make a choice to give farmers 10 cents on the dollar for their losses. For that matter, we can make a choice to give farmers 90 cents on the dollar for their losses. We can provide a straightforward handout, or we can encourage individual responsibility by asking the beneficiaries of a generous program to contribute to that program.

Mr. Chairman, I am alarmed that we are presently considering a proposal to fund a very generous program for farmers without asking them to contribute

their fair share. Mr. Chairman, I was shocked to see statistics about how heavily we have subsidized crop insurance policies. Did you know that over the past 8 years in one congressional district on a per acre basis, the Government subsidized 40 percent of the cost of the insurance premium? Did you know that over the past 8 years in that same district on a per acre basis the taxpayers paid more than \$16 in claims, that is \$16 per acre, at the taxpayers' expense? Did you know that the estimated cost per acre that the Penny-Gunderson amendment would impose on a farmer in that district is 50 cents? Penny-Gunderson costs him only half of \$1 per acre.

Mr. Chairman, I see absolutely no reason why we should not make a choice to ask farmers to shoulder some of the costs of this program. I see absolutely no reason why they should be given something for next to nothing.

The de la Garza substitute is something for next to nothing.

I oppose the de la Garza substitute, and I support the Penny-Gunderson amendment, and I urge my colleagues to do the same.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I thank my distinguished colleague for yielding. I appreciate it.

I just wanted to mention that somehow the impression is that this committee has not done its fair share, and we have reduced expenditures by \$60 billion in the past 12 years. We are still the best-fed people in the world for the least amount of disposable income per family, so if there is a subsidy, it is the American consumer that is being subsidized on the back of the American farmer. That is where the subsidy is.

Mr. ARMEY. If I might just quickly say I appreciate how hard the Committee on Agriculture has worked to live up to the constraints imposed by the budget process, but my reference to fair share was in paying your fair share of an insurance premium.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Chairman and my colleagues, I come to the floor today as someone who is as concerned about the Federal deficit as any Member in this Chamber, and have a record of cutting spending as good as any Member of this Chamber.

But there are some things that we do around here that are penny wise and pound foolish.

When we look at the crop insurance program that has been brought to this floor by the committee, we are, as the gentleman from Texas just pointed out, beginning to wean ourselves and our farmers from spending money, and that is the area of disaster payments. The

reason for this crop insurance reform bill down here is very simple: to eliminate disaster payments for farmers.

But if we pass the Penny amendment, here is what is going to happen: We are going to discourage farmers from signing up for crop insurance. That is the problem we have today. We are going to eliminate the effectiveness that has been put into this bill by the committee.

So if farmers do not sign up, guess what is going to happen. They are going to want disaster payments as soon as we have the next flood, the next hurricane, the next freeze; they are going to be pounding on every Member in this Chamber for more disaster money. That is what we are trying to avoid.

So if you want to vote for the Penny amendment, just understand that you are gutting the effectiveness of this bill. You are making sure that crop insurance is not going to be fixed. You are making sure we are going to have a system that we are going to have to come back and fix sooner or later, and you are guaranteeing you are going to have to come here to the floor once again and provide disaster money for people in America when disasters occur.

□ 1300

So I want to say to all of my friends this is penny wise and pound foolish. Let us defeat the Penny amendment and support the chairman and the ranking member with the committee amendment which will soon follow.

Mr. PENNY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I simply want to take this time to admit my astonishment at the number of legislators who have suggested that these modest changes in the crop insurance program would somehow devastate the workability of the program.

Most of the people who have opposed the Penny-Gunderson amendment are fierce advocates not only of deficit reduction—and I have worked with many of them and admire their work in that regard—but of the private sector, the free enterprise system. I am simply suggesting that when we have a heavily subsidized insurance program, maybe the Government can trim the subsidy just a little bit. When you compare the insurance subsidy paid to these crop insurance agents, compared to the commission they would receive on any other type of insurance that they might offer, it is generous. It is a third larger, 100 percent larger in some cases, 300 percent larger in other cases. And to say that somehow paying a smaller subsidy to these insurance agents is going to drive them out of the program is, I think, nonsense on the face of it.

Mr. COMBEST. Mr. Chairman, I would yield myself 1 minute.

Mr. Chairman, I have joined with the gentleman from Minnesota [Mr. PENNY] on many of these budget reduction efforts. But to hear him talk about what the committee has done, one would think that we were beyond the realm of reason. We have met the rules of pay-go, Mr. Chairman. The committee letter from the Secretary of Agriculture said the Federal crop insurance reform the House will consider replaces ad hoc disaster assistance that has been costing us billions of dollars a year. The reform proposed by the Agriculture Committee is budget-responsible, it pays for itself, satisfies pay-go, produces savings for taxpayers. Simply put, the Federal crop insurance program reform makes good farm sense and makes good budget sense.

Additionally, the gentleman from Minnesota talks about the minor changes, the minor differences. Well, we have stretched this proposal as far as we can stretch it and still feel like it can work. The Department of Agriculture agrees with that. It says the Penny-Gunderson amendment believes that the magnitude of the cuts would compromise the effectiveness and the operation of the reform crop insurance program and consequently opposes it.

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

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to our distinguished colleague, the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, I voted for the budget this year that called for cuts that we are talking about today, and I also supported the Agriculture Appropriations Committee when they had to do the tough work that they had to do to conform to the budget. And it was not easy. I supported the Penny amendment in the full committee because I agree that we have to squeeze every dollar where we can squeeze every dollar, internally or externally, from agriculture or from everywhere else.

Since that vote, though, there has been a question mark raised in my own mind as to whether or not these additional cuts will in fact jeopardize the program which we all agree needs to be done today.

This is a legitimate question. I do not come saying it is going to devastate, but I am here to say to my colleagues that it might. And if it might, then might we not have another second thought about what we should do today?

Now, I find it very interesting, my colleague from Texas a moment ago making his usual speech about weaning agriculture. I found that very, very interesting for two reasons, one of which is: If you analyze what has happened to agriculture in entitlement spending, which is what we sometimes do not want to talk about right around here, but from 1985 to 1991, of the 12 top entitlement programs agriculture ranks

12th and it was the only entitlement program that has been cut, weaned, if you please. And we have done it, as Chairman DE LA GARZA has said, over and over.

We have done it in the Agriculture Committee meeting the budget requirements that this body put on upon us every single time. In fact, from 1991 to 1997, we will reduce by another 1.4 percent the entitlement nature of the agriculture programs.

Now I find it interesting because when we are talking in terms today of \$300 million difference, we come out of the woodwork to make speeches about cutting. But about a week ago we had an amendment on the floor that would have provided capping entitlement spending, all entitlements, including agriculture, which has been cut, and we provided that it would be capped at the full cost-of-living adjustment for every single program, plus 1 percent, plus demographics. And only 37 Members of this body voted for that \$83.4 billion cut over the next 5 years.

Now it is time for a little bit of honesty, folks. Come and make the speeches, do all of the wonderful things that get the headline, but when it comes time to vote the real cuts, then stand up and be counted too.

My colleague from Texas was not there a week ago.

Read the vote.

Now I want to meet the appropriators halfway because I fully appreciate what the gentleman from Illinois, Chairman DURBIN, and his committee are having to do. The chairman's amendment comes closer to meeting us halfway and putting us in the proper perspective of what we should do, to give crop insurance a chance to work.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. KINGSTON].

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

Mr. Chairman, I rise to speak in favor of the bill and against the Penny amendment. There is somewhat of a little antifarmer, antiagriculture hint here in this body; certainly not by the authors of this particular amendment, but often there is. And what we have is a situation that the farm crop insurance is the only subsidized program.

Well, there is a wind storm insurance pool, there is a national flood pool, there is a crime program for high-risk crime areas, assigned-risk automobile programs. All of these are taxpayer-subsidized for areas that the private insurance sector will not go into. I think that is something maybe we should address at some point. But when we are talking about weaning, let us not say the farmers are the only one that are getting some sort of a subsidized program.

Now, to diminish this subsidy, the bill at hand gives us this opportunity to say we are going to cut the fee to

the delivery system in the private sector is just going to say we are going to put the subsidy on their back and tax them.

But to say that we are going to charge the independent agents who are selling this is ridiculous. Crop insurance is already a loss loser, most agents do not sell it now. The only reason why you do it is try to pick up the other lines: Automobile, house so forth, and other farmers.

Finally, one of the things the Penny amendment requires us to do is a \$50 charge for filing the claim.

When I was selling fire insurance, I could not dream of going to a homeowner's house that had just burned down and say, "Well, we are going to pay you what this insurance is intended to do, but you have to pay \$50 for us to file the claim." That is an insult and that is not the way the insurance works in any sector.

So, Mr. Chairman, I recommend strongly to my colleagues, vote against the amendment and vote for the bill.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to our distinguished colleague, the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, you know, often the debate gets so hung up in ideological positions that we kind of lose sight of what is at hand. We just heard from the right about wasteful subsidies, we have heard from the left about women, infants and children's funding. None of it involves really what is at hand, which is: Is this crop insurance program going to work under the Penny amendment? We have not had any hearings on it. So I suppose the best way to figure that one out is look at the agency that runs that program. They say, "no," they say the Penny amendment will not. That is why we ought to vote it down this afternoon. We ought to vote in favor, instead, of the chairman's amendment.

A public/private partnership has to work and the private component of crop insurance involves the delivery of policies, adjustment of losses and a portion of the reinsurance. If they do not participate, we have just unleashed a disaster. That is why I ask for support of the chairman's amendment. It is a workable approach. I ask rejection of the Penny amendment.

□ 1310

Mr. PENNY. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, as my colleagues know, we have heard a lot of talk here from people who profess to have worked in the insurance business, and I have not. I have just bought a few policies over the years.

It is important to understand what the gentleman from Minnesota [Mr. PENNY] is suggesting in his amendment. What he is suggesting is:

If you happen to be a farmer with 3,000 acres of land, the Federal Government will say to you, "If you lose more than half of your crop on that farm, we, as taxpayers, will insure it, up to 56 percent of it, for \$100 a year. Three thousand acres, losses over 50 percent, covered up to 56 percent, for \$100 a year."

Mr. Chairman, I do not think that is bashing farmers. I think that is very realistic, and very honest and very reasonable.

And the second thing the Penny amendment does, Mr. Chairman, is it says to the private insurance industry, which we allow to sell these policies and make a profit:

We're going to reduce your level of profit on each one of these policies by 1 or 2 percent in an effort to move toward reducing our budget deficit.

A private insurance industry, making money through selling policies subsidized by the taxpayers, is being asked to tighten its belt by 1 or 2 percent. That does not sound unreasonable either.

But if my colleagues listened to the debate, they would think the end of the world would be caused by the Penny amendment. It will not. But what may be the end of the world for a lot of important programs 3 years down the line is when we have to pay the bill for this crop insurance reform that is not being taken care of in this bill. We will have to cut \$300 million more from programs like ag research, soil and water conservation and the WIC program.

Let us be reasonable here. Crop insurance is important. We should maintain it. But, it should face the same sort of regimen we are asking of every program in the Federal Government.

I say to my colleagues,

You have to be a little more reasonable. A hundred dollar policy; does that sound unreasonable for thousands of acres being covered? A couple percent off the amount of profit you would make at the Federal Government's expense for selling the policy; is that unreasonable?

Stick with the Penny amendment. It is a sensible way to deal with a serious problem.

Mr. DE LA GARZA. Mr. Chairman, I had advised the Members and my colleagues that we would try to conclude this by 1:30, and I am still willing to do that. I have only like about 1 or 2 minutes left, which I will take to conclude debate.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] reserves the balance of his time.

Mr. PENNY. Mr. Chairman, I, too, reserve the balance of my time.

Mr. COMBEST. Mr. Chairman, we have one remaining speaker, and I yield the balance of my time to the gentleman from Iowa [Mr. NUSSLE] who has been a leader on the efforts to pay for disasters.

Mr. NUSSLE. Mr. Chairman, this is not a matter today of weaning ourselves from a sacred cow. I will tell my

colleagues what it is. It is weaning ourselves from a disaster system, a disaster system that puts our farmers and our victims at the mercy of CNN.

Mr. Chairman, if a victim is able to get on CNN, if the disaster is big enough to get on CNN, if they can rush the cameras out there, then Congress reacts. But heaven help us and heaven help the victims if CNN does not arrive on the scene and if Congress only has one or two districts, or one or two Members, that have a problem that they try and come here to deal with the Congress of the United States. We are at the mercy of politics, of politicians that love to hand out money to victims, who walk around flooded fields, walk around disaster areas with wrinkled brows and telling people how concerned we are and how much we want to act.

Let me tell my colleagues what this is. This is not a handout. This is personal responsibility at its best.

My farmers tell me; they say,

We want to be accountable, we want to be responsible, we want the opportunity to show you that we can deal with disasters, if you give us a program that we can work with, not one that's underfunded, not one that doesn't quite hit the mark, but one that is responsible.

There is no secret here today that the Congress of the United States and the Federal Government has determined that food security is a priority. Sure, we make subsidies. That is not a surprise. The difference here today, however, is that we want to be accountable, we want to plan ahead for disasters, we want to provide the assistance to victims, and we want to pay for it. This system will do it.

However, Mr. Chairman, the Penny amendment allows us to fall very short of that mark, and I would say to my very good friend, the gentleman from Minnesota [Mr. PENNY], that I do not remember a time I have ever disagreed with him on any issue. In fact, it was last year that Mr. PENNY and I took the floor under a lot of heat together with the majority of Members from flooded districts and said, "We have got to change the program."

What did we hear?

Wait until next year.

Wait until it's dry.

Let's plan.

Let's have a system.

Let's pay for it.

Let's talk about crop insurance.

We do not want to do disasters either, so let us try to fix the system. It has been 1 year.

Have we fixed the system? We set up a nice little task force. I serve on this task force to repair disasters, but we have not fixed the system. This allows us to fix the system so that we can be responsible, so that the farmers can participate, so that we can be accountable to the taxpayers and so that we have a system that can survive without the pressures and the cross-pressures of

social welfare programs in this country. It is not our responsibility here today to shift responsibility.

But let me point out to my colleagues that it was the chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies that fought the hardest last year to make sure that the disaster took care of itself for the flood victims, and he promised us all then that we can deal with this when the weather is calmer, when the fields are drier, when we do not have the disaster facing us.

We do not have a disaster facing us today, my colleagues. It is time to fix the system. The Penny amendment misses the mark. The de la Garza amendment gets us to the middle ground we need between the Committee on Appropriations and the authorizing committee.

Mr. Chairman, I urge strenuously my colleagues who join me on many occasions for fiscal responsibility to join me today to be fiscally responsible in making sure we do not have year, after year, after year of disaster programs which are political, which do not plan ahead, which do not adequately provide assistance to victims and which do not pay for the assistance that it provides.

Mr. PENNY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the issue is simply over a full payment for all the costs attributable to this bill or a partial payment.

The gentleman just preceding me made eloquent points about the need to reform crop insurance so that we no longer have to resort to annual emergency disaster legislation. We are in full agreement on that. This crop insurance reform is the answer to that annual problem, and the farmers across America, and, I believe, the insurance agents that sell these policies, are also willing to participate in honestly financing a solution to this annual disaster in which we have to deficit spend in order to take care of losses due to natural disasters.

The main difference between the Penny-Gunderson amendment and the amendment offered by the gentleman from Texas [Mr. DE LA GARZA] is in how much to pay now. Penny-Gunderson pays for the entire cost now. The de la Garza amendment only goes half way, leaving us a \$300 billion gap which will have to be made up later.

□ 1320

We can make the tough choices now, or we can put it off for another day. Let us not back away from our responsibilities once again. Let us step up to the plate. Let us do the right thing. Vote against the de la Garza amendment; vote for Penny-Gunderson.

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

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to thank all of the participants for the level of debate and the tone that has been set. I am still frustrated with inaccuracies that were floated out, but I will accept that there is part of people's interest personally on one topic, one subject matter.

I, as chairman of the committee, have to deal with the spectrum, as my colleague, the chairman of the Subcommittee on Appropriations, does. And to all who have heard pay now or pay later, you have heard my pledge to the chairman of the Subcommittee on Appropriations that we will not let this happen, that we have shared our responsibility, we have met our responsibility, we will continue to meet our responsibility, and no one can point the finger at us.

Also I would like to say, this has nothing to do with WIC or with any of the other programs. They have to make those decisions, but it comes all out of one pot.

This bill, with my amendment, will cut \$226 million in 5 years. But what I want Members to see is this. The red is ad hoc disaster, \$2.3 billion, 1994; \$3.4 billion, 1995.

OMB, USDA Secretary Espy, Mr. Ackerman of Crop Insurance, all of them say the Penny amendment will have a tendency to harm the program. If you harm the program, you are back to ad hoc disasters.

Mr. Chairman, it was mentioned by one of my colleagues, the policy is if it rains for one straight day in any one of our 50 States, in the morning the Governor is calling the White House wanting an emergency disaster declaration. And look what they cost, in the billions of dollars.

Here in the green is the crop insurance. We share. And all we are saying is the experts tell us we need time. So we fund for 3 years. We pledge ourselves to fulfill the rest of the requirement, if it be needed, but in the interim have a GAO report, a GAO study, so we can have the accuracy that we need to legislate.

Why do we need accuracy? I could just as well go along and say pay now, to heck with it. What happens to our food supply? What happens to our exports?

Agriculture is the only one bringing money back from abroad at this time. Everything nonagriculture collectively is in a deficit. And you heard the amount of the deficit. Agriculture is the only one bringing money back from abroad. We are feeding all our people and half of the world, and you might risk this by willy-nilly saying, well, we are just going to cut. Pay now or pay later.

It sounds good. It sounds very good. But I do not want to have the responsibility of saying, "Hey, we are out of food, because we cut out the safety net which we called crop insurance."

A vote yes on the de la Garza amendment is a vote for the American people, it is a vote for the consumer, it is a vote for fiscal responsibility. It is an A-1, all-American vote, and I urge you to vote aye.

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

Ms. McKINNEY. Mr. Speaker, I come before you today in support of the Penny-Gunderson amendment to H.R. 4217, the Federal Crop Insurance Reform Act of 1994. When the committee marked this bill up on Tuesday, no one mentioned there was a wrinkle included.

All programs that are included in the pool of agriculture programs will have to contribute funds to pay for H.R. 4217.

Mr. Speaker, I am concerned that the funding shortfall in H.R. 4217 will contribute to further pressure on the WIC Program, Public Law 480, and TEFAP.

These programs were set up to assist the poor and hungry, not the rich and famous.

Currently, because of lack of funding, WIC reaches only two-thirds of those eligible to participate in the program as it is. Surely we can't afford another cut to a program that's never been fully funded. Approximately 2.5 million more people could benefit from the program if all of the funds were there.

In this climate of purse tightening, we must be aware if we exceed our budget we have to suffer the consequences of damaging other programs.

Mr. Speaker, I support the Penny-Gunderson amendment, I urge my colleagues to do the same.

Ms. MARGOLIES-MEZVINSKY. Mr. Chairman, I am here today to bring up a concern of many of us in Congress who work to protect programs that assist the poor and hungry. We are concerned that the funding shortfall in H.R. 4217 will contribute to further budget pressure on these vital programs in the future. I'm speaking specifically about the WIC program, Public Law 480 and TEFAP. All programs that are included in the pool of agriculture programs which will have to contribute funds to pay for H.R. 4217.

WIC currently reaches only about two-thirds of those eligible to participate in the program. Approximately 2.5 million people who could benefit from the program do not, because it is not yet fully funded. This year, the Appropriations Committee struggled to find an additional \$260 million for WIC, falling \$80 million short of the level requested by the administration. A \$600 million shortfall in the Federal Crop Insurance Program will make it even more difficult to ensure full funding for the WIC Program in the future.

The administration opposes this amendment, but it has not identified which programs should be cut to pay for the funding shortfall. I want to know now. I don't want to find out later. I don't want to find out next year or the year after or the year after that, that WIC has been cut to pay for crop insurance.

In this climate of fiscal belt tightening, every time we go over budget, we must be aware of the repercussions to other programs. In another time there would not be a connection between Federal crop insurance reform legislation and the WIC Program or TEFAP or Public Law 480. But today there is. These times

require us to make decisions about priorities. These times require us to live within our means. If we don't, other programs we hold dear can be affected through unintended consequences.

I support the Penny-Gunderson amendment. I support fiscal responsibility. I urge my colleagues to do the same.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DE LA GARZA] as a substitute for the amendment offered by the gentleman from Minnesota [Mr. PENNY], as modified.

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

RECORDED VOTE

Mr. DE LA GARZA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered. The CHAIRMAN. Pursuant to the provisions of clause 2(c) of rule XXIII, the Chair announces that he may reduce to 5 minutes the time within which an electronic vote will be taken on the Penny amendment, without any intervening debate.

This will be a 15-minute vote. The vote was taken by electronic device, and there were—ayes 253, noes 156, not voting 30, as follows:

[Roll No. 377]

AYES—253

- | | | |
|--------------|--------------|----------------|
| Abercromble | DeLay | Hobson |
| Allard | Derrick | Hochbrueckner |
| Bachus (AL) | Dickey | Hoke |
| Baesler | Dicks | Holden |
| Baker (CA) | Dingell | Houghton |
| Barcia | Dooley | Huffington |
| Barlow | Doolittle | Hughes |
| Barrett (NE) | Dornan | Hunter |
| Bartlett | Dreier | Hutchinson |
| Barton | Dunn | Hutto |
| Bateman | Edwards (TX) | Hyde |
| Becerra | Ehlers | Inglis |
| Bentley | Emerson | Inhofe |
| Bereuter | English | Istook |
| Bevill | Everett | Jefferson |
| Billirakis | Ewing | Johnson (GA) |
| Bishop | Faleomavaega | Johnson (SD) |
| Blackwell | (AS) | Johnson, E. B. |
| Bliley | Fazio | Johnson, Sam |
| Blute | Fields (LA) | Kanjorski |
| Boehlert | Fields (TX) | Kasich |
| Boehner | Filner | Kennedy |
| Bonilla | Fish | Kennelly |
| Borski | Ford (MI) | Kim |
| Brewster | Fowler | King |
| Brooks | Franks (NJ) | Kingston |
| Browder | Frost | Klink |
| Brown (CA) | Furse | Kopetski |
| Brown (FL) | Gekas | LaFalce |
| Brown (OH) | Geren | Lambert |
| Bryant | Gibbons | Lancaster |
| Bunning | Gilchrest | LaRocco |
| Burton | Gillmor | Laughlin |
| Buyer | Gilman | Leach |
| Callahan | Gilman | Lehman |
| Camp | Gingrich | Levin |
| Canady | Glickman | Levy |
| Castle | Gonzalez | Lewis (CA) |
| Chapman | Goodlatte | Lewis (FL) |
| Clayton | Grams | Lewis (KY) |
| Clinger | Grandy | Lightfoot |
| Clyburn | Hall (TX) | Linder |
| Coleman | Hamburg | Livingston |
| Coleman | Hamilton | Lloyd |
| Collins (GA) | Hansen | Long |
| Combest | Hastert | Lucas |
| Conyers | Hastings | Manton |
| Cooper | Hefner | Manzullo |
| Cramer | Heger | Martinez |
| Crapo | Hilliard | Matsui |
| Danner | Hinchev | McCollum |
| de la Garza | Hoagland | |

- | | | |
|---------------|------------|----------------|
| McCrery | Pryce (OH) | Swett |
| McCurdy | Quillen | Swift |
| McDade | Rahall | Talent |
| McHale | Ravenel | Tanner |
| McHugh | Richardson | Tauzin |
| McKeon | Ridge | Taylor (MS) |
| McNulty | Roberts | Taylor (NC) |
| Meek | Roemer | Tejeda |
| Menendez | Rogers | Thomas (WY) |
| Meyers | Rose | Thompson |
| Michel | Rowland | Thornton |
| Minge | Santorum | Thurman |
| Mink | Sarpallus | Torkildsen |
| Moakley | Saxton | Torricelli |
| Mollinari | Schaefter | Towns |
| Mollohan | Schiff | Trafficant |
| Montgomery | Scott | Tucker |
| Murtha | Serrano | Underwood (GU) |
| Neal (MA) | Shuster | Volkmer |
| Neal (NC) | Sistsky | Vucanovich |
| Nussle | Skeen | Walker |
| Olver | Skelton | Walsh |
| Ortiz | Slattery | Wheat |
| Oxley | Smith (IA) | Whitten |
| Parker | Smith (NJ) | Williams |
| Paxon | Smith (OR) | Wilson |
| Payne (VA) | Smith (TX) | Wise |
| Peterson (MN) | Snowe | Wolf |
| Pickett | Solomon | Woolsey |
| Pickle | Spence | Wynn |
| Pombo | Spratt | Young (AK) |
| Pomeroy | Stenholm | Young (FL) |
| Portman | Strickland | Zeliff |
| Price (NC) | Stupak | |

NOES—156

- | | | |
|--------------|--------------|---------------|
| Ackerman | Horn | Peterson (FL) |
| Andrews (ME) | Hoyer | Petri |
| Andrews (NJ) | Inslee | Porter |
| Applegate | Jacobs | Poshard |
| Archer | Johnson (CT) | Quinn |
| Armey | Johnston | Ramstad |
| Barca | Kaptur | Rangel |
| Barrett (WI) | Kildee | Reed |
| Bellensson | Klecicka | Regula |
| Bilbray | Klein | Reynolds |
| Byrne | Klug | Rohrabacher |
| Cantwell | Knollenberg | Rostenkowski |
| Cardin | Kolbe | Roth |
| Carr | Kreidler | Roukema |
| Clay | Kyl | Roybal-Allard |
| Coble | Lantos | Royce |
| Collins (IL) | Lazio | Rush |
| Collins (MI) | Lewis (GA) | Sabo |
| Condit | Lowey | Sanders |
| Coppersmith | Maloney | Sangmeister |
| Costello | Mann | Sawyer |
| Cox | Margolies- | Schenk |
| Coyne | Mezvinsky | Schroeder |
| Crane | Markey | Schumer |
| Cunningham | Mazzoli | Sensenbrenner |
| Deal | McCandless | Sharp |
| DeLauro | McCloskey | Shays |
| Dellums | McDermott | Shepherd |
| Deutsch | McInnis | Skaggs |
| Dixon | McKinney | Slaughter |
| Duncan | McMillan | Smith (MI) |
| Durbin | Meehan | Stark |
| Edwards (CA) | Mfume | Stearns |
| Engel | Mica | Stokes |
| Eshoo | Miller (CA) | Studds |
| Evans | Miller (FL) | Stump |
| Farr | Mineta | Thomas (CA) |
| Fawell | Moorhead | Torres |
| Fingerhut | Moran | Unsoeld |
| Flake | Morella | Upton |
| Frank (MA) | Myers | Valentine |
| Franks (CT) | Nadler | Velazquez |
| Gallo | Norton (DC) | Vento |
| Gedjenson | Oberstar | Visclosky |
| Goss | Obey | Waters |
| Greenwood | Orton | Watt |
| Gunderson | Owens | Waxman |
| Gutierrez | Packard | Weldon |
| Hall (OH) | Pallone | Wyden |
| Hancock | Pastor | Yates |
| Harman | Payne (NJ) | Zimmer |
| Hefley | Pelosi | |
| Hoekstra | Penny | |

NOT VOTING—30

- | | | |
|--------------|---------|--------------|
| Andrews (TX) | Berman | Clement |
| Bacchus (FL) | Bonior | Darden |
| Baker (LA) | Boucher | de Lugo (VI) |
| Ballenger | Calvert | DeFazio |

Diaz-Balart
Foglietta
Ford (TN)
Gallegly
Gephardt
Goodling
Gordon

Green
Hayes
Lipinski
Machtley
Murphy
Romero-Barcelo
(PR)

Ros-Lehtinen
Shaw
Sundquist
Synar
Washington

□ 1346

The Clerk announced the following pairs:

On this vote.

Mr. Darden for, with Mr. Diaz-Balart against.

Mr. Green for, with Mr. Synar against.

Ms. PELOSI, Mrs. SCHROEDER, Mrs. LOWEY, Ms. VELAZQUEZ, and Messrs. THOMAS of California, MINETA, PAYNE of New Jersey, LANTOS, CRANE, ROYCE, MORAN, FLAKE, and CUNNINGHAM changed their vote from "aye" to "no."

Messrs. LANCASTER, BACHUS of Alabama, MATSUI, and HINCHEY changed their vote from "no" to "aye."

So the amendment offered as a substitute for the amendment, as modified, was agreed to.

The result of the vote was announced as above recorded.

□ 1350

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. PENNY], as amended.

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

RECORDED VOTE

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

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 401, noes 1, not voting 37, as follows:

[Roll No. 378]

AYES—401

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Archer
Armey
Bachus (AL)
Baesler
Baker (CA)
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Bellenson
Bentley
Bereuter
Bevill
Bilbray
Bilbrakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla

Borski
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combust
Condit
Conyers

Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Danner
de la Garza
Deal
DeLauro
DeLay
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Ehlers
Emerson

Engel
English
Eshoo
Evans
Everett
Ewing
Faleomavaega
(AS)
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Ford (MI)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrist
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goss
Grams
Grandy
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Ingalls
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink

Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Livingston
Long
Lowe
Lucas
Maloney
Mann
Manton
Manzullo
Margolles-
Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Michel
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinar
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Nadler
Neal (MA)
Neal (NC)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle

Pombo
Pomeroy
Porter
Portman
Poshader
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shays
Shepherd
Shuster
Sisk
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Spence
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Swett
Swift
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traffant
Tucker
Underwood (GU)
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Vucanovich

Walker
Walsh
Waters
Watt
Waxman
Weldon
Whitten

Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn

Yates
Young (AK)
Young (FL)
Zelliff
Zimmer

NOES—1

Applegate

NOT VOTING—37

Andrews (TX)
Bacchus (FL)
Baker (LA)
Ballenger
Berman
Bonior
Boucher
Calvert
Clement
Darden
de Lugo (VI)
DeFazio
Diaz-Balart

Foglietta
Ford (TN)
Gallegly
Gooding
Gordon
Green
Hayes
Lipinski
Lloyd
Machtley
McNulty
Miller (CA)
Murphy

Quillen
Romero-Barcelo
(PR)
Ros-Lehtinen
Shaw
Solomon
Spratt
Sundquist
Synar
Torkildsen
Washington
Wheat

□ 1357

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to advise the Members that we have pending three minor conforming amendments that the committee will accept. Then we will go to final passage. It is not the intention of the committee to call for a recorded vote on final passage.

I thank the Members for their patience and kindness and their vote.

□ 1400

AMENDMENT OFFERED BY MR. VOLKMER

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

The Clerk read as follows:

Amendment offered by Mr. VOLKMER: Page 43, lines 19 and 20, strike "or by the private insurance provider"; and

Page 43, lines 21 and 22, strike "or the insurance provider".

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

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

There was no objection.

Mr. VOLKMER. Mr. Chairman, this is a technical amendment.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman for yielding. We have considered his amendment and we have no objection to accepting it.

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

Mr. VOLKMER. I yield to my good friend, the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, we have looked at the amendment and we have no objection to it. We accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. VOLKMER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SMITH OF MICHIGAN

Mr. SMITH of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Michigan: Page 32, line 12, strike "an amount" and insert "the amount, subject to the provisions of paragraph 3."

Page 32, after line 17, insert the following new subparagraph:

"(D) Payment of buy-up coverage proportional to level of risk.

"(1) GENERAL.—In the case of policyholders under subparagraph (C), the Corporation shall ensure to the extent practicable the producer cost of buy-up coverage shall be directly and proportionally related to the level of risk and that the dollar amount of the premium payment made by the Corporation under subparagraph (C) on behalf of policyholders with an average national average insurance risk does not exceed 200 percent of the dollar amount of the premium payment made for the same level of coverage for a crop and farming practice obtained by policyholders with a national average insurance risk. In order to make this comparison of those policyholders with an above national average insurance risk with those policyholders with a national average insurance risk, the Corporation shall determine the dollar amount of its national average insurance risk premium payments utilizing county, crop, and farming practice data."

"(II) REALLOCATION OF COST SAVINGS.—The cost savings in premiums realized by the Corporation under clause (1) shall be reallocated on an equitable basis to policyholders."

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

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

There was no objection.

Mr. SMITH of Michigan. Mr. Chairman, because we are a compassionate society, we have helped many of our fellow Americans who have failed to purchase insurance and have suffered losses from natural disasters. Unfortunately, this has sent the message to farmers and others that they can live, build, and farm in high-risk areas without insurance because the Government with bail them out. This distorts economic decisionmaking by encouraging people to undertake activities where the risk outweighs the benefits, thus using resources inefficiently.

Currently, the Government pays a percentage of a farmer's crop insurance premium. The Government gives higher premium subsidies to high-risk, higher loss policyholders. Those policyholders with lower risk and hence, lower insurance premium rates, receive a smaller subsidy. Together with past Government disaster bailouts, this creates an incentive to farm in high-risk areas. In the insurance literature, this is known as moral hazard.

I believe we should restructure Government premium subsidies to improve

farmers' incentives to manage risk and reduce taxpayers' costs for a Federal crop insurance program. This amendment would limit the taxpayer premium subsidy for buy-up coverage, that is coverage equal to or greater than 65 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage to 200 percent of the dollar amount of the subsidy given to policyholders for the same level of coverage for a crop and farming practice based on a national average risk premium rate.

In other words, if we make higher risk farmers pay closer to their fair share for crop insurance by limiting the subsidy for that crop insurance premium to not more than 200 percent of the national average subsidy, lower risk farmers will be more likely to buy crop insurance because their premiums will be reduced by \$48 million.

In conclusion, I would hope the conference committee will reevaluate the disparity in subsidized premiums between high- and low-risk farmers.

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

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

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

AMENDMENT OFFERED BY MR. TRAFICANT

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

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 47, line 8, strike the close quotation marks and period at the end and insert the following new subsection:

"(d) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—

"(1) SENSE OF CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased by the Corporation using funds made available to the Corporation should be American-made.

"(2) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into my contract with, any entity for the purchase of equipment and products to carry out this title, the Corporation, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in paragraph (1) by the Congress."

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

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

There was no objection.

Mr. TRAFICANT. Mr. Chairman, I yield to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, after having examined the amendment sponsored by my distinguished colleague, the gentleman from Ohio, we accept it on our side.

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

Mr. TRAFICANT. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, being very familiar with the amendment offered by the gentleman from Ohio, we accept it.

Mr. TRAFICANT. Mr. Chairman, if we buy some American-made equipment and products, maybe we will have some American jobs.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DE LA GARZA: On page 46, line 13, strike "1996 crop year" and insert "1998 crop year".

On page 46, line 22, strike "1995 crop year" and insert "1995, 1996, and 1997 crop years".

On page 47, strike lines 3 through 8, and insert closing quotation marks and second period after "development." on line 2.

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

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

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, this is a technical amendment, conforming in nature, and I ask for its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DE LA GARZA].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

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

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

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. RICHARDSON) having assumed the chair, Mr. CARDIN, 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. 4217) to reform the Federal Crop Insurance Program, and for other purposes, pursuant to House Resolution 507, 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.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GOODLING. Mr. Speaker, I regret my absence for rollcall votes No. 377 and No. 378, amending H.R. 4217, the Federal Crop Insurance Reform Act. I was attending the funeral services for a family member.

Had I been present, I would have voted "nay" on rollcall vote No. 377 and "aye" on rollcall vote No. 378.

PERSONAL EXPLANATION

Mr. BALLENGER. Mr. Speaker, I was absent for rollcall vote No. 377 and No. 378. Had I been present, I would have voted "no" on rollcall vote No. 377 and "aye" on rollcall vote No. 378.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN EN-GROSSMENT OF H.R. 4217, FEDERAL CROP INSURANCE REFORM ACT OF 1994

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill H.R. 4217, the clerk be authorized to correct the table of contents, section numbers, punctuation, citations, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

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

There was no objection.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4217, the bill just passed.

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

There was no objection.

MAKING IN ORDER ON MONDAY, AUGUST 8, 1994, OR ANY DAY THEREAFTER CONSIDERATION OF CONFERENCE REPORT ON H.R. 4649, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1995, AND DISTRICT OF COLUMBIA SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT, 1994

Mr. DIXON. Mr. Speaker, I ask unanimous consent that notwithstanding the provisions of clause (2) of rule XXVIII, it be in order at any time on August 8, 1994, or any day thereafter, to consider the conference report, amendments in disagreement, and mo-

tions to dispose of amendments in disagreement, to the bill H.R. 4649, making appropriations for the District of Columbia for the fiscal year ending September 30, 1995, and for other purposes, and that the conference report, amendments in disagreement, and motions printed in the joint explanatory statement of the committee of conference to dispose of amendments in disagreement be considered as read when called up for consideration.

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

There was no objection.

MAKING IN ORDER AT ANY TIME CONSIDERATION OF CONFERENCE REPORT ON H.R. 4277, SOCIAL SECURITY ADMINISTRATIVE REFORM ACT OF 1994

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that it be in order at any time to consider the conference report on the bill (H.R. 4277), to establish the Social Security Administration as an independent agency and to make other improvements in the Old-Age, Survivors, and Disability Insurance Program, that any points of order against the conference report and its consideration be waived, and that the conference report be considered as read.

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

Mr. HANCOCK. Mr. Speaker, reserving the right to object, we on the Republican side of the aisle have no objection to the consideration of H.R. 4277 in the manner described by my colleague from Florida.

This issue has been a bipartisan one from the beginning, and that spirit continued through the conference. In the end, the conference report was signed by all three of our conferees—and we will be pleased for it to be considered by the House as expeditiously as possible.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF A JOINT RESOLUTION AND A BILL RELATING TO MOST-FAVORED-NATION TREATMENT FOR THE PEOPLE'S REPUBLIC OF CHINA

Mr. MOAKLEY. from the Committee on Rules, submitted a privileged report (Rept. No. 103-673) on the resolution (H. Res. 509) providing for consideration of a joint resolution and a bill relating to most-favored-nation treatment for the People's Republic of China, which was referred to the House Calendar and ordered to be printed.

□ 1410

ANNOUNCEMENT BY CHAIRMAN OF THE COMMITTEE ON RULES, CONCERNING PLANS FOR CONSIDERATION OF H.R. 3800, SUPERFUND ACT OF 1994

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

Mr. MOAKLEY. Mr. Speaker, I rise today to notify Members regarding the Rules Committee's plans with respect to H.R. 3800, the Superfund Act of 1994. The Rules Committee plans to meet the week of August 8, to grant a rule. A request may be made for a structured rule, which would permit only those floor amendments designated in the rule.

In order to ensure Members' rights to offer amendments under the rule that may be requested, they should submit 55 copies of each amendment, together with a brief explanation of each amendment, to the committee office at H-312, the Capitol, by 5 p.m. Wednesday, August 10.

LEGISLATIVE PROGRAM

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

Mr. MICHEL. Mr. Speaker, I ask for this time in order that I might inquire of the distinguished chairman of the Democratic Caucus the program for next week.

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

Mr. MICHEL. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I thank the distinguished minority leader, my good friend, the gentleman from Illinois.

The schedule for next week is we will go in at 10:30 for morning hour. After the morning hour, we will then go to a series of suspensions. We have on the list now some 27 suspensions, a list of which I believe the gentleman's side has. We will do those suspensions. There will be no votes until 5 o'clock, not before 5 o'clock. And I have had pointed out, in addition to the 27 suspensions, we will also be considering the District of Columbia appropriations conference report.

Then Tuesday and the balance of the week, the House will meet at 10:30 a.m. for morning hour on Tuesday, and the House will go into session at noon on Tuesday, and we will consider, during Tuesday and the balance of the week, the following bills: The Energy and Water Development Appropriations bill conference report, the resolution regarding China's MFN, which is, of course, subject to a rule, the Omnibus Crime Control Act conference report, also subject to a rule, the Congressional Accountability Act, subject to a

rule as well, the Social Security Administration Reform Act of 1994 conference report, the Full Budget Disclosure Act of 1994, which deals with baselines, the Emergency Spending Control Act of 1994, subject to a rule, H.R. 3433, to provide for the management of the Presidio, which is also subject to a rule, the Lobbying Disclosure Act of 1994 conference report, the Superfund Reform Act of 1994, subject to a rule, and the Hydrogen and Fusion Research and Development Programs Authorization, subject to a rule.

There may be additional conference reports. We do not know at this time.

Mr. MICHEL. I thank the gentleman.

I have to make the observation that, noting several of them, considerable authorizations of agencies, departments of government, not necessarily departments, but agencies of government that involve considerable sums of money. We are going to have to start looking over these suspensions very carefully, because instead of having a measure that ought to be debated out here involving \$10 billion, \$12 billion, \$13 billion on Suspension Calendar, I have real reservations about that, and I know that sometimes it is done to foreclose so-called unfriendly amendments. But also it tends to demean the whole legislative process when we shortchange the debate on a measure that is as important as some of these are to 20 minutes for, 20 minutes against.

As is always the case as we get near the end of a session or of the Congress, we have the inclination to pile onto the Suspension Calendar. But just a note of caution.

Mr. HOYER. If the gentleman will yield further, I very much appreciate the minority leader's observations. I understand his concern.

I want to assure him, as he knows, that all of these have been done in consultation, as he knows, with the ranking members on your side of the aisle on the committees. It is obviously generally the belief that these are relatively noncontroversial. But the gentleman's point is well taken.

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

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

Mr. DREIER. Mr. Speaker, I thank the distinguished minority leader for yielding.

I have asked him to yield so that I might inquire where we stand on the issue of congressional reform. I note that my colleagues, the gentlewoman from Florida [Mrs. FOWLER] and the gentlewoman from Washington [Ms. DUNN] and the gentleman from Massachusetts [Mr. TORKILDSEN], have just put a discharge petition in the well, Discharge Petition No. 26, which I have just signed, which will actually bring forward the entire congressional reform package, H.R. 3801.

Throughout calendar year 1993 we had the opportunity to listen to my friend, the gentleman from Maryland, and a wide range of others who came before our committee and testified on the need to bring about reform of the institution, and we have been promised the bill in the fall of last year, early spring of this year, late spring, the summer, and here we are now waiting for some action to take place upstairs in our Committee on Rules. We had a plan to mark it up today, and that has not worked out.

I just wondered where we could expect this thing to proceed in the weeks to come as we charge toward adjournment.

Mr. HOYER. If the gentleman will yield further, I thank the gentleman for his observations.

I know he has been concerned about this issue, as we have on this side of the aisle. As you know, next week we have on the calendar for consideration the Congressional Accountability Act dealing with the coverage of the Congress on those items dealing with worker safety, worker working conditions, issues of discrimination against employees, and applying those fully to the Congress of the United States as they have been applied to the private sector.

In addition, it is the Speaker's intention, and he has made it known, that he is hopeful and believes and is committed to this matter coming to the floor, the balance of the reform package, which is being considered in the gentleman's committee, in the Committee on Rules, currently to come to the floor in the early fall.

Mr. DREIER. If my friend would yield further, I would just like to say for the record that I am very concerned about this issue of breaking it up into bits.

My colleague, the gentleman from Indiana [Mr. HAMILTON], who served with me on the committee, said that he thought it necessary that the sweetener of congressional compliance, the bill to which my friend referred, was very important if we were going to succeed in getting the other equally important, but very tough, reforms which I believe a majority of the Members of this institution want to have put into place. But I just want the record to show that, and I am very, very disappointed in that we have made this decision to break the measure into bits.

Mr. HOYER. If the gentleman will yield further, I thank the minority leader for yielding, I appreciate the gentleman's concern. As the gentleman knows, this bill is a bipartisan bill; the gentleman from New Hampshire [Mr. SWETT] on our side, the gentleman from Connecticut [Mr. SHAYS] on your side, and others; of course, that was considered by the Committee on House Administration, broad-based support of

it, and I think broad-based support on the floor, and it was felt that this ought to move ahead, because it is a matter of great concern to the American public, as you know, and great concern to many Members of the Congress.

But there is also a continuing concern about the package that has been put together by the joint committee, and I appreciate the gentleman's concerns.

Mr. MICHEL. As the gentleman well knows, we are going to be devoting then the week following next week's program to health care. I suspect it is no secret that what we would probably like to see is a couple of days, Monday and Tuesday, of general debate, and then a rule that gets us to a voting situation for Wednesday, Thursday, Friday, and, you know, earlier at leadership meetings and in this program, I see nothing about GATT. Does that assume that is pretty well put off until we come back in September?

We want to be working together, and that is very important for the country's welfare, and I know there is some angst in various quarters about the particulars of that measure.

The gentleman may want to volunteer an observation on that one.

□ 1440

Mr. HOYER. I appreciate the minority leader's observation on both of these issues, which are both obviously very, very important issues and about which we are very concerned. First as to the minority leader's observation on health care, we do expect and plan to have that matter up on the floor the week after next. As you know, the minority leader is absolutely correct. On Monday there will be no votes, Monday, the 15th. However, we do expect to start the debate on the health care bill and have, not only on the bill that is currently being considered, but the House Democratic leadership bill, so-called Gephardt bill, but in addition the minority leader's bill and any other bills on your side of the aisle will be discussed.

We hope to continue that debate on Tuesday, consider the rule on Wednesday, and for the balance of the week consider the health care legislation.

But again I would stress there are no votes on Monday, the 15th.

With respect to GATT, as the gentleman I am sure knows, there is a lot of preconferring going on, trying to work out some of the disagreements which are substantial in terms of a number of matters dealing with GATT. We are hopeful that that will move ahead. Until such time, however, as the various committees advise us on the progress they are having, we have not added that to the calendar because we do not know whether we can move forward on it.

We realize the importance of this issue. The leadership is very much

committed to moving this ahead. As soon as we have an indication from the committee that they are ready, we are going to try to move ahead and make room.

Now, quite clearly it would be doubtful that we could do this in conjunction with health care in that week. But we do not want to preclude it at this point.

Mr. MICHEL. I appreciate the gentleman's response. It has been my understanding that because we have orchestrated the program the way it will unfold, hopefully, in the next 2 weeks, that that second week is pretty much confined to health care, not to have our attention distracted by any other, conceivably controversial, piece of legislation. I think what we will be dealing with that week will be controversial enough. But at least it will focus the attention of the American people and Congress where it ought to be, on that biggest of all issues for this year. And we can dispose of it, hopefully, amicably whatever the bill is.

Mr. HOYER. I would like to say, on our side, if the gentleman will continue to yield, that we appreciate the cooperative spirit that we have discussed, the consideration of this for the week of the 15th. We both agree, on both sides of the aisle, that this is an issue of sufficient magnitude to really warrant fully focusing on it during that week, having full debate on it, full exposition of the issues, so that the American public and every Member of the House can understand the bill and the legislation, what it does and what it does not do.

Mr. MICHEL. I thank the gentleman.

Mr. Speaker, I yield back the balance of my extended minute.

ADJOURNMENT TO MONDAY, AUGUST 8, 1994

Mr. HOYER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10:30 a.m. on Monday next.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). Is there objection to the request of the gentleman from Maryland?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. HOYER. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, August 10, 1994.

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

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 2739, AVIATION INFRASTRUCTURE INVESTMENT ACT OF 1993

Mr. MINETA. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight, Friday, August 5, 1994, to file a conference report on the bill (H.R. 2739) to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations for fiscal years 1994, 1995, and 1996, and for other purposes.

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

There was no objection.

NATIONAL PEARL HARBOR REMEMBRANCE DAY

Mrs. BYRNE. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 131) designating December 7 of each year as "National Pearl Harbor Remembrance Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. MENENDEZ). Is there objection to the request of the gentlewoman from Virginia?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, the minority does not object. I at this point would yield to the prime sponsor of this important resolution, which would designate December 7 of each year as National Pearl Harbor Remembrance Day, the gentleman from Illinois [Mr. SANGMEISTER].

Mr. SANGMEISTER. I thank the gentlewoman for yielding to me.

Mr. Speaker, I would like to thank and commend the gentleman from Missouri [Mr. CLAY], the chairman of the full committee for his distinguished leadership, his strong support of this measure and for moving this bill so expeditiously. I would also like to thank the ranking member from Indiana [Mr. MYERS] for his support.

Mr. Speaker, House Joint Resolution 131, would designate December 7 of each year as National Pearl Harbor Remembrance Day.

On December 8, 1941, President Roosevelt uttered the words, "December 7, 1941—a date which will live in infamy." He was standing in this House Chamber giving a speech before a joint session of Congress, asking that a state of war be declared between the United States and Japan.

This attack, killing more than 2,000 citizens of the United States and wounding another 1,000, marked the entry of the United States into WW II. Between the period of December 7, 1941, and December 31, 1946, over 16 million Americans served in the Armed Forces

of the United States. Of that number 671,000 were wounded in action; 292,000 were killed in action; and an additional 114,000 died of non-battle causes for a total of 406,000 Americans making the ultimate sacrifice in defense of freedom around the world.

I believe that House Joint Resolution 131 will promote a greater understanding and appreciation of this sacrifice.

Mr. Speaker, this measure does not create a Federal holiday which will cost taxpayers money. It simply designates December 7 of each year as a working holiday and encourages Federal agencies to fly the flag at half-staff and mark the day with appropriate ceremonies. Passage of this legislation will ensure that new generations of Americans, particularly school children, would be reminded of the sacrifices their forefathers made to give them the freedom they enjoy in the greatest Nation in the world.

As our World War II veterans age and begin to pass on, it is especially important that we appropriately memorialize their contribution to our great Nation.

Mr. Speaker, I would be remiss if I did not recognize the efforts of Mr. Richard Foltyniewicz—a constituent of mine who has worked tirelessly to make this bill a reality—and Mr. Lee Goldfarb—a Pearl Harbor survivor and President of the National Pearl Harbor Survivors Association. He has been exceedingly instrumental in bringing this measure to the floor. I urge my colleagues to favorably consider House Joint Resolution 131, so that we may never forget.

Mrs. MORELLA. Mr. Speaker, further on my reservation of objection, I want to congratulate the prime sponsor, the gentleman from Illinois [Mr. SANGMEISTER], for his leadership in this regard because this resolution that I have cosponsored, as has my colleague, the gentlewoman from Virginia [Mrs. BYRNE], will now designate every year, December 7, as commemorating Pearl Harbor Remembrance Day.

Mr. GILMAN. Mr. Speaker, I am pleased to rise today in support of a joint resolution designating December 7 of each year as "National Pearl Harbor Remembrance Day."

Every generation has a day forever emblazoned in its consciousness. For my parents, it was the 11th hour of the 11th day of the 11th month in 1918, when the guns fell silent on the Western Front of Europe. For another generation, it was an autumn afternoon when the crack of gunfire snuffed out the life of our young, vibrant President Kennedy in a Dallas motorcade.

But for my generation, the day we will never forget was 50 years ago, when a quiet Sunday afternoon was interrupted by the shocking news that the Japanese Empire had launched an unexpected, unprovoked air attack upon our naval base at Pearl Harbor, HI.

Anyone who was around on December 7, can tell you exactly where they were and what they were doing when these deadly bombs

fell. Other images of that day are vivid in all of our minds: The thousands of American soldiers, sailors, and airmen performing personal acts of heroism in the midst of that sudden vicious attack, and a nation suddenly united with a common purpose.

There is another lingering thought about Pearl Harbor. The knowledge that we must never again allow the oceans along our shorelines to lull us into a sense of complacency—that never again should we allow our national defense to be so ill-prepared for any hostile action. From December 7, 1941 on, we Americans knew that we would have to strengthen our defenses and bear the mantle of world leadership, recognizing that events anywhere in the world would henceforth affect us here at home.

Mr. Speaker, December 7, 1994, is an appropriate time for our Nation to take a moment, remembering the important and unforgettable lesson that Pearl Harbor Day taught us—that never again can we allow ourselves to be unprepared.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 131

Whereas, on December 7, 1941, the Imperial Japanese Navy and Air Force attacked units of the armed forces of the United States stationed at Pearl Harbor, Hawaii;

Whereas more than 2,000 citizens of the United States were killed and more than 1,000 citizens of the United States were wounded in the attack on Pearl Harbor;

Whereas the attack on Pearl Harbor marked the entry of the United States into World War II;

Whereas the veterans of World War II and all other people of the United States commemorate December 7 in remembrance of the attack on Pearl Harbor; and

Whereas commemoration of the attack on Pearl Harbor will instill in all people of the United States a greater understanding and appreciation of the selfless sacrifice of the individuals who served in the armed forces of the United States during World War II: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That December 7 of each year is designated as "National Pearl Harbor Remembrance Day" and the President is authorized and requested—

(1) to issue annually a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities; and

(2) to urge all Federal agencies, and interested organizations, groups, and individuals, to fly the flag of the United States at half-staff each December 7 in honor of the individuals who died as a result of their service at Pearl Harbor.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ITALIAN-AMERICAN HERITAGE
AND CULTURE MONTH

Mrs. BYRNE. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 175) designating October 1993 and October 1994 as "Italian-American Heritage and Culture Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

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

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I yield to the gentleman from New York [Mr. ENGEL], who is kind of a converted Italian-American, and who is the chief sponsor of House Joint Resolution 175.

Mr. ENGEL. I thank the gentleman from Maryland, who is a dear friend, for yielding this time to me.

Mr. Speaker, I rise today to thank my colleagues for joining me for the fifth year in passing House Joint Resolution 175, legislation which designates October 1994 as "Italian-American Heritage and Culture month."

During the past 5 years, the month of October has become a time for great celebration for the Italian-American community in honor of the Achievements and contributions of Italian-Americans throughout the history of our country. This month is marked by activities planned at the national and local level in recognition and celebration of these contributions.

The Italian-American community is one of the largest in this country, made up of some 25 million citizens who comprise thousands of organizations and clubs throughout the United States and who greatly contribute to the prosperity and progress of our Nation on a yearly basis. Italian-Americans contribute to this country in all aspect of our society: Art, science, civil service, military service, athletics, education, and politics.

Italian-American Heritage and Culture Month is a time for all Americans to reflect on the achievements of Italians and Italian-Americans throughout History. During this month we celebrate those figures of Italian heritage who have contributed to the history of this country and the world. We note the achievements of the great explorer, Christopher Columbus, for whom we have a national day of observance in the month of October. We honor Philip Mazzei, the noted Italian patriot and immigrant to whom we attribute the phrase, "All men are created equal," and who fought for religious and political freedom during the American Revolution. We remember Enrico Fermi, the recipient of the 1938 Nobel Prize in physics. Our country also celebrates the cultural heritage of Italian history which has given us the works of Dante,

Giotto, Michelangelo as well as the music of Antonio Vivaldi and Giuseppe Verdi.

Italian-American Heritage and Culture Month gives us all the opportunity to reflect on the ideals and values common to both Americans and Italians. Our nations are bonded by the ideals of the importance of individuality, the protection of basic human rights and freedoms, and the advancement of mankind.

Mr. Speaker, we are giving a great honor to one of the largest ethnic communities in this country by passing this resolution and I am thankful for the many contributions that Italian-Americans have made to our society. I look forward to this resolution's passage in the Senate as well as proper Presidential recognition of this important commemorative Legislation.

□ 1430

Mrs. MORELLA. Mr. Speaker, I thank the gentleman from New York [Mr. ENGEL] for introducing this resolution to recognize October of this year, as well as 1993, as Italian-American Heritage and Culture Month.

Mr. Speaker, further reserving the right to object, it now gives me pleasure to yield to the gentleman from Wisconsin [Mr. BARCA] on this resolution.

Mr. BARCA of Wisconsin. Mr. Speaker, I appreciate this opportunity, and I will be very brief: I just want to take a minute to add my strong support to this motion and to this resolution. The gentleman from New York [Mr. ENGEL] very articulately outlined the many contributions of Italian-Americans, and, being of Italian-American descent, personally this brings me great pleasure to have this opportunity to add my voice in support.

It is 1 year ago that I lost my father, Peter Barca, Sr., who was of Italian descent, who came to this country in 1920, like so many Italian-Americans and people of other heritages just wanting to make a contribution to this great country and to raise his family with dignity and pride, and for that reason I am just very pleased to add my support to this motion.

Mrs. MORELLA. Mr. Speaker, further reserving the right to object, I want to commend the gentleman from Wisconsin [Mr. BARCA] for the tribute to his father, and it is the same kind of tribute that we have to all of our ancestors who have come from other countries who have chosen this as their own.

As someone whose married name is Morella, which is of Italian background, and whose maiden name was Albanese, which is also Italian in background, I can indicate that I do value this particular resolution because it does talk about the fact that we respect our heritage, the traditions that we in America respect the greatness of

this country, and this is what makes this Congress so great and this country so great, the combination of the mosaic of different backgrounds, all with the common heritage which is as Americans.

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of House Joint Resolution 175, legislation to designate October 1994 as Italian-American Heritage and Culture Month. I am pleased to have cosponsored this legislation and wish to commend the gentleman from New York [Mr. ENGEL] for his sponsorship of this legislation.

Italian-Americans in the United States represent one of the largest ethnic groups in our Nation. With 20 million Americans of Italian descent it would be difficult, if not impossible, to name the many contributions they have made to the formation and development of our great Nation.

Perhaps the greatest contribution made by an Italian, of course, is the discovery of America by Christopher Columbus.

Mr. Speaker, it is a pleasure to rise in support of House Joint Resolution 175, and I urge my colleagues to support this measure.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MENENDEZ). Is there objection to the request of the gentlewoman from Virginia?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 175

Whereas Italians and Italian-Americans have contributed to the United States in all aspects of life, including art, science, civil service, military service, athletics, education, law, and politics;

Whereas Italian-Americans make up one of the largest ethnic groups in the United States;

Whereas in recognition of the accomplishments of Christopher Columbus, recognized as one of the greatest explorers in world history and the first to record the discovery of the Americas, a national observance day was established in October of every year;

Whereas the phrase in the Declaration of Independence "All men are created equal", was suggested by the Italian patriot and immigrant Philip Mazzei;

Whereas the people of the United States take great pride in the accomplishments of the many outstanding men and women of Italian descent who have enriched our Nation's history such as Florentino La Guardia, the beloved Mayor of New York City, and Enrico Fermi, who won the 1938 Nobel Prize in Physics;

Whereas Italy enjoys a rich cultural heritage and has given the world the great works of Dante, the breathtaking art of Giotto and Michelangelo, and the inspirational music of Antonio Vivaldi and Domenico Scarlatti;

Whereas the Americas were named after the Italian explorer Amerigo Vespucci;

Whereas Giuseppe Verdi, one of the world's most renowned opera composers, was born October 10, 1813;

Whereas William Paca, an Italian-American, was one of the signers of the Declaration of Independence; and

Whereas during October 1993 and October 1994 special attention will be directed at National, State, and local programs that pro-

mote Italian heritage and culture: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

That October 1993 and October 1994 are each designated as "Italian-American Heritage and Culture Month". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

AMENDMENT OFFERED BY MRS. BYRNE

Mrs. BYRNE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. BYRNE: Page 2, strike line 3 and insert "That October 1994 is designated".

The SPEAKER pro tempore. The question is on the amendment offered by the gentlewoman from Virginia [Mrs. BYRNE].

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL MILITARY FAMILIES RECOGNITION DAY

Mrs. BYRNE. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 188) designating November 22, 1993, as "National Military Families Recognition Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Virginia?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I yield to the gentleman from Washington [Mr. KREIDLER] who is the chief sponsor of House Joint Resolution 188.

Mr. KREIDLER. Mr. Speaker, I am proud to be the sponsor for a second year of this resolution to designate the Monday before Thanksgiving as "National Military Families Recognition Day."

Since the Senate version of this legislation was enacted last year, we are simply amending House Joint Resolution 188, with its 220 cosponsors, to reflect updated statistics and the correct date of this year as November 21, 1994.

This will be the sixth consecutive year that Congress has designated a special day to recognize and honor the mothers, fathers, husbands, wives, and children of our military personnel.

Too often they are forgotten heroes of our Nation's defense, whose service to their country deserves our gratitude and respect.

Many people do not understand how demanding military life can be: Families face the hardships of frequent

moves and reassignments, long separations from loved ones, financial pressures, and the constant anxiety of an uncertain tomorrow.

Each and every day military families make personal, professional, financial, and emotional sacrifices on behalf of their country.

But there are few medals for these acts of courage and honor, only the unspoken rewards that come from love and family.

I represent a district that includes Fort Lewis Army Base, McChord Air Force Base, and Madigan Army Hospital.

The families stationed at these bases work hard in the midst of great instability to create a decent life for themselves and their children.

Military Families Recognition Day is a day to honor the dedication and commitment of these families. They are people like:

Jennifer Hutchins, who had to face most of her first pregnancy without her husband, Senior Airman Sheldon Hutchins, when he was deployed for more than 6 months in Somalia, Louisiana, and New Mexico.

Hutchins is a member of the 62d Combat Control Squadron at McChord Air Force Base. While he was deployed in support of Somalia famine relief efforts, Jennifer was pregnant with her first child.

Fortunately, her parents were nearby and able to help. But Jennifer and Sheldon missed sharing this once-in-a-lifetime experience.

Sharon King, whose husband, Capt. Ed King, was deployed to Somalia just 2 weeks after she had their second child.

Ed is based out of the 62d Aerial Port Squadron at McChord AFB and was deployed to Somalia for 3 months earlier this year.

Sharon had to care for a child and a newborn on her own, without a husband to share the joys and struggles.

And the Carter family—Maj. Frederick Carter, his wife Reta, and their two sons Ray and Ben—who were honored as Fort Lewis' Family of the Year last November.

The award, given each year as part of U.S. Army Family Week, is to honor a family for its teamwork and love for each other, and friendship and service to others.

The Carter family had its share of difficulties when Fred was deployed to Iraq for 6 months during the Persian Gulf war.

But they have always taken time to participate in their community—both Frederick and Reta are involved with the PTA and Reta also serves as a social work counselor for the Salvation Army and a facilitator for Army Management counseling sessions.

Mr. Speaker, during the past recent months we have celebrated Memorial Day and the 50th anniversary of D-day,

paying our respects to those living and dead for their sacrifice to their country.

We need to remember that for each of those servicemembers, there was a mother and father, wife or husband, sister or brother, daughter or son, who gave that service man or woman the support and love they needed to serve our Nation.

We salute you, all the military families in America, for your invaluable contribution to our Nation.

□ 1440

Mrs. MORELLA. Mr. Speaker, I want to thank the gentleman for introducing this resolution and for his very moving comments. It is appropriate with this resolution that Congress demonstrate their appreciation of the commitment and devotion and sacrifice of military families, present and past.

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of House Joint Resolution 188, legislation designating November 22, 1993, as "National Military Families Recognition Day."

As the House of Representatives discusses this measure today, we pay tribute to an often forgotten group of people, the families of our Nation's service men and women.

When our military personnel are called to service, we rightly praise their bravery and honor. However, we often forget about the family members who remain at home. This measure recognizes the encouragement and support that is provided by military family members.

I urge my colleagues to join me in supporting this important resolution.

Mrs. MORELLA. I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MENENDEZ). Is there objection to the request of the gentlewoman from Virginia?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 188

Whereas the Congress recognizes and supports the Department of Defense policies to recruit, train, equip, retain, and field a military force that is capable of preserving peace and protecting the vital interests of the United States and its allies;

Whereas military families shoulder the responsibility of providing emotional support for their service members;

Whereas, in times of war and military action, military families have demonstrated their patriotism through their steadfast support and commitment to the Nation;

Whereas the emotional and mental readiness of the United States military personnel around the world is tied to the well-being and satisfaction of their families;

Whereas the quality of life that the Armed Forces provide to military families is a key factor in the retention of military personnel;

Whereas the people of the United States are truly indebted to military families for facing adversities, including extended separations from their service members, frequent household moves due to reassignments, and restrictions on their employment and educational opportunities;

Whereas 74 percent of officers and 55 percent of enlisted personnel in the Armed Forces are married;

Whereas families of active duty military personnel (including individuals other than spouses and children) account for more than half of the active duty community, and spouses and children of members of the Reserves in paid status account for more than half of the individuals in the Reserves community;

Whereas hundreds of thousands of spouses, children, and other dependents living abroad with members of the Armed Forces face feelings of cultural isolation and financial hardship;

Whereas the significantly reduced global military tensions after the end of the cold war have led to a down-sizing of the national defense and a refocusing on national priorities to strengthening the American economy and competitiveness in the global marketplace;

Whereas the Congress is grateful for such sacrifices and is committed to assisting the service members and their families who undergo the transition from active duty to civilian life; and

Whereas military families are devoted to the overall mission of the Department of Defense and have accepted the role of the United States as the military leader and protector of the free world: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the Congress acknowledges and appreciates the commitment and devotion of present and former military families and the sacrifices that such families have made on behalf of the Nation; and

(2) November 22, 1993 is designated as "National Military Families Recognition Day". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

AMENDMENT OFFERED BY MRS. BYRNE

Mrs. BYRNE. Mr. Speaker, I join with my colleagues in this resolution to honor military families, and I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. BYRNE:
Page 3, line 8, strike "November 22, 1993" and insert "November 21, 1994".

The SPEAKER pro tempore. The question is on the amendment offered by the gentlewoman from Virginia [Mrs. BYRNE].

The amendment was agreed to.

AMENDMENT TO THE PREAMBLE OFFERED BY MRS. BYRNE

The joint resolution was ordered to be engrossed.

Mrs. BYRNE. Mr. Speaker, I offer an amendment to the preamble.

The Clerk read as follows:

Amendment to the preamble offered by Mrs. BYRNE:

Page 2, strike "Whereas 74 percent of officers and 55 percent of enlisted personnel in the Armed Forces are married;" and insert "Whereas 75 percent of officers and 57 percent of enlisted personnel in the Armed Forces are married;".

The SPEAKER pro tempore. The question is on the amendment to the preamble offered by the gentlewoman from Virginia [Mrs. BYRNE].

The amendment to the preamble was agreed to.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MRS. BYRNE

Mrs. BYRNE. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mrs. BYRNE:
Amend the title by striking "November 22, 1993" and inserting "November 21, 1994".

The title amendment was agreed to.

A motion to reconsider was laid on the table.

CONSTITUTION DAY

Mrs. BYRNE. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 390) designating September 17, 1994, as "Constitution Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Virginia?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I wanted to acknowledge that the gentleman from Pennsylvania [Mr. BORSKI], who is the chief sponsor of House Joint Resolution 390. I think all of us recognize the need to designate September 17, 1994, as Constitution Day.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Virginia?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 390

Whereas the Constitution of the United States is the cornerstone of the Nation's system of governments under law;

Whereas the Constitution of the United States signifies the importance of the rule of law and affirms the Nation's dedication to the principles of freedom and justice;

Whereas the Constitution of the United States is recognized by many to be the most significant and important document in history for establishing freedom and justice through democracy;

Whereas the Constitution of the United States provides the framework of the Nation's law, spirit, and beliefs;

Whereas the Constitution of the United States deserves the recognition, respect, and reverence of all Americans;

Whereas every American should celebrate the freedom and responsibilities of the Constitution of the United States; and

Whereas the Constitution of the United States was signed on September 17, 1787: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 17, 1994, is designated as "Constitution Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL FAMILY CAREGIVERS WEEK

Mrs. BYRNE. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate Joint Resolution (S.J. Res. 153) to designate the week beginning on November 21, 1993, and ending on November 27, 1993, and the week beginning on November 20, 1994, and ending on November 26, 1994, as "National Family Caregivers Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

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

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I just want to acknowledge that the gentlewoman from Maine [Ms. SNOWE] is the prime sponsor of this resolution. We have no objections to it. This resolution is important. With National Family Caregivers Week, to be designated in November, family caregivers have become so very important, and particularly as we look at health care reform, I know I for one am a long-distance caregiver. Many others are caring for other members of their families and should be saluted.

Ms. SNOWE. Mr. Speaker, I would like to thank the Post Office and Civil Service Committee for bringing this resolution, National Family Caregivers Week, to the House floor.

At Thanksgiving we traditionally take time to be with our families. Therefore, it is appropriate that National Family Caregivers Week, which has been recognized for 6 years, is celebrated over Thanksgiving Week.

National Family Caregivers Week allows us to recognize the care and devotion the estimated 17 million family caregivers show each and every day. They are responsible for two-thirds of the home care provided in this country at an enormous cost savings to our health care system. They also provide between 80 and 90 percent of the medical care, household maintenance, transportation, and shopping needed by older persons. More importantly, they allow their loved one to maintain their independence, their dignity and their self-respect—three items on which no cost can be placed.

Some may wonder just who these caregivers are. They are our friends, our neighbors, and our coworkers. They are the adult child of an aged parent, the well spouse of an ill or disabled spouse, the parents of a child with an illness or disability, a friend or a companion.

Numerous studies have found that family caregivers give up their jobs, have reduced their working hours, or have rejected promotions in order to provide long-term care to

loved ones. In fact, last year the GAO issued a report I had requested on family caregivers in the workplace. The report noted that 2 million caregivers work and provide significant unpaid care to elderly or disabled relatives. In addition, 6 million more employed persons have parents or spouses who are disabled and may also need assistance with these activities.

Caregivers are in great need of our support. They give their money, their time, and their love in order to allow their family member to have a more comfortable and independent life. While such commitment to a family member offers many rewards, many caregivers often find themselves under a great deal of pressure in their attempt to juggle the competing demands of their immediate families, their careers, and their own personal needs.

It is appropriate that we consider this resolution as we stand ready to take up health care reform. I hope that this resolution will serve as a reminder that we need to work harder to enhance the home care programs, respite and support groups available in order to assist those who take on the challenge of caregiving. In addition, as the population ages, the pressing need for caregiving will increase. Through improved public-private partnerships, eldercare, tax credits, and expanded family medical leave policies, I believe that we may begin to address the seriousness of caregivers' concerns.

Mr. Speaker, I am glad that we can once again celebrate our Nation's caregivers during National Family Caregivers Week.

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of Senate Joint Resolution 153, National Family Caregivers Week.

Family caregivers not only fulfill a functional need in our society, but moreover they provide care that serves to reinforce the family structure in our society. Unfortunately, my colleagues in the Congress have been discouraged to witness the deterioration of this structure lately. The family plays an integral part in the perpetuation of values, high standards, morals, and sound judgment.

I believe we all know the value of a loving, caring family. These caregivers go beyond the normal responsibilities to family and offer help to loved ones who are frail and disabled. This selfless offering is commendable indeed.

Mr. Speaker, I am pleased to be a cosponsor of National Family Caregivers Week and I urge my colleagues to join me in supporting this measure.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate Joint resolution, as follows:

S. J. RES. 153

Whereas the number of Americans who are age 65 or older is growing dramatically, with an unprecedented increase in the number of frail elderly age 85 or older:

Whereas approximately 5,200,000 older persons have disabilities that leave them in need of help with their daily tasks, including food preparation, dressing, and bathing;

Whereas families provide help to older persons with such tasks, in addition to provid-

ing between 80 and 90 percent of the medical care, household maintenance, transportation and shopping needed by older persons;

Whereas 80 percent of disabled elderly persons receive care from their family members, most of whom are their wives, daughters, and daughters-in-law, who often must sacrifice employment opportunities to provide such care;

Whereas family caregivers are often physically and emotionally exhausted from the amount of time and stress involved in caregiving activities, and therefore need information about available community resources for respite care and other support services;

Whereas the contributions of family caregivers help maintain strong family ties and assure support among generations; and

Whereas there is a need for greater public awareness of and support for the care that family caregivers are providing older persons: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on November 21, 1993 and ending on November 27, 1993, and the week beginning on November 20, 1994 and ending on November 26, 1994, are each designated "National Family Caregivers Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such weeks with appropriate programs, ceremonies, and activities.

AMENDMENT OFFERED BY MRS. BYRNE

Mrs. BYRNE. Mr. Speaker, I offer an amendment.

The clerk read as follows:

Amendment offered by Mrs. BYRNE:

Page 2, beginning on line 3, strike "the week beginning on November 21, 1993 and ending on November 27, 1993, and".

Page 2, line 6, strike "are each" and insert "is".

Page 2, line 9, strike "weeks" and insert "week".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Virginia [Mrs. BYRNE].

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MRS. BYRNE

Mrs. BYRNE. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mrs. BYRNE: Amend the title so as to read: "Joint Resolution to designate the week beginning on November 20, 1994, and ending on November 26, 1994, as 'National Family Caregivers Week'."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

NATIONAL CHARACTER COUNTS WEEK

Mrs. BYRNE. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 178) to proclaim the week of October 16 through October 22, 1994, as "National Character Counts Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution:

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Virginia?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I yield to the gentleman from Ohio [Mr. HALL], the chief sponsor of House Joint Resolution 366.

Mr. HALL of Ohio. Mr. Speaker, I thank the kind gentlewoman for yielding to me.

Mr. Speaker, today I rise to support this resolution which I sponsored along with my colleagues, Messrs. WOLF, HAMILTON, HYDE, MOAKLEY, EMERSON, HUGHES and SMITH of Michigan, to designate the week of October 16 through October 22, 1994, as National Character Counts Week. I also want to extend my appreciation to both Chairman CLAY and Ranking Member MYERS for allowing this resolution to be considered on the House floor today.

The purpose of this resolution is to bring national attention to the issue of character education and to encourage communities, schools and youth organizations to promote six core elements of character. These are: Trustworthiness, respect, responsibility, justice and fairness, caring, and civic virtue and citizenship.

Mr. Speaker, character education programs teach civic values and character traits that have widespread support among the American people. The ultimate goal of character education is to teach students about the shared values evident in our country which contribute to ethical behavior and good citizenship. This is particularly relevant to our efforts to combat drugs and school violence. If we do not teach children sound moral principles, we cannot expect them to act with moral common sense or make judgments of right and wrong. Families have the primary responsibility to teach values to their children, but when they do not, schools must step in and teach our age old principles.

In July 1992, a group of scholars, educators, and youth leaders drafted a document known as the Aspen declaration which articulates a framework for character education appropriate to our diverse and pluralistic society. Included in the Aspen declaration are the six core elements of character which can be appropriately taught to our children. The bipartisan Character Counts Coalition was formed to promote these six core elements of character as an effort to promote stronger individuals and thus a stronger Nation.

Advisory members of the Character Counts Coalition represent many ideological views. Advisors include William Bennett of Empower America; Marian Wright Edelman, president of the Children's Defense Fund; our former colleague Barbara Jordan; actor Tom Selleck; Nina Link, publisher of the

Children's Television Workshop; and, Sylvia Peters, a founding partner of the Edison Project. In addition, this solution is supported by the Character Education Partnership [CEP], an organization of nationwide organizations and individuals involved in education and youth service. CEP's membership includes the National Education Association, the American Federation of Teachers, the National Association of School Boards, the National Association of Evangelicals and many others.

Mr. Speaker, Theodore Roosevelt said: "To educate a man in mind and not in character is to educate a menace to society." This commemorative resolution will give communities across the country an opportunity to embrace character education and to promote the six core elements of character. The other body has already passed overwhelmingly a similar resolution on June 24. I want to personally thank the 218 Members who have signed onto this resolution, and I urge my colleagues to vote for it.

Mr. Speaker, I also personally want to thank my very able aide, Gabrielle Williamson, who worked very hard to gather these signatures.

□ 1450

Mrs. MORELLA. Mr. Speaker, continuing my reservation of objection, I again want to thank the gentleman from Ohio [Mr. HALL] for his leadership on this important resolution.

Mr. Speaker, I yield to the gentleman from Virginia [Mr. WOLF], another major sponsor of this resolution.

Mr. WOLF. Mr. Speaker, before I make a statement, let me just say I want to pay particular tribute to the gentleman from Ohio [Mr. HALL], because he has been working on this issue for a number of years and it is a pleasure to be here at the culmination when this finally passes.

I also, on the Senate side, Senator PETE DOMENICI, who has worked so hard and has now instituted these programs in the Albuquerque and some of the other New Mexico schools.

It has been said that values are the emotional rules by which the Nation governs itself. As a member of Congress, been deeply concerned about the disturbing trends I have observed in the well-being of our Nation's families and children. From our inner cities to our suburbs, the wheels are coming off on many of the younger generation and clearly your children cannot steer clear of trouble without the guidance from a set of basic principles of character which contribute to ethical behavior and good citizenship.

I am pleased to be part of the effort in Congress to promote National Character Counts Week to focus attention on the core elements of character to which we as a nation must commit ourselves to provide positive influence for our next generation:

Trustworthiness, no one can differ with that; respect, no one can differ with that; responsibility, no one can differ with that; justice and fairness and caring and civic virtue and citizenship. These are all things that we, I think, all can agree upon. Our children need to know that character does count.

Again, I thank the committee for bringing this legislation out, particularly my colleague from Ohio for providing the leadership, and again Senator DOMENICI for making a difference on the Senate side.

Mr. SMITH of Michigan. Mr. Speaker, I rise as one of the prime sponsors of H.J. Res. 366 to support its passage. We need to remember that our actions influence our children. When they see public officials seeking special treatment, or parents not being totally honest or "fudging" on their income tax, or teachers or any other person in a leadership position flouting the law or not showing respect to others, they often conclude that honesty and character are not that important. When they see the government reward irresponsibility, young people too often choose to be irresponsible.

Ethical values are critical to maintaining a free and civilized society. We must teach these values at home, and reinforce them in our schools and our society. As a strong believer in the importance of character, I introduced and passes a sense of Congress amendment to the Elementary and Secondary Education Act, that would encourage States and local school systems to work with and support parents by reinforcing the ethical principles of trustworthiness, respect for others, responsibility, fairness, caring, and citizenship.

I'm working to promote these principles in consultation with the Character Coalition and the Josephson Institute of Ethics. The coalition is a national partnership of individuals and over 40 organizations including the 4-H club, Big Brothers/Big Sisters, United Way, YMCA, and the National Association of Secondary Principals, committed to improving the character of America's young people through education and training.

One concern about teaching values has been the question of whose values to teach. That's why the idea of building character by emphasizing the importance of six basic defined values might be the answer. As parents and citizens, we should all get involved to combat violence, dishonesty, and irresponsibility by strengthening the moral fiber of the next generation. We must put character development at the forefront if we're ever going to be successful at cutting crime, improving education, fixing the welfare system, reducing dependence on government and achieving greater individual responsibility.

For young people to develop good character and strong values, they need

good examples at home that are reinforced at school, and in the community. As Theodore Roosevelt said, "to educate a person in mind but not morals is to educate a menace to society."

The six-core ethical values encouraged in House Joint Resolution Res. 366 are trustworthiness:

Honesty—Do: tell the truth; be sincere. Don't: betray a trust, deceive, mislead, cheat, or steal; don't be devils or tricky.

Integrity—Do: stand up for your beliefs; be your best self; walk your talk; show commitment, courage, and self-discipline. Don't: do anything you think is wrong.

Promise-Keeping—Do: keep your word and honor your commitments; pay your debts and return what you borrow.

Loyalty—Do: stand by, support and protect your family, friends, and country. Don't: talk behind people's backs; spread rumors or engage in harmful gossip; don't do anything wrong to keep or win a friendship or gain approval; don't ask a friend to do something wrong.

Second, respect for others:

Do: judge all people on their merits; be courteous and polite, tolerant, appreciative and accepting of individual differences; respect the right of individuals to make decisions about their own lives. Don't: abuse, demean, or mistreat anyone; don't use, manipulate, exploit or take advantage of others.

Third, responsibility:

Accountability—Do: think before you act; consider the consequences on all people affected; think for the long-term; be reliable; be accountable; accept responsibility for the consequences of your choices; set a good example for those who look up to you; Don't make excuses, blame others for your mistakes or take credit for others' achievements.

Excellence—Do: your best and keep trying; be diligent and industrious. Don't: quit or give up easily.

Self-Restraint—Do: exercise self-restraint and be disciplined.

Fourth, justice and fairness:

Do: treat all people fairly; be open-minded; listen to others; try to understand what they are saying and feeling, make decisions which affect others only after appropriate considerations. Don't: take unfair advantage of other's mistakes or take more than your fair share.

Fifth, caring:

Do: show your care about others through kindness, caring, sharing and compassion, live by the Golden Rule and help others. Don't: be selfish, mean, cruel or insensitive to other's feelings.

And sixth, citizenship:

Do: play by the rules; obey laws; do your share; respect authority; stay informed; vote; protect your neighbors; pay your taxes; be charitable; help

your community by volunteering service; protect the environment; conserve natural resources.

I urge every family, community, and every organization working with young people to be active in recognizing October 16 through October 22, 1994, as "National Character Counts Week".

Mrs. MORELLA. Mr. Speaker, further reserving the right to object, I have no other requests to speak on this very important resolution, except I am pleased to note and certainly subscribe to the six core elements of character that were mentioned from the Aspen Declaration of trustworthiness, respect, responsibility, justice and fairness, caring, civic virtue, and citizenship.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. pro tempore (Mr. MENENDEZ). Is there objection to the request of the gentlewoman from Virginia?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S. J. RES. 178

Whereas young people will be the stewards of our communities, Nation, and world in critical times, and the present and future well-being of our society requires an involved, caring citizenry with good character;

Whereas concerns about the character training of children have taken on a new sense of urgency as violence by and against youth threatens the physical and psychological well-being of the Nation;

Whereas more than ever, children need strong and constructive guidance from their families and their communities, including schools, youth organizations, religious institutions and civic groups;

Whereas the character of a Nation is only as strong as the character of its individual citizens;

Whereas the public good is advanced when young people are taught the importance of good character, and that character counts in personal relationships, in school, and in the workplace;

Whereas scholars and educators agree that people do not automatically develop good character and, therefore, conscientious efforts must be made by youth-influencing institutions and individuals to help young people develop the essential traits and characteristics that comprise good character;

Whereas character development is, first and foremost, an obligation of families, efforts by faith communities, schools, and youth, civic and human services organizations also play a very important role in supporting family efforts by fostering and promoting good character;

Whereas the Congress encourages students, teachers, parents, youth and community leaders to recognize the valuable role our youth play in the present and future of our Nation, and to recognize that character is an important part of that future;

Whereas, in July 1992, the Aspen Declaration was written by an eminent group of educators, youth leaders and ethics scholars for the purpose of articulating a coherent framework for character education appropriate to a diverse and pluralistic society;

Whereas the Aspen Declaration states that "Effective character education is based on

core ethical values which form the foundation of democratic society";

Whereas the core ethical values identified by the Aspen Declaration constitute the Six Core Elements of Character;

Whereas these Six Core elements of Character are—

- (1) trustworthiness;
- (2) respect;
- (3) responsibility;
- (4) justice and fairness;
- (5) caring; and
- (6) civic virtue and citizenship.

Whereas these Six Core Elements of Character transcend cultural, religious, and socioeconomic differences;

Whereas the Aspen Declaration states that "The character and conduct of our youth reflect the character and conduct of society; therefore, every adult has the responsibility to teach and model the core ethical values and every social institution has the responsibility to promote the development of good character.";

Whereas the Congress encourages individuals and organizations, especially those who have an interest in the education and training of our youth, to adopt these Six Core Elements of Character as intrinsic to the well-being of individuals, communities, and society as a whole; and

Whereas the Congress encourages communities, especially schools and youth organizations, to integrate these Six Core Elements of Character into programs serving students and children: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 16 through October 22, 1994, is designated as "National Character Counts Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to embrace these Six Core Elements of Character and to observe the week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. BYRNE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Virginia?

There was no objection.

DEMOCRAT DREAM ECONOMICS

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

Mr. DELAY. Mr. Speaker, the proponents of the Clinton-Gephardt health care reform plan are playing with dream economics. They dream that the economics are the way they wish them to be.

Mr. Speaker, yesterday for instance, during special orders the majority

leader, Mr. GEPHARDT, suggested that raising the minimum wage would not increase unemployment. Frankly, I was shocked by his comments. I thought everyone knew that raising the minimum wage would eliminate jobs for American workers.

After a little bit of research, I think I have discovered the source of the majority leader's confusion. Back in 1988, when the Democrat majority in Congress proposed to raise the minimum wage from \$3.35 to \$5.05, the Congressional Budget Office issued a report which concluded that such an increase would result in the loss of 250,000 to 500,000 jobs. However, the Democrats on the Education and Labor Committee had CBO rewrite the report without the job loss estimate.

As a result, the majority leader may have never had a chance to find out what CBO had to say about the employment effects of raising the minimum wage. In the interest of academic freedom, I would be happy to share with the majority leader a copy of CBO's original report.

Mr. Speaker, I include for the RECORD the two versions of the CBO report, which were printed in the RECORD on May 4, 1988, so that the public can see for itself how the truth is suppressed.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 25, 1988.

HON. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor,
Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for H.R. 1834, the Fair Labor Standards Amendments of 1988, as ordered reported by the House Committee on Education and Labor on March 16, 1988. At the request of several Committee members, the estimate also includes a discussion of the possible impact of H.R. 1834 on the economy.

If you wish further details on this estimate, please call me or have your staff contact Michael Pogue.

Sincerely,
JAMES L. BLUM,
Acting Director.

CONGRESSIONAL BUDGET OFFICE, COST
ESTIMATE
March 25, 1988.

1. Bill number: H.R. 1834.
2. Bill Title: Fair Labor Standards Amendments of 1988.
3. Bill status: As ordered reported by the House Committee on Education and Labor on March 16, 1988.
4. Bill purpose: To amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate and for other purposes.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1988	1989	1990	1991	1992	1993
Estimated: Authorization level	0	3	13	25	35	30
Estimated outlays	0	3	13	25	35	30

Basis of estimate.—H.R. 1834 would increase the federal minimum wage in four steps be-

tween now and January 1, 1992. The new levels would be \$3.85 per hour for the year beginning January 1, 1989; \$4.25 per hour for the year beginning January 1, 1990; \$4.65 per hour for the year beginning January 1, 1991; and not less than \$5.05 per hour after December 31, 1991.

The Office of Personnel Management estimates that the wage bill for certain support personnel on U.S. military bases would increase by the amounts shown in the table above. Currently these workers are paid at hourly rates between the \$3.35 per hour minimum wage and the minimum wage rates proposed in H.R. 1834.

Increasing the minimum wage could also increase administrative and enforcement caseloads within the Wage and Hours Division of the Employment Standards Administration at the Department of Labor (DOL). While this could result in higher costs to the federal government, H.R. 1834 provides no additional appropriations for this purpose.

Additional provisions.—Several other amendments to the Fair Labor Standards Act are included in H.R. 1834. The small business exemption would increase from the current level of \$362,500 in annual gross sales to \$500,000. The current tip credit is 40 percent of the applicable minimum wage, or \$1.34 out of \$3.35 per hour in 1988. This tip credit is the maximum amount of tip an employer can use to reduce employee wages, and still be in compliance with minimum wage laws. H.R. 1834 would increase this rate to 45 percent during the year beginning January 1, 1989 and to 50 percent after December 31, 1989. In addition, legislative branch employees (except for Members' personal staffs) would now be covered by the Fair Labor Standards Act. These amendments are estimated to have no cost effect on the unified federal budget.

Effects on the economy.—Passage of H.R. 1834 may result in changes in macroeconomic variables, particularly in employment levels and the inflation rate. However, because of uncertainty surrounding the overall macroeconomic impact of minimum wage legislation, and uncertainty over future federal monetary policy, this estimate does not take into account federal revenue and outlay effects of these changes.

The Congressional Budget Office (CBO) estimates that the increases in the minimum wage contained in H.R. 1834 could cause the loss of approximately 250,000 to 500,000 jobs, or about 0.2 to 0.4 percent of total employment. In general, the negative impact on employment would be larger in the sectors of the economy and the groups in the labor force with low wage rates. The loss of jobs probably would be minimal in durable goods manufacturing and in metropolitan areas where labor markets are tight and jobs readily available. Among demographic groups, the loss of jobs most likely would be concentrated among youth, and especially among teenagers.

Increases in the minimum wage also could have three principal impacts on inflation. First, a "direct" effect as the average hourly earnings of workers earning less than the new minimum wage were increased to the new wage floor. Second, a broader or "ripple" effect as other wages were adjusted at least partially to retain relative wage differences. Third, a "wage-price-wage" effect, as these wage increases caused employers to raise prices, which was reflected in turn in higher wages. Thus, CBO estimates that H.R. 1834 could add about 0.2 to 0.3 percentage points to the annual inflation rate during the projection period.

These estimates are based primarily on a review of available economic studies of the

impact of minimum wages. Because of estimating difficulties, the estimates should be interpreted as no more than rough orders of magnitude. These estimates do not include a consideration of the small business exemption provision in H.R. 1834.

Currently, the federal minimum wage rate is exceeded in 10 jurisdictions (Alaska, Connecticut, District of Columbia, Hawaii, Maine, Massachusetts, Minnesota, New Hampshire, Rhode Island, and Vermont). Also, California is scheduled to raise its rate from the current federal minimum to \$4.25 per hour in July 1988, and Connecticut's rate will rise from \$3.75 an hour to \$4.25 an hour in October 1988. Thereafter, H.R. 1834 could have less of a macroeconomic impact than if all states were at the current federal minimum wage rate.

6. Estimated cost to State and local Government: To the extent that state and local governments have workers who are paid at the current minimum wage or between the current minimum wage and the higher rates prescribed in H.R. 1834, state and local government wage costs could increase with passage of H.R. 1834. There is no data available that allows CBO to estimate the magnitude of these costs. However, there are 10 states which have set minimum wage levels above the federally mandated \$3.35 per hour. In these states, the new federal minimum wage rates could have less of an effect than in states in which the minimum wage is at the current federal level.

7. Estimate comparison: None.
8. Previous CBO estimate: None.
9. Estimate prepared by: Michael Pogue; George Iden.
10. Estimate approved by: James L. Blum, Assistant Director for Budget Analysis.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 29, 1988.

HON. AUGUSTUS P. HAWKINS,
Chairman, Committee on Education and Labor,
Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for H.R. 1834, the Fair Labor Standards Amendments of 1988, as ordered reported by the House Committee on Education and Labor on March 16, 1988.

If you wish further details on this estimate, please call me or have your staff contact Michael Pogue (226-2820).

Sincerely,
JAMES L. BLUM,
Acting Director.

CONGRESSIONAL BUDGET OFFICE COST
ESTIMATE

1. Bill number: H.R. 1834.
2. Bill title: Fair Labor Standards Amendments of 1988.
3. Bill status: As ordered reported by the House Committee on Education and Labor on March 16, 1988.
4. Bill purpose: To amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate and for other purposes.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1988	1989	1990	1991	1992	1993
Estimated: Authorization level	0	3	13	25	35	30
Estimated outlays	0	3	13	25	35	30

Basis of estimate.—H.R. 1834 would increase the federal minimum wage in four steps between now and January 1, 1992. The new levels would be \$3.85 per hour for the year beginning January 1, 1989; \$4.25 per hour for the year beginning January 1, 1990; \$4.65 per hour for the year beginning January 1, 1991; and not less than \$5.05 per hour after December 31, 1991.

The Office of Personnel Management estimates that the wage bill for certain support personnel on U.S. military bases would increase by the amounts shown in the table above. Currently these workers are paid at hourly rates between the \$3.35 per hour minimum wage and the minimum wage rates proposed in H.R. 1834.

Increasing the minimum wage could also increase administrative and enforcement caseloads within the Wage and Hours Division of the Employment Standards Administration at the Department of Labor (DOL). While this could result in higher costs to the federal government, H.R. 1834 provides no additional appropriations for this purpose.

Additional provisions.—Several other amendments to the Fair Labor Standards Act are included in H.R. 1834. The small business exemption would increase from the current level of \$362,500 in annual gross sales to \$500,000. The current tip credit is 40 percent of the applicable minimum wage, or \$1.34 out of \$3.35 per hour in 1988. This tip credit is the maximum amount of tips an employer can use to reduce employee wages, and still be in compliance with minimum wage laws. H.R. 1834 would increase this rate to 45 percent during the year beginning January 1, 1989 and to 50 percent after December 31, 1989. In addition, legislative branch employees (except for Members' personal staffs) would now be covered by the Fair Labor Standards Act. These amendments are estimated to have no cost effect on the unified federal budget.

6. Estimated cost to State and local government: To the extent that state and local governments have workers who are paid at the current minimum wage or between the current minimum wage and the higher rates prescribed in H.R. 1834, state and local government wage costs could increase with passage of H.R. 1834. There is no data available that allows CBO to estimate the magnitude of these costs. Currently, state minimum wage rates exceed the federal level in 10 jurisdictions (Alaska, Connecticut, District of Columbia, Hawaii, Maine, Massachusetts, Minnesota, New Hampshire, Rhode Island, and Vermont). Also, California is scheduled to raise its rate from the current federal minimum to \$4.25 per hour in July 1988, and Connecticut's rate will rise from \$3.75 an hour to \$4.25 an hour in October 1988. In these states, the new federal minimum wage rates could have less of an effect than in states in which the minimum wage is at the current federal level.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Michael Pogue.

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

AN IN-DEPTH PERSPECTIVE ON AMERICA'S HEALTH CARE SYSTEM

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

Mr. SMITH of Michigan. Mr. Speaker, Dr. Lanny Johnson of East Lansing,

MI, recently gave me his perspective on our Nation's health care system. He makes a number of insightful observations including one I think everyone should note. He argues that we have had so many exciting technological advances that we simply do not have enough money to buy everything for everybody.

Mr. Speaker, let me quote from the statement:

The American health care system is the best in the world. It also is the most expensive. It is no longer affordable.

The health care system in the United States is in a state of financial collapse. The demands for services and increasing technological advances have outstripped the ability of individuals, business, and government to afford these services.

Everyone has reached the same conclusion. It is not affordable for me, so I must shift the expense to someone else * * *.

Mr. Speaker, I will include the rest of Dr. Johnson's statement with my remarks, and I would summarize first by saying, let us remember as we consider health care reform proposals that there is no magic tree that will grow enough money to buy every medical service for everybody.

Mr. Speaker, the full statement by Dr. Johnson is included as follows:

DR. JOHNSON'S STATEMENT

The American health care system is the best in the world. It also is the most expensive. It is no longer affordable.

The health care system in the United States is in a state of financial collapse. The demands for services and increasing technological advances have outstripped the ability of individuals, business, and government to afford these services.

Everyone has reached the same conclusion. It is not affordable for me, so I must shift the expense to someone else. The most wealthy American could not pay for an extensive illness. Promises made by Corporate America which were guaranteed through past union negotiations now exceed their ability to pay the medical expenses of existing workers, let alone the promises to their retirees. The government now cannot pay for what its politicians promised at election time.

The obvious solution is for each group to shift the cost to someone else. This is like a shell game. It works for a while, but when the last shell is lifted, there is no coin. The individual wants his company to pay industrial leaders like the big three automotive manufacturers want socialized medicine, because they cannot pay the bill and effectively compete with foreign companies. The Clinton proposal would reduce the Big 3 expenses by 20% and shift this expense to everyone else in taxes. Many present day health insurers like HMOs do not pay full price. They negotiate lower prices with doctors and hospitals. The government Medicare and Medicaid programs pay less than cost of services. These losses are silently shifted to regular insurance companies like Blue Cross, Aetna, Prudential, etc. They not only pay their share, but the additional expenses shifted from the managed health care industry and government programs. Perhaps now you understand why your regular insurance costs so much.

You may also wonder where all the money is going to. A small portion goes for the com-

mon problems most of us encounter. For instance, 3% of the national health care dollar goes to all of orthopedic care, but almost 20% goes to the costs of drug abuse. Most orthopedic conditions respond to treatment. Unfortunately the outcomes of drug abuse are poor. The patient just keeps coming back. This and other sociological changes are major contributors to collective expense of our national health care.

One of the suggestions to correct cost of health care is to reduce doctors fees. This is a small part of the problem. Doctor fees account for 19% of the health care dollar. If doctors were paid nothing starting today, and health care costs continued to rise 10% per year, in two years time the problem would return. Doctors are the convenient "whipping boys", but only part of the problem.

The next solution proposed by our politicians is National Health Care Reform. In my view, this will not reduce the cost. It has been often joked, that if you like our mail service, you will love National Health Care. This shift of personal responsibility to the government will result in increased taxes. Americans always vote for something for nothing, no matter how much it costs.

The only way to reverse this trend would be to create a tangible benefit for those who demonstrate personal responsibility for their well being. This is unlikely. The shifting of both personal responsibility and cost consequences to someone else is too appealing.

The ultimate solution under this scenario will be rationing of health care. Joseph Califano's book subtitle "Who lives, who dies, who pays?" will have to be answered.

In the absence of assumption of personal responsibility, unfortunately the ultimate solution will be rationing of health care as initiated in the State of Oregon for Medicaid.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, and under a previous order of the House, the following Members are recognized for 5 minutes each.

BOSNIA

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

Mr. McCLOSKEY. Mr. Speaker, I thought it might be good, given the events of the last week or so in both Sarajevo and Bosnia and also in Washington, it would be good to take 5 minutes or more today with my distinguished colleague, the gentleman from Maryland [Mr. HOYER], to state some of the opportunities, hopes and problems that still are upon us as to this ongoing tragedy.

First of all, I might say I think it should be to no one's surprise, as we all know in the last several hours, two U.S. war planes, it is reported, have been among four NATO planes striking at Serb positions in Sarajevo. This follows a recent firing, if you will, of Bosnian Serb weaponry into French soldiers, but I think, more importantly

and probably what really did strike up the response was the fact that yesterday the Bosnian Serbs, as we all know, seized heavy weaponry that was in the U.N. storage neutral areas and took it back, obviously with the intention to go on with the siege.

We all know in recent weeks things have, despite the efforts of the contact group, have done nothing but get worse. U.S. planes flying humanitarian cargo into Sarajevo had been fired upon. In essence, both air and road ingress and egress as to Sarajevo has been cut off. More than ever, almost as much as ever, Sarajevo and other places in Bosnia are under siege, as reported in the last 2 days, indeed, that only 1 week of food stores remain.

With this going on, the contact group proposal as to implementation, particularly the idea that the Serbs, the Bosnian Serbs would suffer severe retaliation if they did not sign up to the contact group plan, has essentially been ignored, evaded and nonimplemented.

Indeed, as we all know in the last 48 hours, Mr. Karadzic has said prepare for all-out war. Bosnian Serbs are on a war footing. More than ever, I would say, just before I yield to the gentleman from Maryland [Mr. HOYER], my good friend and leader, it is important for us to say what we mean, to do what we will say we will do, and, indeed, once and for all to get this ongoing tragedy behind us.

One of our hopes here in Washington, of course, is the resolution of the conference committee right now going on between the House and Senate. As we all know, the House voted by a strong majority to, if necessary, unilaterally lift the arms embargo in Bosnia. That still must be done. It must be done.

With that, I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding to me. I congratulate him for his continuing leadership on the issue of the West's relationship to Bosnia and Herzegovina and the tragedy that has occurred there.

As we know and as the gentleman from Indiana [Mr. MCCLOSKEY] has just said, this House voted very substantially to lift the unilateral arms embargo that has been imposed on Bosnia and Herzegovina which was, I would point out, imposed on the former Yugoslavia.

This House agreed to lift the arms embargo because it adversely affects one party to the conflict. That is the Bosnian Government as opposed to the Bosnian Serbs and the Milosevic government in Serbia which are more than adequately armed.

□ 1500

The fact of the matter is that this embargo has made it almost, if not impossible for the Bosnian Government

and its supporters to defend their homes and their families.

The West, the United Nations, the United States, Germany, France, England, other NATO nations, have repeatedly warned the Serbs to stop the aggression, to stand in place, to respect the zones that were supposed to be kept safe by the United Nations, to leave the United Nations Protection Force [UNPROFOR] alone, and to allow humanitarian aid to be delivered.

Mr. Speaker, notwithstanding the fact that the West has warned that if that was not done it would take substantial action, the Serbs have violated their responsibilities under international law. They have violated the proscriptions of U.N. resolutions, and they have blatantly violated the basic tenets of human rights as well as provisions of international law and agreements relating to genocide and the respect for international borders.

Mr. Speaker, as the gentleman from Indiana [Mr. MCCLOSKEY] has pointed out, just yesterday Bosnian Serbs seized a T-55 tank, two armored personnel carriers, and an anti-aircraft gun from the U.N.-guarded site near Sarajevo and shot at a U.N. helicopter sent to track the tank. This is absolutely in violation of the understandings governing the exclusion zone.

Mr. MCCLOSKEY. Reclaiming my time, Mr. Speaker, in closing, I would just say it is time to act now. This cannot go on indefinitely. We should lift the arms embargo and provide effective air support for the besieged Bosnian nation.

TIME FOR UNITED STATES ACTION CONCERNING BOSNIA AND THE FORMER YUGOSLAVIA

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

Mr. HOYER. Mr. Speaker, completing our thoughts, the Committee on Armed Services on the DOD authorization bill is currently attempting to work out differences between the House and the Senate language on the arms embargo. The House took the position that the United States should not continue to undermine the ability of the Bosnian Government to defend itself in the face of aggression and genocide. The Senate was more reticent, and decided not to effect an immediate unilateral lifting of the arms embargo, but took a more measured approach seeking to cooperate with our allies in a multilateral effort.

Mr. Speaker, I believe I speak for the gentleman from Indiana [Mr. MCCLOSKEY], myself, and others in this House, when I say that, clearly, we want to work in concert with our allies. We want to work in concert with the United Nations. We want to see a multilateral

action stopping the genocide, stopping the aggression, stopping the human suffering that is occurring in Bosnia and Herzegovina. I would hope, Mr. Speaker, that the conference committee takes into consideration this recent most egregious continuing action of the Serbian militants in Bosnia. It is just another indication that if we do not act, and act decisively, the actions that have shocked, saddened, and outraged the law-abiding world community will continue apace. It is time for us to act.

Mr. Speaker, I yield to the gentleman from Indiana [Mr. MCCLOSKEY], who serves on the Committee on Armed Services and is one of the key representatives on the conference committee, for such additional comments as he might want to make.

Mr. MCCLOSKEY. Mr. HOYER, I would be very hopeful that come next week, we could have a positive resolution as to this issue with the Senate Armed Services Committee. I think there have been productive discussions, and our hopes are alive, if not totally high, but the simple fact is I think everyone involved in the administration, even with Mr. Redmond in the room with the committee, probably does realize and admits that, at some point, there may have to be, unless there is more leadership from the administration, quite frankly, a unilateral lift that really has to be authorized.

That is what a 66-vote majority stood up for in the House, and we are more than flexible on the House side as far as notice and timeliness and various steps. I hope, given the events of today, yesterday, the fact that a siege is still going on, besides the problems in Sarajevo and Gorazde Moslem civilians are being rounded up, as we all know, incarcerated in Serb camps without any access by International Red Cross officials, despite attention going elsewhere to Rwanda, Haiti, or whatever it is, and these horrible crises must also be acted upon, but this genocide, and that is what it is, this genocide is still going on.

Mr. Speaker, we cannot at this point have the pie-in-the-sky type dream that Slobodan Milosevic is going to become a savior for peace and solve this without any effort on our parts. We have gone around that corner before.

Mr. HOYER. Reclaiming my time, Mr. Speaker, and thanking the gentleman for his comments, in closing, let me simply say that I agree with this administration. President Clinton obviously wants to work in concert with our allies. That is the best policy. It is a policy which has been successful for five decades now, and it is one that we ought to continue.

On the other hand, if we cannot convince our allies that the time is past for simply talking, that the time is past for simply stating ultimatums that when ignored, are not acted upon,

it is time for us to act. Hopefully we will act in concert with our allies, but if they will not act, we must take it upon ourselves to move forward based upon our principles, our commitments, and upon our perception of what will make a safe world in the future. That is, Mr. Speaker, the free world must do what it says it will do when confronted with aggression and international lawbreaking.

Mr. Speaker, I am hopeful that the conference will come out with a resolution of this matter that both Houses can adopt, that will support the efforts of the administration, but will, in no uncertain terms, let Mr. Milosevic and the Serb militants know that the West will no longer wait for them to comply with their international obligations.

QUESTIONS OF ETHICS REGARDING WHITE HOUSE COUNSEL

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

Mr. LIVINGSTON. Mr. Speaker, I think it is interesting that a little while ago this House passed National Character Education Week, and then I look at the article in the Wall Street Journal today. Down at the lower right-hand side of the op ed page, the editorial page, I note that Lloyd Cutler, Special Counsel to the President, testified before the House Committee on Banking, Finance and Urban Affairs on July 26, 1994, taking great umbrage at some of the questions posed to him. He said, "We have not redacted," or deleted, "anything relevant to the committee's inquiries."

I would like to add that as a lawyer who has been in the business of producing documents to other lawyers for a good 50 years, this is the first time that any other lawyer has ever questioned whether the production of redacted or deleted documents under my supervision has been unethical. I am not going to say that anything Mr. Cutler did is unethical, but I made a 1-minute today, took out a 1-minute speech, in which I suggested that Mr. Cutler ought to consider that he took umbrage on July 26 about the questions asked to him, and then 3 days later, July 29, 1994, in conjunction with Senate inquiries and Senator D'AMATO and Senator RIEGEL, on their inquiry, he produces a list of documents in which language clearly pertained to the Whitewater investigations, which he should not have deleted in the House investigation, yet he did.

□ 1510

In the Senate investigations, RIEGEL and D'AMATO said:

"Mr. Cutler has today at the Committee's request released the full contents of a March 1 memorandum previously provided to the Committee in redacted form, or deleted form."

Then he proceeds to produce at least some 36, 37 pages, one including a memorandum which was confidential to the First Lady from Harold Ickes, adviser to the White House, on March 1, 1994, regarding Resolution Trust.

That memorandum was not deleted in totality, but this paragraph was:

"Attached is a copy of W. Neil Eggleston's February 28, 1994 memorandum to me, Harold Ickes, regarding certain issues involving the RTC and the Rose Law Firm, known as Rose, in Little Rock, Arkansas."

That provision was deleted. Then another little sentence was deleted from that memorandum and I will not read the whole memorandum for lack of time:

"Please let me know if you want to discuss the attached."

That was from Harold Ickes to the First Lady. That was deleted presumably under the supervision of Mr. Lloyd Cutler, special counsel to the President.

Now, this memorandum was deleted in its entirety, produced only 3 days after Lloyd Cutler gets so huffy about people questioning whether or not he is producing all the material. This memorandum says in effect, it is a memorandum for Harold Ickes, Deputy Chief of Staff, from W. Neil Eggleston, Associate Counsel to the President, re Whitewater—FDIC and RTC Rose Law Firm Issues:

"The recent release of the FDIC and RTC reports addressing the possible conflict of the Rose Law Firm in its representations of Madison Guaranty raises a number of issues." All deleted.

"On the factual issue of whether Rose Law Firm had disclosed to the FDIC its prior representation of Madison Guaranty, the FDIC concluded that the record was unclear. On the issue of whether Mr. Hubbell"—Webster Hubbell of the White House who is no longer there at the White House—"had disclosed his relationship with his father-in-law, Seth Ward, who was then in litigation with Madison Guaranty, the FDIC stated that it was uncertain whether Mr. Hubbell had disclosed that relationship." In other words, might have hidden it. "Nevertheless, the relationship was plainly known to the FDIC within 3 months of retention." All of that was deleted.

"As noted above, it is not clear whether the FDIC or the RTC will review this matter under an actual conflict standard or under an appearance of conflict standard." This was deleted and withheld from the House Committee on Banking, Finance and Urban Affairs.

"The most severe sanction that would likely flow from a finding that the Rose Law Firm had a duty to disclose its prior representation of Madison Guaranty and its relationship with Mr. Ward and that it breached that duty would be that the Rose Law Firm

would be permanently barred from any further work for the RTC or the FDIC." That was all deleted, all withheld from the Committee on Banking, Finance and Urban Affairs.

"Under the facts as we are now understand them, it would seem quite unlikely that the RTC could bring a civil action against the Rose firm or any of its attorneys for failing to disclose the conflict. Criminal liability for the Rose Law Firm would seem even more remote. The RTC is investigating whether or not it has a civil tort action against anyone who caused a loss to Madison Guaranty. This would include insiders such as James and Susan McDougal and members of the board of Madison. It also includes professionals who provided service to Madison Guaranty, such as the Rose Law Firm, other law firms, and accounting firms. The Frost & Company suit is an example of a suit against a professional service provider that caused loss to Madison Guaranty through a negligent audit. The RTC could also sue outsiders, including the President and Mrs. Clinton, if the RTC found that outsiders worked with insiders illegally to divert assets of the savings and loan. For example, if the RTC believed that the Clinton campaign knowingly received diverted Madison assets at the April 1985 fundraiser or that the Clintons knowingly received other diverted Madison Guaranty assets through Whitewater, it could bring suit. The RTC commonly sues the recipient of a loan where it has information that the borrower knew that the loan was improper. Now that Mr. Altman as acting CEO of the RTC has recused himself from further involvement in Madison Guaranty matters, who at the RTC will be the decisionmaker on whether to bring a civil action arising out of the failure of Madison Guaranty?"

Then they go on and speculate as to who might take the place of Roger Altman who as head of the RTC was supposed to recuse himself and did not.

This entire memorandum was deleted, was redacted by Lloyd Cutler, the special counsel to the President of the United States, and then in front of the Members of the House Committee on Banking, Finance and Urban Affairs he gets insulted and indignant when they ask him whether or not he has produced all material relevant to the investigation of diverted assets to the Madison Guaranty Savings and Loan.

Mr. Speaker, Lloyd Cutler owes the House of Representatives an explanation and an apology, because to get indignant with Members of the House who are carrying out their legally endowed responsibilities under severe restrictions imposed upon them by the chairman of the Committee on Banking, Finance and Urban Affairs, under the 5-minute rule, allowing them very little time to ask questions and yet they ask a single simple question and

do not get the truth from the special counsel to the President of the United States, something is terribly wrong.

Mr. Cutler owes the United States of America an apology and perhaps he should resign.

THE REAL STORY OF PIZZA HUT AND EMPLOYER MANDATES

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

Mr. DELAY. Mr. Speaker, the Democrat leadership's approach to the process of health care reform is described best as full steam ahead and damn the public.

One of the reasons we are asking for time for the public to see those bills that have not even been written yet is that all kinds of misinformation is being thrown out to the American people, and we must have time to respond to it so that the American people can see what is happening.

We have finally found the people who can sell the Brooklyn Bridge—the Democrat leadership.

Mr. Speaker, Pizza Hut has the Nation's largest employment program for people with disabilities and the Nation's largest reading incentive program. Both of their corporate offices and their franchises participate in community based educational and recreational programs all over the country. Through their Harvest program, they feed the needy and help feed those who are victims of national disasters such as Hurricane Andrew.

However, on July 15 the health care reform project, Hillary's health care commission, launched an attack on Pizza Hut in an attempt to convince the American people that mandates are benign. This misinformation was reiterated on the House floor here just last night.

The project claimed that Pizza Hut was thriving in Germany and Japan where health care taxes are mandated and, claimed, therefore, mandates will work here too. Pizza Hut's experience, however, is just the opposite.

Allan S. Huston, president and CEO of Pizza Hut, presented an explanation of his situation before the Labor and Human Resources Senate Committee on July 22. In his testimony he explains that his opposition to mandates is based on personal business experience. He says, "I think mandates—employer and employee—are the wrong solution for America. * * * My view is anchored in actual experience in a number of foreign markets. From what I have seen of mandates in Europe and elsewhere, they contribute to the descending economic spiral of higher prices and unemployment."

Let us just go through the facts about Pizza Hut. In Germany, Pizza Hut has lost money for 10 of the last 11

years. It finally began turning a small profit in 1993, hardly a good investment.

In Japan, where Pizza Hut does not own its restaurants, or even a controlling share, its franchisee has not made a profit in the last 8 years. Pizza Hut has only 66 restaurants in all of Germany and 64 restaurants in all of Japan. It has more than that combined right here in the Washington, DC, area.

Why? Because they have been able to flourish under what is left of the free market system.

In the past 5 years it has built less than 50 restaurants in both of those countries combined, compared with building 1,700 restaurants in the United States. Between 1992 and 1993, Pizza Hut had added only 224 jobs in Germany while it added 14,654 jobs in the United States.

For a pizza that costs \$11 in the United States, Pizza Hut must charge \$19 in Germany and \$25 in Japan.

Hillary's commission claims that Pizza Hut could easily raise the price on pizza to pay for those mandates. But our experience in the United States is that customers respond to higher prices by eating less often in restaurants, and less volume directly results in lost jobs.

I guess the proponents of mandates for health care coverage want the companies in the United States and Pizza Hut to mimic the disaster of their companies and Pizza Huts in Germany and in Japan.

In my State of Texas alone in a study commissioned by the American Legislative Exchange Council, they projected a job loss under the employer mandate type health care at 68,300 jobs in Texas alone. Of course, this does not account for the wage reductions employees must face. CONSAD Research Corporation estimated that almost one and a half million workers would face reduced wages, hours or benefits under mandated health care. And as I mentioned this morning, the majority leader believes that businesses can somehow absorb this cost. He said that the 1991 minimum wage increase had no effect on business. That just simply is not true. Pizza Hut had a resulting staffing decrease equivalent to the loss of 16,500 jobs because of the 1991 minimum wage increase.

All of these incidents that I have been talking about, Mr. Speaker, point to just one thing. Pizza Hut's experience in other countries is indicative of the effects of mandates and they are bad for business, and they are bad for employees.

MOST-FAVORED-NATION STATUS FOR CHINA

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

Mr. DREIER. Mr. Speaker, I have taken out this time this afternoon to talk about an extraordinarily important issue which the House is going to be addressing next week. I am referring to the resolution which is going to be coming before us which would disapprove the very wise decision that the President made to renew most-favored-Nation trading status with the People's Republic of China.

I very sincerely believe, Mr. Speaker, that one of the most inhumane, immoral things that this Congress could do would be to deny most-favored-nation trading status to the People's Republic of China, Why? Because every shred of empirical evidence that we have has demonstrated that over the last 15 years, since economic liberalization has taken place in China, as exposure to the West has expanded, the human rights situation there has improved.

We actually have a multifaceted approach as it deals with China. We are looking at regional security, which obviously is very important, economic policy, nuclear proliferation international cooperation and, of course, human rights. Human rights is the major thrust of debate as we look at this issue, and it is the one we will be hearing about next week.

We have just up in the Rules Committee a couple of hours ago reported out the rule which will bring three provisions to the floor. I hope very much that the Hamilton provision, if the rule is passed, will be the one that prevails. Why? Because as we listen to the arguments which have been provided to us by people who have lived in China, people who have been dissidents, who have been imprisoned in China, victims of human rights violations in China, they say things like the statement that was provided by Yang Zhou, who is one of the most famous dissidents, who said:

MFN status helps our economic reforms and in the long run that will help improve human rights.

□ 1530

We have listened to many people argue about how cutting off trade ties with China will improve the situation there, creating a closed society in China will improve the situation there. But obviously those who make that claim have failed to look at history.

Just a few weeks ago, the reports came out in the Washington Post that during the Mao era in the 1950's and 1960's in China, 80 million Chinese people were killed, but the information of those tragic deaths just came out recently.

Now, in a closed society, Mr. Speaker, obviously the butchering of 80 million people can take place, and the world will not know it. That is why, as we realize, that the openness which has taken place in China through United States business investment and exposure to Western values, that openness

is what has brought to light the tragic information of those 80 million murders which took place.

Mr. Speaker, it is assured to the Chinese people and the rest of the world that this kind of thing could not happen again without the world knowing about it, and that is why, if we try to do as some of our colleagues want, cut off trade ties with China, we will be creating a situation which could potentially see the tragic murder of another 80 million people.

This country is the largest nation on the face of the Earth, 1.2 billion people, five times the size of the United States. We have got to realize that change is taking place gradually. Thousands of years of history in China, and we cannot expect an immediate improvement overnight in the human rights situation, but it has improved.

As we look at statements made by people like Nicholas Christophe, who was the New York Times bureau chief in Beijing, when he wrote:

Talk to Chinese peasants, workers, and intellectuals, and on the subject you will get virtual agreement: "Don't curb trade."

A very liberal writer for the Atlantic Monthly, the Washington editor of the Atlantic Monthly, James Fallows, said:

To carry out the threat to cut off MFN would actually retard the cause of human rights.

And the Progressive Policy Institute said:

The best reason to guarantee MFN status for China is that it buttresses economic and social forces that are creating demand there in China for political change.

Political change is going to take place, Mr. Speaker, if we maintain ties with the People's Republic of China. Yes, raise very serious concern about the human rights violations that do exist in that country, but I have an aggressive solution to the problem: Encourage further United States business investment in China so that we can expose the people and the leaders of that country to the ideas of our Bill of Rights and the United States Constitution.

HEALTH CARE, THE CRIME BILL, AND MILITARY READINESS

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from California [Mr. HUNTER] is recognized for 60 minutes as the designee of the minority body.

Mr. HUNTER. Mr. Speaker, I want to cover three important topics this evening. One topic, of course, is health care, and this moving target that the Democrat leadership is putting together on the House side in concert with President Clinton.

The second issue, of course, is the crime bill that will be coming back from the conference that Members will be asked to vote on and that the American people are very interested in.

The last issue is military readiness, perhaps an issue that is being drawn more tightly in focus over the past several hours because of the increased activity in Bosnia, and to talk about military readiness, a colleague of mine is with us today who is well known to the American people. His name is "DUKE" CUNNINGHAM. He is my seatmate from San Diego, CA, and he lived in the military those years in the late 1970's when President Carter's massive defense cuts brought our military into what I call a hollow status.

Those were the days of the hollow military when over 50 percent of our naval aircraft were not fully mission-capable because we were having to cannibalize them for spare parts to keep others going. Those were the years when a thousand chief petty officers a month were getting out of the Navy because they were not being paid enough money; thousands of our kids in uniform were on food stamps. And those were days that the gentleman from California [Mr. CUNNINGHAM], who has one of the most exemplary records for air combat that no member of the present military nor recent military nor active military has accomplished, is with us today as a Member of Congress from San Diego, CA.

I would just like to ask the gentleman from California [Mr. CUNNINGHAM], my colleague, to talk a little bit about what is happening with respect to the hollowing of American forces in present world situations.

I yield to my distinguished friend, the gentleman from San Diego, CA [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I thank the gentleman from California for yielding to me.

First, Mr. Speaker, I would like to say that the President, in one of his addresses, said that he wanted a strong military. He wanted a strong national defense of a well-trained and high-tech capability.

Candidate Clinton, when he was running for President, said that it would be a maximum of a \$50 billion cut, \$50 billion cut, because to go beyond that would put us into a hollow force; we would not be into the bone, but we would be into the bone marrow of our military.

Not only a \$50 billion cut from the 102d Congress, but an additional, under the Clinton budget, \$129 billion cut out of defense, bringing the total to \$179 billion out of just the defense budget.

We keep getting involved in events overseas, in some cases that have no direct bearing on the national defense or security of this country.

Today, as I speak, we are bombing Bosnia. That, in my own personal opinion, is wrong, and we will get to that a little bit later.

But we cannot keep expecting our military men and women to operate overseas and not supply them, not only

with the manpower but with the military equipment, with the technology, and then the abuse of our men and women by the administration. How can we expect them to go forward?

We have a strange dichotomy in this country, Mr. Speaker, that we laud those people that fight our wars and fight our battles in this country and overseas, but traditionally, we scale down those militaries as those wars end. There is nothing wrong with that except that today our scaling back is the lowest that it has ever been in the history of the United States.

Let me tell you a little bit about some of the things that are going on. Remember, this is a President that wants our people to be trained.

I was a top gun instructor at one time. At the Navy Fighter Weapons School at NAS Miramar, there is an air show this month. They are not flying in it, because they do not have the fuel to operate. You say, well, flying in an air show is not really important. It may not be.

But the same Navy Fighter Weapons School, the top gun, the school that the movie was made after, is not flying in the month of August because they do not have enough fuel to fly against their class. Let me repeat that: Navy Fighter Weapons School, top gun, does not have enough fuel to operate against their class, so they are having not to fly the month of August.

The F-14's, the F-18's, the fighter squadrons, about 80 percent of them are sitting idle for a lack of parts and a lack of fuel so that they can fly.

I coined a phrase: "You fight like you train." It takes a fighter pilot about 20 to 30 hours a month to stay on the tip, Mr. Speaker. Some of these squadrons are flying, and these pilots are flying, as little as 5 hours a month, and it is proven that if you do not exercise the airplane, they leak hydraulic fluid, the maintenance becomes extreme on them, and you actually save lives the more you fly. Look at statistics in the safety center. You fly more, the pilots are safer. We are going to lose pilots. We are going to lose air crew, men and women, in our armed services.

The President wants well-trained and better equipped military, but yet this House, this administration is selectively killing defense industry and the military through several different ways. It cost us alone over 1 million jobs in the State of California. California is one of those States in the recession hit most hard or hit the hardest, not only by unfunded mandates, illegal immigration, and a host of others, but the 1 million jobs that California has lost has devastated the State.

We have major industries like General Dynamics, Rohr, McDonnell Douglas, Martin Marietta, all going out of the State and folding up their tents because of the defense cuts.

□ 1540

That means jobs. We have an administration that is saying jobs are being created. These are high-level, white-collar, scientists, and a lot of blue-collar jobs going out the window. A lot of the 1994 budget is funded at a bare-bones minimum.

The year 1995 and out is largely funded by the closings of the bases under the Base Realignment and Closure Commission of 1993. But guess what the administration and this House are not doing? They are not funding BRCC fully. And every Member in this House, generally every Member, has bases that are closed. When this Government gives the military a mandate, it tries to adhere to it, but it is an unfunded mandate. Let me give you classic example.

The Naval Training Center, NTC in San Diego, does not have the money that was promised to close that base in the last base closure. Jack Inch, the commanding officer of that, just spent \$30,000 out of their training money because they had to buy plywood to close up the buildings that has been ordered to close.

The military is eating itself up from within inside because again this House and the Commission forced the military to close those bases for savings. Now, if we do not fund BRCC-93, then they know that the military will eat itself from the inside and slowly dissolve itself, besides the \$179 billion cut as well.

Bases and units are out of dollars.

Another way that they are selectively killing defense: They ordered the rapid demise of F-14 fighters, F-15, F-16, F-18's, they are even doing away with the A-6 Intruder.

Guess what, the procurement and development of the brand new joint airplane for the Navy, Air Force, and Marine Corps is being pushed out well beyond the year 2000. There is no way we can replace those retiring airplanes to keep our forces up to speed even at the Bottom-Up Review level. So it is another way of selecting them.

The Bottom-Up Review was a study. Then-Secretary of Defense Les Aspin headed up a task force to see what we needed to fight two conflicts or wars simultaneously at the same time with a minimum of forces. Even during the presentation before the Committee on Armed Services, the drafters of the Bottom-Up Review testified we were \$40 billion, not thousand, not millions, but \$40 billion short of the Bottom-Up figures, which was in itself a bare-bone minimum for our Armed Services.

Just last week, the GAO, Government reporting agency, shared with us that it is now \$150 billion short of the Bottom-Up Review, which is a bare-bone minimum to fund our military. That is why we have top gun flying against its class, that is why we have squadrons sitting idle and not training,

that is why we do not have enough parts for our Armed Forces, and that is why, Mr. Speaker, we are going to end up with dead men and women because they cannot train.

Right now we are over the skies of Bosnia, we have a President who wants to take us into Haiti, and you do not have the equipment, the military and the training, to do it.

We are going to bring back our kids in body bags. That is the reason I am standing up here today, because I was shot down myself over North Vietnam on my 300th mission. But we had the equipment, we had the training, and we had minimum casualties even though we lost a lot of people in Vietnam.

But even today those casualties would be higher because we are not ready. Our readiness is low, our forces are low, our equipment is low, and our training is low.

The committee chairman on the Democratic mark was below, if you can believe it or not, the Bottom-Up Review mark by \$1 billion.

Now, how can we operate and ask the support of our men and women in the Armed Forces if this House cannot even support them?

I take a look at the cuts that we have had here on the House floor. People show they want to be fiscally conservative, so where do they cut? They cut law enforcement with the CIA and the FBI. The Black Caucus wanted to double the amount of defense cuts, to double it.

Let me remind you Mr. Speaker, the armed services is one of the primary areas for minorities to get jobs on an entry level and then go on to secondary jobs either in the military or after they retire.

So we are killing jobs in that way as well.

My friend from California and I testified that the environmental cleanup costs for these bases was going to be much higher than it is—than it was estimated. But our colleagues on the other side of the aisle said, "No, we figured this out." Guess what, Mr. Speaker, today those costs are running from 10 to 20 times as much and in some cases there is no savings from closing the bases. That was the main point of the bottom-up review—I mean the BRCC—to see if it was beneficial to close a base to save the Government money.

That is why they were closed.

Now we are finding it is not beneficial in most cases because it is just environmental cleanup. Again those savings were going to go through 1995 and out and supply the defense dollars for us to operate our military forces.

We have certain items in which our military forces look at us and say, "Are you supporting us?" When in a President's tax package cuts the military COLA, that hurts a lot of people, especially when you have got E-4's who

qualify for food stamps. In many cases you have kids, young men and young women—and I say kids because these kids are between 17 and 35 years of age—who can qualify for food stamps. We take them away from their families for 6 or 7 months on every cruise, they come back and even on home port issues, we do not allow them to stay with their families even at those times. Yet we keep hacking at them. And then we cut their COLA's. How do you think it makes them feel, Mr. Speaker?

Mr. HUNTER. I thank my friend, who has so much expertise in the armed services for his testimony today. The last figures I saw with respect to our young families, our lower-ranking families, with respect to food stamps was that today, this year, 27 million dollars' worth of food stamps were utilized by service families, by uniformed families. That reminded me of the days of the late 1970's under Jimmy Carter when we had a tremendous number of our young people, uniformed people, on food stamps.

Mr. CUNNINGHAM. It is. Just take a look at any base.

Mr. Speaker, you probably have military bases in your district. Take a look at these kids and what we ask of them. Yet we are cutting their pay, their COLA's, and we do not support them and we let them sit on the bases without the equipment, without the funding to train in the job they are supposed to do to prepare themselves on how to survive in conflict.

Then we plan to send them to Haiti, Bosnia, God knows what else. Then we are going to put them under U.N. control, not United States control. Mr. Speaker, that is wrong also.

Right now, today, just taking the Navy alone, we are over 700 lieutenant commanders in the Navy, and those are the billets, the officers who fill your department head jobs, like the head of your operations department, the head of your maintenance department in a squadron, administration department. And we do not have those personnel.

Admiral Boarder and the commanders have asked if they could upgrade lieutenants to fill those positions, lieutenants without the experience required to keep that unit safe.

Mr. Speaker, that alone will cause loss of aircraft and loss of lives.

The defense bill, we look at the defense bill itself and what meager funds we have. We have what I call the left-wing members on the committee who want to provide social programs out of the defense budget. Much of the defense budget in the mark, even today, has social programs in it which have no place in the defense budget, eating up those same training dollars and the existence of military equipment.

□ 1550

We take a look at the House floor, and in every committee you take a

look, again those that support socialized spending and a socialized Government want to cut the defense budget. We had an education and labor. The gentlewoman from Hawaii wanted to take \$1 billion out of the defense, and every committee—look on the House floor—that those who will come forward and want to cut defense—cut defense is the big answer.

Well, what are you going to do, Mr. Speaker? What are you going to do after the defense dollars are gone and the spending still stays higher, even in the crime bill, which the gentleman from California is going to talk about, and you got \$9 billion in socialized programs there that duplicate existing programs we have?

Another factor that this gentleman disagrees with in the administration: Dick Cheney was the Secretary of Defense under George Bush. I guarantee you that Dick Cheney and President Bush would have known, prior to our airplanes going to war over Bosnia, that they were going to be involved in a war. In the first strike that our aircraft went over Bosnia and intercepted Bosnian Serb airplanes our President and our Secretary of Defense were not aware of it until after the fact. To me that is ludicrous.

We cannot accept, nor tolerate, our Armed Forces falling first priority under U.N. control. Even in Desert Storm where we had—the President put together a coalition of forces from many other countries, our forces were under U.S. commanders, directed by U.S. commanders, that spoke English, that knew the equipment, that knew the tactics, that knew their limitations and knew their strengths, and we came out ahead on that, and, Mr. Speaker, if this same type of thing continues when our troops are under U.N. control, we are going to lose lives.

It all boils down to readiness, Mr. Speaker. Are we ready to fight? Our troops will fight and do well anywhere they go. They have historically. But we have got to give them a fighting chance. We got to let them train. A football player is proficient because of the amount of time and energy he puts into training to his skill. The same is true with the military, Mr. Speaker, and we cannot tolerate.

So, let us do not degrade our military officers. Let us do not have them carrying hors d'oeuvres at a Democratic fundraiser at the White House, military officers in uniform.

I did get a nice letter from General Shalikashvili and said that that will not be the policy. But we need to tell the staffers that they cannot order our military to carry hors d'oeuvres for Democratic events. I am disappointed that some of the Democrats there did not do the same thing on the spot. We cannot expect them to risk their lives and not support them, and I would like

to thank the gentleman from California [Mr. HUNTER] because, my colleagues and Mr. Speaker, our military forces today are at a bottom level that I have never seen them, and I spent 20 years of my life in the military, and I did not want to fight in the war, but, when I was there, I wanted the right equipment, and I wanted the support of my Congress and the American people behind me. That is not true today, Mr. Speaker, and we have got to change that.

Mr. HUNTER. Mr. Speaker, I thank the gentleman from California [Mr. CUNNINGHAM] for his remarks, and I just want to say, as he goes out, I know he needs to pick up his family at the airport, that the gentleman from San Diego [Mr. CUNNINGHAM] is a very valuable Member of this body because, in becoming the only Navy ace in Vietnam, shooting down five MiG aircraft, and not only that, but training in the top gun school in San Diego, training pilots, he has an insight into readiness and the combat needs of both equipment-wise and personnel-wise of our armed services, and there is nobody who is better able to speak about it, and I think also more independent than the gentleman from San Diego who has one interest here, and that is to preserve the chances for our men and women who have to go into combat, have to go into warfare, and their chances for survival are paramount in his mind, and I want to thank him for his work.

I yield to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, as my comments are directed toward those that would cut defense, both of us have friends that are on the other side of the aisle: the gentleman from Missouri [Mr. SKELTON], the gentleman from Pennsylvania [Mr. MURTHA], the gentleman from Mississippi [Mr. MONTGOMERY], and we can go on and name half of the Members on the other side that feel the same way that we do, that our defense is being cut too much, and we work with those Democrats every single day.

But when the administration pushes this, when the leadership on the other side, which to my opinion is left of liberal, keeps pushing the cut of defense, it is going to cost the lives of men and women, and I want to thank my colleagues on the other side of the aisle that support the same issues and help us on a day-to-day basis, and I thank the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman from California, and, Mr. Speaker, my friend, DUKE CUNNINGHAM, has been talking about deficiencies that we have with respect to the U.S. Navy. Let me just add a couple to that that come from the Army side of the uniformed services.

I sent a letter to the Army recently. I asked them to answer certain ques-

tions with respect to readiness and equipment: Are we ready to fight?

And Gordon Sullivan, General Sullivan, Chief of Staff of the U.S. Army, replied in a recent letter that was a fairly in-depth explanation of our current capability with respect to readiness, and let me go over some of the categories that he covered.

He said this about modernization, and I quote:

Modernization accounts are minimally funded in FY 1995 and must be increased in subsequent budgets to allow for recapitalization of equipment. The outyear requirements; that means in the coming years, will be addressed during development of the Army's FY 1996 POM.

Now what General Sullivan is saying there is that we are right on the razor's edge of losing modernization. Those smart weapons that we all watched in Desert Storm that were able to go in and zero in on a bridge, or another vital military facility or strategic facility in Iraq, were developed because we spent research and development dollars in a very adequate way, in a very responsible way.

"We aren't modernizing like we should be modernizing." He said this about equipment readiness, and this is a very important factor because, when the balloon goes up, when the American Forces have to go to project American military power, they do not have the option of saying, "Put that emergency on hold until we repair these tanks, until we repair these ships, or these aircraft, or these artillery pieces."

Here is what General Sullivan said about equipment readiness:

Depot maintenance is funded at 62 percent of requirements for fiscal year 1995. Congressional decrements to OMA could aggravate the situation. Operations other than war, costs of contingency operations without timely reimbursements or supplemental funding cause execution year turbulence and can cause a drain on the readiness accounts.

That means that when we go off to Somalia, or we go off to Haiti, or we go off to Bosnia, and we take money that should be used to train our troops to repair our equipment to keep our fighting forces ready, and we do not pay that money back, and most of the time this administration and this Congress does not pay all the money back, then the readiness requirements that the gentleman from California [Mr. CUNNINGHAM] spoke about, that increased flying time, for example, for Navy pilots, is not funded. So pilots have to stay out of the air. And that equipment restoration, repairing the equipment that was used in the last operation, does not occur. So that means that the next operation that you go into, you go into with pilots who are less ready, less trained, with infantrymen who have not had the time with the equipment and with weapons that they should and with weapons that have not been refurbished and have not been fixed in many cases. We still have equipment from Desert Storm which has not been refurbished since that operation was concluded.

So, Mr. Speaker, those are statements coming from General Sullivan who is the Chief of Staff of the U.S. Army.

So, my colleagues, against this background of massive defense cuts, and once again President Clinton has cut \$129 billion out of the budget that was established by President George Bush, Secretary of Defense Dick Cheney, and Chairman of the Joint Chiefs, Colin Powell—he cut, President Clinton cut, \$129 billion out of that budget, and he did so in a very uncertain world. He did so in a world which has a Bosnian situation, which is set to explode, which has North Korea acquiring nuclear weapons, which has Communist China claiming all of the territory in the South China Sea, and building warship bases in the South China Sea, and with four former Soviet States continuing to maintain nuclear weapons and continuing to experience a political situation which, I think, can still be described as unstable.

□ 1600

We still live in a very dangerous world. This Congress does not lead in foreign policy. I acknowledge that, as a Member of the minority party in the House, the Republican Party. We do not run foreign policy. Under the Constitution, we are not supposed to run foreign policy or run our military operations. The Commander-in-Chief runs our military operations. He is the leader in foreign policy.

But we do have an obligation, and that obligation is to keep our military strong. We, Mr. Speaker, have not been carrying out that obligation. We have not been keeping our military strong, and we are returning to the hollow forces of the 1970's. I think that has been stated as strongly as it possibly can be stated by members of the Joint Chiefs, who do not want to blatantly say our President is erring on a daily basis, he is cutting too much. They say it as diplomatically as they can say it, that readiness is suffering.

We are at 62 percent of our requirements for equipment maintenance. We are cutting 1,700 young people a week out of the military. We are taking the Marines that came out of the Bosnian operation, after 6 months, they were given I understand 12 days at home, and then they were sent to the Haitian theater, after 12 days with their families. That equates ultimately to a lot of people getting out of the service because they simply have to spend more time with their family and their quality of family life has been degraded to the point where they can no longer stay in the service.

So, Mr. Speaker, we are creating under the leadership of President Clinton a hollow military. We have now some \$27 million being taken in annually by uniformed families for food stamps. Does that sound like 1979? It

does to me. Statements from the Joint Chiefs about the unreadiness, that sounds like 1979.

We are going to have to understand in this Congress that our first social duty to our constituents, to the citizens of the United States, is to keep them protected. That protection requires a strong American military. And if this President wants to go off and engage in every peacekeeping operation and every operation where he thinks the United States has an interest, and I think we do have an interest in many of these places, you have to be strong, because you do a disservice to your uniformed people if you throw them in a fight which you have not prepared them for. And that is what we are doing right now.

Mr. Speaker, let me move on to another issue that is right at the top of the list for the American people right now. I think it is at the top of the list because the Democrat leadership has kept them in the dark and they are trying to figure out what the heck is going on, and that is with respect to the Clinton health care plan.

President Clinton put together a health care plan, which I think can charitably be described as socialized medicine. It was based on these large collectives, or alliances, Government-run alliances, that would mete out contracts to insurance companies. You would have a national health care board that would put together packages. Every American would purchase a package, and if he did not purchase a package, if he was caught not buying the Government package, he would be assessed a big fine. If you went to a doctor who you thought was the best doctor to have an operation on one of your loved ones and you paid him more money than the schedule allows, that would be considered bribery. You and the doctor could go to jail.

That was the Clinton health care package. And, you know, the best thing that could possibly happen to the Clinton health care package happened. We put sunlight on it. The American people got a chance to look at it. When they got a chance to look at it, let me tell you, Republicans did not kill this package. Republicans are outnumbered by almost 100 votes in the House of Representatives. We are outnumbered by a big majority in the U.S. Senate. Obviously, the President is a Democrat.

The American people killed President Clinton's first package. That package was killed because hundreds of thousands of citizens, many of them Democrats, went to their Democrat Congressmen and Senators and said, "Gentleman, I am a small businessman and this is going to bankrupt me." They said, "We have seen eye to eye on a lot of issues before, but on this one, we don't see eye to eye. If you pass this socialized medicine plan, I am going to throw you out of office."

That is why Clinton I was killed. Many people, particularly Democrats, did not like it.

It took time to show the American people his package. Unveiling this massive 1,300-page package, health care plan, which is your contract, the American people's contract, and their provision for medical care for the foreseeable future, it took months and months to show them the contract they were getting into. But doggone it, you better read this contract before you sign it. That was the message given strongly to me by my constituents from Imperial Valley and San Diego, CA.

I read that package, and that is why I came out against it. I read it, and I listened to my constituents who also read it.

Hundreds of thousands of Americans acquainted themselves, millions of Americans, acquainted themselves with a lot of the provisions, and I would say hundreds of thousands of Americans read most of the Clinton I package. We put some sunlight on it. They understood what they were getting into it, and they backed off.

They decided they did not want socialized medicine that would have the efficiency of the Social Security System and the compassion of the IRS. That is what a lot of them figured they were getting into.

So President Clinton has admitted that his package cannot pass. But what has happened in the last week and a half is that the Democrat leadership in this House is putting together a package that is presently secret, that is essentially Clinton II. It is called the Gephardt plan, or the plan that is named after the wise majority leader, Mr. GEPHARDT, that he is putting together. And the problem with it is the American people have not had a chance to see it.

Let me tell you how many Americans have read the Democrat leadership plan that we are supposed to vote on in a few days. Zero. Not a single one of the 250 million Americans have read the Democrat health care plan.

We should be saying, my colleagues, Mr. Speaker, let the people see it, let the people read it. It is unfair for us to try to vote on a plan that our constituents have not had a chance to even look at, when it is their right to choose a doctor, their right to run a small business, their right to invent a new medicine.

You know, we are one of the last nations in the world that does not have socialized medicine. Theoretically, having socialized medicine is a mark of civilization. For all the people who have stood up and said we are one of the few nations in the world that doesn't have socialized medicine, we ought to have it, I look at places like Cuba, with Mr. Castro, who has socialized medicine. China has socialized medicine. A lot of other third world nations have socialized medicine. That is

not a sign of civilization, it is not a sign of sophistication.

If you look at the other side of that debate, you will see a great nation, the United States of America. More than half of all of the cures for diseases that are invented annually in the world, are invented in the United States. Isn't that interesting?

That means we invent more cures, more medicines that save lives, than all the rest of the nations in the world combined. And I would suggest, Mr. Speaker, that that is because we do not have socialized medicine.

I would suggest that our freedom has been the driver for innovation; our freedom has built a health care system that draws Canadians down. You know, the Canadian system was health care nirvana, it was heaven on Earth, and we had a lot of well meaning groups who came in last year and told us how great the Canadian health care system was.

Then around Christmastime the biggest hospital in Ontario shut down for a couple of weeks because they ran out of money. Funny, socialism always runs out of money, because governments never spend money in an efficient manner.

So Canadians saw their biggest hospital close down for 2 weeks because they ran out of money. Then we discovered something else about Canadian health care. There are 177,000 Canadians who are waiting for operations. They are waiting in line for operations. Because you know what? Socialism causes lines. If you do not think so, go to the Kremlin sometime. Take a trip to some of those liberated countries in Eastern Europe. Socialism causes lines. And about 25 percent of the people who were surveyed in Canada, of those 177,000 waiting in line for an operation, 25 percent of them said they are in pain while they wait.

□ 1610

We looked at other places. We looked at Japan that theoretically spends less money on health care. It does spend less money. But do you know why they spend less money? Because the average Japanese doctor sees 49 patients a day. And I had this impression, I do not know if my colleagues, Mr. Speaker, or you have seen that, have read about those professional packers that they have in Japan on the subway trains where they get everybody they possible can into the train, right at rush hour. Then they have two professional packers. These packers are like sumo wrestler. They are big, healthy people. They do not hurt anybody, but their job is to pack the last possible person that they can get into that train. They want to get that guy packed right inside there so they can close the doors and go out with a full train.

That is the impression I had when I read that their doctors see 49 people a

day. They do mass examinations. Americans do not want to walk in with 15 or 20 people and do an examination en masse.

That is Japan. They are heavy on efficiency. They are a little bit short on privacy.

Let us look at Great Britain, which has socialized medicine, that socialism that Winston Churchill described as "shared misery." They have a system in which senior citizens, elderly people are not given lifesaving operations. That is because socialism never works very effectively and they ran out of money. So they tell senior citizens who are over a certain age, you cannot have this lifesaving operation because you have lived a long and full life and you have to fall off the tree like a leaf in the autumn and let a younger person have that lifesaving operation.

That is great unless you happen to have fathers and mothers and grandfathers and grandmothers who mean something to you and you know American families have a lot of grandmothers and grandfathers who mean something to them. And so we do not want to have that brand of socialized medicine.

To date this administration has not shown us one model country that has a medical system, a socialized medical system that we should follow.

Last, Mr. Speaker, let me talk about something that is kind of near and dear to Americans hearts. That is a job. Remember that gentleman Herb Kane who stood with the President on a nationally televised program and he said, he is a guy who owns Godfather's Pizza. His father worked three jobs a day so he could go to college and become a success.

And Herb Kane said, Mr. President, I have put a pencil to your numbers here, to your plan. I will have to fire a lot of people.

I am paraphrasing him.

He said, this is not going to work out. I am going to have to close down franchises and get rid of folks.

The President said to him, I do not know why you just cannot raise the cost of your pizza.

I could see a look of shock on Mr. Kane's face and when he addressed the Republicans recently, he said, to the effect, if I could get more money for my pizzas, I would be doing it. You cannot just raise the price of your product and expect to continue in business.

He said, I am asked by people why I do not feel I have a duty to give every single person who works for me a health care plan. He says, that is because my first duty is to give them a job. And we are going to lose a lot of jobs under socialized medicine. The plan that the gentleman from Missouri [Mr. GEPHARDT] is putting together with other Democrat leaders right now is socialized medicine. It is socialized

medicine that is going to require employer mandates. That means employers are going to have to pay a big, new tax.

We have a group that is a think tank, and there is plenty of think tanks around the country, but the CONSAD Study Group did an evaluation on how many American jobs will be lost under the Ways and Means Committee plan, that is the Democrat-controlled committee that developed the plan in this House that is being followed by the gentleman from Missouri [Mr. GEPHARDT] by the Democrat leadership is putting together their socialized medicine plan.

Let me tell you how many jobs they say will be lost and how many will be affected. What is an affected job? It is a job not lost. It is a job where you never get any raise. You do not get any raise because your employer is spending the money he would have used to give you a raise buying this health care plan that he is forced to buy by government.

So let me tell you:

Alabama, job loss of 13,000 under this Clinton II plan; jobs affected, no raises, 716,000.

Alaska, 1,200 job losses; 74,000 jobs affected.

Arizona, 11,000 jobs lost under the Clinton II plan; 640,000 jobs affected.

Arkansas, they have had a lot of experience with this leadership, 7,000 jobs lost; 398,000 jobs affected.

California, my State, 108,000 jobs lost under Clinton II; 5,976,000 affected.

Colorado, 11,000 jobs lost; 600,000 affected.

Connecticut, 15,000 lost; 800,000 affected.

Delaware, 2,800 lost; 154,000 affected. District of Columbia, 4,900 lost; over 200,000 affected.

Florida, 41,000 jobs lost under Clinton II, under the Democrat plan; 2,300,000 affected.

Georgia, 23,000 jobs lost; over a million jobs affected by the Democrat plan.

Idaho, 2,700 jobs lost; 153,000 affected. Illinois, 47,000 jobs lost; over 2 million affected.

Indiana, 22,000 jobs lost under the Clinton health care plan; that is the one that Democrat leadership are getting ready to ram through the House, 1,016,000 affected.

Iowa, 9,000 jobs lost; 530,000 affected. Kansas, 8,000 jobs lost; 469,000 affected. That means no pay raises, because your employers have to pay for the health care plan.

Kentucky, 11,000 jobs lost under the Clinton health care plan; 610,000 affected.

Louisiana, 11,000 jobs lost; over 600,000 affected by the Clinton health care plan.

Maine, 4,000 jobs lost; 227,000 affected. Maryland, 16,000 jobs lost; 953,000 affected.

Massachusetts, 29,000 jobs lost; almost a million and a half jobs affected.

Michigan, 36,000 jobs lost under the Democrat health care plan; 1,800,000 jobs affected. That means no raises.

Minnesota, 18,000 jobs lost; 900,000 jobs affected.

Mississippi, 7,000 jobs lost; 375,000 jobs affected.

Missouri, 20,000 jobs lost; 1 million jobs affected by the Clinton health care plan that the Democrat leadership is putting into effect right now or putting into final form right now.

Montana, 1,700 jobs lost; 105,000 affected.

Nebraska, 5,000 jobs lost; 313,000 affected.

Nevada, 6,000 jobs lost; 320,000 affected.

New Hampshire, 4,000 jobs lost under the Democrat health care plan; 223,000 affected.

New Jersey, 29,000 jobs lost; 1,600,000 affected. That means no raises in wages, under the Clinton health care plan.

New Mexico, 3,000 jobs lost; 205,000 affected.

New York 75,000 jobs lost; 3,900,000 affected.

North Carolina, 28,000 jobs lost; 1,400,000 affected.

North Dakota, 1,600 jobs lost; 96,000 affected.

Ohio, 44,000 jobs lost; 2,267,000 affected under the Clinton health care plan.

Oklahoma, 8,000 jobs lost; 466,000 jobs affected.

Oregon, 8,000 jobs lost; 499,000 affected.

Pennsylvania, 47,000 jobs lost; 2,450,000 jobs affected.

Rhode Island, 3 million jobs lost; 202,000 jobs affected.

□ 1620

That means reduced wages, no wages. South Carolina, 12,000 jobs lost; 681,000 affected; South Dakota, 1,750 jobs lost; 103,000 affected; Tennessee, 19,000 jobs lost, 987,000 affected; Texas, 55,000 jobs lost, over 3 million affected; Utah, 5,000 jobs lost, 309,000 affected; Vermont, 1,800 jobs lost, 102,000 affected; Virginia, 21,000 jobs lost, 1,200,000 affected; Washington, 16,000 jobs lost, 936,000 affected; West Virginia, 4,000 jobs lost, 238,000 jobs affected; Wisconsin, 19,000 jobs lost, 1.1 million affected; Wyoming, the last one, 930 jobs lost, 60,000 affected.

Mr. Speaker, the American people are going to be affected for decades by any health care plan that we put into effect. We owe them what just about any company that wants to sign a contract with you owes you, and that is to show you the doggoned contract.

The Democrat leadership has not shown a single American this health care plan that they expect us as Congressmen to sign up to in about 10 days. They have not let a single Amer-

ican read this contract that is over 1,000 pages in length. The American people read the last contract and they did not like it. That is why Democrat Congressmen refuse to pass it, and Democrat Members of the Senate refuse to pass it.

Mr. Speaker, let us show this contract to the people, show President Clinton II, which is the health care plan that the Democrat leadership is putting together in secret right now, to the American people. Let the people see it, Mr. Speaker. Let the people read it. I think they will do the same thing to this plan that they did to the first plan after they got a chance to read it.

THE 1965 VOTING RIGHTS ACT

The SPEAKER pro tempore (Mr. MENENDEZ). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Louisiana [Mr. FIELDS] is recognized for 60 minutes as the designee of the majority leader.

Mr. FIELDS of Louisiana. Mr. Speaker, today I rise in the House of Representatives to talk about the 1965 Voting Rights Act. On August 6, about 29 years ago this Saturday, this Congress had the gall to pass a very sacred piece of legislation, and that is the Voting Rights Act, because of the need to give every American an opportunity to participate in democracy. So I commend this Congress for having the foresight to pass a piece of legislation that would have such a profound effect on Americans all across the country.

Mr. Speaker, I also commend President Johnson, at that time, who had the courage to sign such an important piece of legislation, when he took the floor and he took the well and talked about how important it was to include all Americans into our democracy.

I also commend those individuals who took a stand today, Mr. Speaker, individuals who have marched and walked the highways and the byways of this country, fighting for inclusion. All they wanted was the opportunity to participate in democracy. They fought, they walked, they marched, many of them were bitten by dogs, some were hosed with water.

At that time I was only 2 years old. I did not know anything about voting. I did not know much about anything. As I read the history books and read the legislative intent of this act, I really see the struggles that many people went through to get us to this point in life, as they marched and walked and fought and rallied and they talked about inclusion.

It is a shame today that the very act that this Congress passed, the Voting Rights Act, in 1965, and the very act that the President had such emotions about when he addressed the House of Representatives in 1965 on August 6, is under attack today. It is under attack

in the Federal courts in Louisiana, in Georgia, in Texas, in North Carolina, in South Carolina, and perhaps in other parts of this Nation.

Mr. Speaker, I rise today to talk about this shameful condition that we find ourselves today, now, breaking down the many barriers that we faced in the past to bring about inclusion so everybody can participate in democracy, so that everybody will have the opportunity to be around the table to talk about decisions and public policy in this country, and to see Federal courts misinterpret the Voting Rights Act, and use the 14th amendment of the Constitution of the United States of America, an amendment, Mr. Speaker, that has always been used to protect people, has always been used as a shield, but to see courts today take that 14th amendment and instead of using that amendment as a shield, use that amendment as a sword to hurt people all across this country.

When I think about those individuals who marched and walked, and in many cases, many died to bring about democracy right here in this Congress, I am very saddened to think about the nights and the days that maybe people stayed up and lobbied this Congress, and to think about the many men and women who sat in this august body some 29 years ago and stood at that well and said, "It is right for inclusion of all Americans into democracy;" to think about those Members who had the audacity, tenacity, and the gall to stand at this microphone and say, "It is wrong to deny anybody the opportunity, the right to vote and to participate in democracy."

Several years ago, Mr. Speaker, there was a time when individuals could not vote unless they took literacy tests, paid poll taxes, and there was all kinds of disenfranchisement against many minority voters in this country. Blacks and Hispanics did not have the opportunity to sit in this Congress and to vote on major pieces of legislation.

Mr. Speaker, I suspect if we were in the 1950's and early 1960's, as we deliberate today on health care, a very, very major piece of legislation that affects every American in this country, many individuals who were in the minority races would not be here today but for that courageous move that this Congress made in 1965.

I want to talk just a minute about inclusion and democracy and fairness. Right now I sit in a body that is 435, all of whom I have a great deal of respect for. Of the 435 Members who sit in this House of Representatives, all represent different areas all across this country.

Because of the Voting Rights Act, and because there were so many fair-thinking Members of Congress in 1965, and a President who stepped up to the plate because he wanted inclusion, he decided to change the shape and the appearance of this institution, because he wanted it to reflect America.

When we call ourselves the House of Representatives, we are actually representatives of the people. We represent America. If one would take a big mirror and put in front of this building, or in front of this House, it should be a clear reflection of the United States of America. We should see women, we should see blacks, we should see Hispanics, we should see Asians, we should see whites, we should see people from all walks of life, because that is America, and that is democracy.

Just a few years ago, before the passage of the Voting Rights Act, you take a State like Virginia, for example, a State with about a 19 percent African-American or minority population. It had absolutely zero Members in this institution representing the State of Virginia.

At that time, I guess the President and that Congress in 1965 asked the question, the sacred question, and that is, "Is it right?" You take the State of North Carolina, for example, a State that has a population of 22 percent minority. It did not have one single African-American Member of Congress talking about serious legislation that affects people all across this country.

I guess this Congress and the President at that time said, "That is wrong." Take the State of South Carolina, 30 percent African-American population. Not one African-American Congress-person sat in this august body since reconstruction.

□ 1630

Then you take the State of Georgia. It is 27 percent African-American. Not one black Member of Congress since reconstruction until the passage of this very sacred piece of legislation.

Then when you take my own State, a State that I have so much respect for, a State that I fight for every day on the floor of this Congress, 30.8 percent African-American and did not have one African-American Member of Congress, but 8 Members of Congress represented that great State of Louisiana.

And so the Members of this institution and the President at that time said it is wrong and we need to bring about inclusion and not exclusion, and we cannot fly across the world and talk about democracy in other countries and not have democracy right here at home.

So I commend the Members of this body. I commend the Members, those who are gone and those who are still here today, be they Members of this Congress or be they back home in their own States in retirement. I commend every Member of this Congress who stood up to the plate in 1965 and said, "We're going to bring about inclusion in democracy and in politics in this country."

It is a sad thing, Mr. Speaker. We have integrated sports in our country.

There used to be a time when sports were one-sided. Today, when we go to athletic events, we see white athletes, black athletes, and other ethnic groups all playing the same game together, and they do it well. We sit in the stands and we praise them and we cheer them and we clap them on. We do not call them black ball players, we do not call them white ball players, we do not call them Asian ballplayers or Hispanic ball players. We call them great ball players. We call them our team. We cheer them on and we clap for them when they score and it makes us feel good.

Whenever this country goes to war, we ask our boys and girls, we do not ask them are they black or are they white, what district they come from, how their house looks, what community they come from, do they live in a shotgun house or do they live in a country club. We say we need you to fight, to protect and defend this country. We load up the planes and the ships with little black boys and little black girls and little white boys and little white girls and Hispanics and all ethnic groups. We do not ask them for anything, no green card, no nothing. They are American citizens. We need them to fight for the country. Then when they go on foreign soil and they start fighting for America and democracy, we cheer for them and we pray for them, and we put our chests out big and bold and we say, "They are American soldiers and we love them because they're fighting for democracy." We never talk about race.

I am so happy today that even in our school system we are able to sit little black boys and little white boys and girls at the same table and learn together. Something that Martin Luther King always talked about. Where we could go to school together and learn together and pray together. We have worked hard to integrate our school system.

I think this country ought to be commended, but most importantly it ought to be commended for integrating our armed services, integrating sports, and integrating our educational institutions.

But now we have one more task left: We must integrate the institution of power and politics. Why is it that I as a 31-year-old African-American who works night and day to represent every constituent in my district, I do not care if the constituent is black, white, blue, green, or purple, it is my responsibility to represent him or her, be they young, be they old, I care less. Why is it as a young African-American, who fought so hard to see a colorblind society, why is it that I and others who look just like me are victimized by courts in this country? Why is it that I should not have the opportunity to serve in this Congress because I am of African-American descent? Why is it as

hard as I work, I wake up every morning, I go to work, I try to pass good and meaningful legislation. Why is it that a shape of my district would determine whether or not we have a beautiful shape or not so beautiful shape of this Congress? I often thought courts would look at the shape of Congress more so than they would look at the shape of a district. It is ironic today that shapes of districts are more important than the shape of this institution. The appearance of a district back home in Louisiana, North Carolina, in Georgia, South Carolina, Texas is more important than the shape of this institution.

I say to you, Mr. Speaker, the shape of a district should be always secondary to the shape of this Congress, because I am not a district Congressman. I am a U.S. Congressman. We all meet here in Washington, DC, in this August body, and we ought to be able to look like America. We ought to be able to take care of the business of the American people.

So I say to all the courts, and to all those individuals who wish to turn back the hand of time: Let us not go back. We have made too much progress. There are only 40 African-American Members of Congress. There are 535 Members in the U.S. Congress, 100 in the U.S. Senate and 435 in the House of Representatives. We cannot afford to regress. We must progress into the future.

At this time, Mr. Speaker, I yield to the distinguished leader from the State of Georgia for as much time as she may consume.

Ms. MCKINNEY. Thank you so much for yielding.

Mr. Speaker, I would like to talk a little bit about my personal experiences during our campaign.

The theme of our campaign was "Warriors Don't Wear Medals, They Wear Scars." Our campaign was comprised of civil rights activists, environmental activists, community activists, the kind of people who give and give and give and give and really all they ask is that they get a better community in which to live and that their Government give them a fair shake.

On election night, the volunteers in my campaign headquarters had to watch as the potential victors were interviewed at their victory parties. We had a victory party, too, and the media eventually made its way over to our headquarters after we had won, but, you see, nobody thought we were going to win. We did not have big-name supporters leading us around. We did not have high-dollar donors pushing us to win. We did not have the rich and the powerful. We did not even have the good old boy network. All we had were those warriors. And obviously that was enough.

This was a special victory, because people like me are not supposed to win.

I do not come from a family of wealth. I do not have hundreds of thousands of dollars of personal wealth. I did not inherit a congressional seat. I am just an average, ordinary American cut from a slice of average ordinary American life. In a democracy, our strength lies with the people. The victory in the 11th District was a victory for the people. That does not always happen.

Now a former opponent who lost his bid for the 11th District wants to take this victory away from the people of the 11th District. In a classic case of sour grapes, a former candidate for the 11th District, who found nothing wrong with the district when he paid his money to run, now wants to dismantle the district and start all over again. This is neither fair nor right. But this is where we are today.

The configuration of the 11th Congressional District of Georgia is now a matter for the courts. I would suggest that it is not the district or the way that the district looks that the plaintiffs find fault with but the way the district's representative looks that the plaintiffs dislike so much.

The plaintiffs in Georgia claim that this district violates the rights of whites to have representation in Congress. Georgia's population is 27 percent African-American. Georgia's congressional delegation is 27 percent African-American.

□ 1640

There is value in equity, and there is value in diversity, and even in the South we need to learn that.

The plaintiffs in Georgia claim that these are "black districts." These are not black districts. Ranging from 50 percent black to 64 percent black, these new districts across the South are the most integrated districts in the South. These districts encourage biracial coalitions, something that my State and my region are not particularly known for. The need to build biracial coalitions and a new, fresh vision for the South, the plaintiffs are not known for their work in building biracial coalitions. Rather they are accustomed to the politics of division, the politics of prejudice.

During the campaign I tried to carry our message to every resident of the district. Quite frankly, some of the constituents were not ready for that message, they were not ready for my looks, and they were not ready for my gender. But we have worked hard to build bridges. We have worked hard so that the whole community could sit down together and begin to resolve some very real community problems that persist.

We have a responsibility to do the work that our southern heritage has left us. We still have voting rights discrepancy in several of our counties that have had to be addressed in our office. We still have a tax on local civil

rights leaders that we address in our office. We still have women's issues, particularly women in prison who suffer from sexual abuse that we have had to deal with in our office, housing discrimination, hiring discrimination, environmental problems.

Mr. Speaker, in short, these districts have allowed for average, ordinary people to receive a modicum of representation in Congress. And as a strong and proud Southerner, I want more for my region than a legacy of racism and prejudice.

In 1868 there were 33 black members of the Georgia General Assembly, and in 1868 they were expelled for no other reason than the color of their skin. On the grounds of the Georgia State Capitol there is a statue that commemorates the service of those 33 who were expelled because of color. In fact, that is the name of the statue, "Expelled Because of Color."

The spirit of 1868 lives unfortunately in 1994. The spirit of 1868 lives in the hearts of some people still, and I would say that the spirit of 1868 lives in the motives of this challenge to the 11th District and, quite frankly, to the challenge of all of these districts.

In 1965, President Johnson made a promise to this Nation that 1868 would never happen again, that Americans of all colors, ethnicity, races, and religions would all be welcome at the table of democracy.

In 1994, all across the South, a handful of people want America to renege on that promise. There is a notion that if America goes back on this promise that it only hurts America's minorities. There could be nothing further from the truth. Reneging on President Johnson's promise hurts all Americans who value democracy.

Let me just say a word about democracy. We have sent our best and our brightest across the seas to fight for democracy. In 1946 my father, while still wearing the uniform of the United States of America, while returning on a train from Europe was arrested in South Carolina because he dared to want to taste what white water tasted like. We have been willing to spill American blood in the fight for democracy abroad. We have even spilled American blood in the fight for democracy at home. Some would have us forget all of that and return to a day when there was less democracy and fewer rights for people who look like me.

I would call on all Americans who value democracy, all Americans who value biracial coalitions, all Southerners who value the idea of a new South and not the South of yesterday, to join with us to preserve these districts and to fight with us to protect democracy in America. We must protect the Voting Rights Act.

I would also like to thank my colleague from Louisiana, Mr. FIELDS, for organizing this special order this evening.

Mr. FIELDS of Louisiana. Mr. Speaker, I thank the gentlewoman from Georgia for her profound statement.

GENERAL LEAVE

Mr. FIELDS of Louisiana. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

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

There was no objection.

Mr. FIELDS of Louisiana. Mr. Speaker, I yield to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. Mr. Speaker, I thank the gentleman for yielding. I want to just take a moment if I might to associate myself with the remarks of the gentlewoman from Georgia who just spoke and the gentleman from Louisiana who spoke earlier, and those who are about to speak in reference to not only the Voting Rights Act, but the ideal of equal representation under the law and how that is being challenged. I say that on behalf of not only the Congressional Black Caucus, but a number of Members of this body who have come to recognize the single importance of making sure that we protect our system of representation as we know it.

Clearly, I am sure the gentleman appreciates as do I, the assistance of the Attorney General in this regard, the fact that the offices of the Attorney General have joined in with the Members who are threatened like this, as well as the beneficial and I think significant remarks of the President in this regard, all have been welcomed.

I would, however, say that the gentleman's comments about the 14th amendment are particularly true, poignant and prophetic, and would urge those persons who have watched this special order and those who read it in the text of the CONGRESSIONAL RECORD to understand in the most sober of ways that the argument put forth by the gentleman is an argument which has withstood the test of time that is continued to be made in these hours in this century as we move toward a new century because of its significance politically and otherwise.

So I wanted to briefly come over to thank the gentleman from Louisiana and all of the other Members who have spoken and will speak on this subject during this special order because of its overwhelming significance to the foundation and the underpinnings of this democracy as we know it, and I thank very much the gentleman from Louisiana for yielding.

Mr. FIELDS of Louisiana. Mr. Speaker, I yield to my good friend and colleague from the great State of Mississippi, Mr. THOMPSON.

Mr. THOMPSON of Mississippi. Mr. Speaker, today as we approach the 30th

anniversary of the Voting Rights Act, I stand to celebrate this momentous occasion. But I also stand as one of the individuals who has directly benefited from that act.

In 1960, a great President of ours talked about a Great Society. But he also in 1965 proclaimed in the passage of the Voting Rights Act that African-Americans, or blacks at the time, should enjoy the same benefits as other Americans.

□ 1650

I think it is fitting and proper as we go into the area of celebrating this Voting Rights Act 30th anniversary that we look at what is happening to many of the beneficiaries of this act.

As we know, in Texas, Louisiana, Florida, Georgia, North Carolina, all of those States with African-American Representatives are under attack. They are under attack from the radical right who somehow think that in America African-Americans should not be represented here in Congress.

I associate myself with the statements that have been made earlier, because it is absolutely un-American to deny individuals representation.

For that radical right to look at the individuals of color in this Congress and say that they do not deserve the right to be here is something less than all of us have fought and died for.

Apart from that, Mr. Speaker, I think as we look toward the celebration of this 30th anniversary, we need as a country to recommit ourselves to the principles of life, liberty, and the pursuit of happiness, as well as talking about doing the right thing. What the courts are trying to do in many of the States is turn back the hands of time.

I implore my colleagues, I implore those individuals who are of like mind to join us in trying to turn the Court away from this self-destructing effort.

So, Mr. Speaker, I associate especially with the gentleman from Louisiana, who is having a difficult time. We might know before the close of day whether or not he has a district or not.

It is unfortunate that in the struggle the people of his district in Louisiana will be denied an excellent Representative simply because of partisan right-wing politics, politics which does no one good in this country.

So again I pause to bring celebration on this 30th anniversary of the Voting Rights Act, and I also challenge this country to bring about the creation of an equal and just society.

Mr. FIELDS of Louisiana. Mr. Speaker, I thank the gentleman from Mississippi, my esteemed friend and colleague from the great and prestigious State of Mississippi, but let me also say to the gentleman that the issue that we are faced with today as the gentleman so adequately stated is not whether or not CLEO FIELDS or any one of us will serve another day in the U.S.

Congress, but the issue is whether or not a person like me will have the opportunity to serve in Congress, and that is what the Voting Rights Act is all about.

I want to also echo some of the words that my good friend from Maryland, the great chairman of the Congressional Black Caucus, stated, some of the support that has been launched from many organizations, particularly the U.S. Department of Justice. I want to certainly thank that Department, and I want to go on record in thanking the Department of Justice for defending the Federal statute, the 1965 Voting Rights Act, all across this country, and Devol Patrick, along with others, ought to be commended for doing so.

I want to also thank the States' attorneys general in their respective States that are under challenge for defending the Voting Rights Act, and I want to thank the President of the United States of America, who has taken a very strong stand in support of the Voting Rights Act, the NAACP, the Legal Defense Fund, the Lawyers' Committee on Civil Rights, and I want to also thank Judge Leo Higginbotham, who has been working profusely with the Congressional Black Caucus in defense of all of these challenged districts.

Mr. Speaker, I yield to my great friend from the State of North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Speaker, I want to commend the gentleman from Louisiana [Mr. FIELDS] for organizing this special order around the observation of the 1965 Voting Rights Act and to associate myself with the remarks that have been made.

I want to speak very briefly, but no less sincere than those who have gone to great length.

The 1965 Voting Rights Act is 29 years old this week. This landmark legislation upheld the right for every American to vote regardless of their race, a very fundamental right that all Americans will have a right to participate in this great democracy, and that participation meant that they could participate as a part of the electorate, and they also could participate as an elected leader, representation, representative government, that would allow anyone in America without regard to race to also be an elected official. It is harder to be understood than the right to vote.

The question needs to be asked again today, was the 1965 Voting Rights Act needed then, is it needed in 1994? One can say now that most people vote without any violation of their voting rights. Perhaps there are still some instances where individuals are still harassed or go to undue lengths before they can vote.

Let me just remind you, however, that the 1965 Voting Rights Act gave two rights; the right for an individual

to participate as a part of the electorate, and also the right to be elected as an elected leader, representative government.

The 1965 Voting Rights Act does, indeed, have authority, and it has authority in my own district. I have 20 different counties within my district, the largest congressional district in North Carolina, and of those 28 counties, 22 of them, 22 of them are covered by section 5 of the 1965 Voting Rights Act simply because there is a prior history of voting rights violations. Yet, the Voting Rights Act, indeed, has meant the difference for my citizens in my district to insure them that they have every opportunity to participate and vote their constitutional rights as anyone else has.

But I am also very, very troubled by the fact that we do not seem to understand that representative government is also a provision under this particular act. The majority/minority districts are now under a lot of judicial and equitable scrutiny, so-called under the fair doctrine. This must stop, not because fair doctrine and judicial process should not go on, but the disguise, the disguise that we pretend that we are wanting an equitable system. It is fair, and only fair, that all the citizens be able to be a part of the leadership as much as part of the electorate.

It is equally as fair for blacks to elect other members as it is for all citizens to elect a black Member.

Fair representation simply means choosing the best person to represent you.

In my district, I am happy to say that as of Tuesday of this week, the 1965 act was reaffirmed. The New York Times, in their editorial this morning, I think, made a great statement. They said, "Only a year ago the Supreme Court seemed ready to nullify or at least cripple the Voting Rights Act of 1965. The Court found that two oddly shaped congressional districts in North Carolina, drawn to give blacks a fair chance," not a guarantee, they said, "a fair chance to elect representatives of their choice, smacked of apartheid." However, it said that the districts could stand only if the States justified them under district scrutiny in a full-scale trial. Well, that full-scale trial did occur for four consecutive months, and as a result of that scrutiny, they found that the 1965 Voting Rights Act did apply, and they upheld those districts.

Now, I am particularly interested in seeing that the Supreme Court clarify, clarify without ambiguity, that, indeed, the 1965 Voting Rights Act guarantees individuals the opportunity to participate as an electorate and also guarantees the opportunity for any American to be a participant as an elected official.

This process must be clarified.

Yet there are 5 States now that are challenged, but tomorrow there, indeed, may be 15. There are 40 minority Representatives in this Congress. However, only three of them come from nonmajority minority districts, so if this challenge is not put into the perspective of the guarantees that are given for the opportunity, all Americans may find that democracy is really a fleeting ambition and a goal.

It was George White who said in 1901 that, "I may go, but there will be those who will come after me Phoenix-like." Well, in 1992, Phoenix-like, Afro-Americans came from all over the country, because they were elected, not guaranteed, but elected by the citizens of their districts, and the 1965 Voting Rights Act gave them that opportunity.

Mr. Speaker, I urge Americans to understand that democracy is no better than we extend to all of our citizens, and it will be worse to the extent that we deny any citizen.

Mr. FIELDS of Louisiana. Let me thank the gentlewoman from North Carolina for her most profound remarks. Let me also say she works very hard, as all Members of this Congress, to represent all of their constituents irrespective of their race.

□ 1700

At this time, Mr. Speaker, I would like to yield to my good friend, the gentleman from Alabama [Mr. HILLIARD].

Mr. HILLIARD. I thank the gentleman from Louisiana [Mr. FIELDS], for yielding to me.

Mr. Speaker, the African-American and public is indeed angry at the continuous attacks on African-Americans by the right-wingers on the U.S. Supreme Court.

Mr. Speaker, it is unimaginable that our Nation's highest court can live in such a dream-like state as to believe that racism has ended in America and that black people no longer deserve the protections afforded us through the Voting Rights Act.

The biggest roadblock this court has thrown is to deny us these God-given rights we deserve as American citizens. For example, in Shaw versus Reno, this case attempts to overturn many of our Nation's African-American majority congressional districts.

Can you believe that of all of the Supreme Court justices who voted in the majority for Shaw versus Reno, it is a black man, a colored man, Clarence Thomas. I could continue speaking all day on Justice Clarence Thomas, but I will reserve that for another time and another place.

Allow me to say not that since the days of Benedict Arnold has an individual so cynically stabbed his own people in the back. Shame on you, Justice Thomas. I say shame on you. Racism is still a major problem in America, and

you of all people should be sensitive and should understand.

To those of you who are not familiar with the South, I would like to tell you about a vine that we have in the South. It is called a kudzu vine. This vine is very destructive. Despite its lush appearance, it is a very destructive plant, growing any time, anywhere, it grows very fast. Sometimes it grows up to 2 feet a day. You can cut it down, but it will grow back. You can burn it, it will still reappear next spring. Because in order to destroy the kudzu vine, you must pull it out by its roots. Racism in America is just like the kudzu vine.

We as a Nation must be frank with ourselves, and we must have an understanding that it is a problem and that unless we take a moral stand and unless we support the Voting Rights Act, racism will continue to appear and reappear.

We had begun to reach the roots of racism in America by overturning laws that had been on the books for years sanctioning it. I would dare say that with those African-Americans who serve in city halls, who serve in court houses, who serve in the halls of the States and, yes, those who serve in Congress have begun to make a difference. But unless we can keep them there at the very roots of democracy, we will not be able to stamp out racism in our lifetime.

Our African-American congressional districts give us the opportunity to attack racism, right down to the roots. But if they are terminated, we will not have that forum, we will not have that representation.

But there are those who would fight us because they wish to maintain the old ways. Yes, they are attempting to take us back in time when there were no African-Americans in Congress, when they made laws with impunity, as they wished, whenever they got ready.

For the first time since the Northern troops left the Southern South, since the end of Reconstruction, we have African-Americans representing the Southern States. There are those who are seeking to overturn that. We understand that in Alabama; we understand that in Louisiana, in Mississippi. We from the Old South understand what is happening.

Mr. Speaker, we must prevent it. I will tell you that when the last Negro Congressman left this House, what came then were the dogs, the anarchy, the fire hoses, a very bleak time in our history. Let us not have to go back to those days.

I want Clarence Thomas and all of his kind to know that we are prepared to fight in the courthouses, in Congress, in the halls of justice, wherever, to be represented in the Congress. We will not give up the fight.

To my right-wing members of the Supreme Court who are hiding behind

their black robes, I just want them to understand that, to me and those who believe in justice, they represent the Klan, who hide behind the white robes. A robe by any other name is a robe.

I want everyone to know that if we are to insure democracy, we must protect the Voting Rights Act.

Mr. FIELDS of Louisiana. I thank the gentleman from Alabama.

At this time, Mr. Speaker, I would like to call upon a Member from New Jersey, another Member who represents a very diverse district. All the speakers you heard from this evening are Members who represent the most diverse districts in the U.S. Congress. They are not black districts, not white districts, they are diverse districts, and all of these Members represent all of their constituents.

At this time it gives me great pleasure to introduce my friend and colleague, a more senior Member of the House, the Honorable DONALD PAYNE from New Jersey.

Mr. PAYNE of New Jersey. I thank the gentleman very much and commend for calling this special order because we believe the issue that is being discussed today is probably the most important issue confronting our Nation today.

Mr. Speaker, I would like to take this opportunity to draw attention to a very important piece of legislation, the Voting Rights Act, which was passed in 1965. Today, the very same arguments made in the cases challenging voting rights districts, back then in 1965, are the same arguments being used today. It seems as though during this 30 years, even though we have fought and gained, we now have to once again be prepared to fight to protect our gains.

You know, I have heard people discuss the shape of districts, congressional districts. Someone is feeling they must be symmetrical. But when I look at the States of the Union, California is a very long State, narrow as compared to its height; if you take the Dakotas, they are very square and nice; New Jersey has an odd shape, sort of peninsular style. Idaho comes down.

So no one ever challenged the right of a State, no one said that State looks funny, different. But they said a congressional district looks funny and different. It is not shaped right.

So all of a sudden shape becomes important.

I come from great State of New Jersey, as does the present Speaker in the Chair, Mr. MENENDEZ, and it was not until 1989 that the first African-American in the history of this country from the State of New Jersey was elected. My colleagues from the South had the privilege of having people serve in this august body. We had U.S. Senator Hiram Revels in 1870 from the State of Mississippi serve in the Senate. Joe Rainey from South Carolina was the first African-American elected to the

House. As a matter of fact, it was in about 1873 when Joe Rainey had the opportunity for the first time to preside over the House.

Joe Rainey held a hearing on the plight of Chinese persons in this country and the way they were being treated as the railroads were being built. He also held hearings on the treatment of native Americans in this country. And he had interests in those people who had difficult times.

We had United States Senator Bruce in 1875, from the great State of Mississippi. And so African-Americans have been a part.

□ 1710

But, as indicated, New Jersey was not a part of that history. New Jersey had no minority until, as I indicated, I had the privilege to be the first one to serve our great State, and I commend the Speaker also for being the first Hispanic American elected from the State of New Jersey, and so, when we look up north, we have some very serious problems also.

My 10th Congressional District at one time was divided into three districts. It was done on purpose, and that is one of the reasons that we were never able to elect an African-American. A general named Irvine Turner many years ago ran for Congress in our city. But the congressional districts in New Jersey had 15, but they took three of the districts of the State, and they divided the city of Newark, which at that time had close to 500,000 people during the war. It would have a million people in that city during the day. But the city of Newark, NJ, was cut up into three congressional districts, the 10th served by the great Peter Rodino who I replaced after 40 years of his service, Huge Addonizio who was another person who left this House, and went to be the mayor of the city of Newark, did not have an illustrious career, and the 12th District, and so Newark was separated into the 10th, the 11th, and the 12th. Then a judge in New Jersey said that you had to stop this.

In 1970 the courts finally said it is wrong that Newark is divided into three congressional districts and throughout the districts and said, "Come back with a district that could elect an African-American." It took us a long time to get there. We were represented well by Peter Rodino who at that time, as my colleagues know, took over the Watergate hearings, and it was a very important time in the history of this country.

And so African-Americans were patient. We had an outstanding Congressman, and we said that let him finish the job, and then, when the job is finished, then we will take the seat, and it took a little longer for the job to be finished, and we did elect our first African-American.

And so, as we look at what is happening today, as we look at the history of

African-Americans in this country, we look at a fellow, Crispus Attucks, who was first killed in the Boston Massacre, who could not even vote, and it was against the law of every State for an African-American to be privileged to an education. In some States it was punishable by very severe imprisonment and beatings to just teach a black to read. But Crispus Attucks stood up for four other men, and defied the British, and was murdered, and Crispus Attucks today is a symbol of the first Americans who shed their blood for this country and could not even vote.

We have people arguing in the debate about tyranny, about isolationists, should we become independent. As a matter of fact, it was African-Americans who were strong advocates for Cuba and its fight for independence against Spain. As a matter of fact, it was the Buffalo Soldiers at the Battle of San Juan Hill, the turning point where the Rough Riders in Teddy Roosevelt's group were pinned down, and the Buffalo Soldiers relieved Teddy Roosevelt's Rough Riders because they came around and are credited with perhaps even saving the life of Teddy Roosevelt who, as my colleagues know, then rose to be the President and the whole Roosevelt clan.

And so African-Americans were involved so much for so long in this great country, and now to have to fight to preserve those things that Crispus Attucks fought for. As a matter of fact, there was a Major Pitcairn who led the Boston Massacre. He was the one who gave the order to shoot the men at the Boston Commons, and, as my colleagues know, at the Battle of Bunker Hill, where they stated, "Don't fire until you see the whites of their eyes," it was African-American, Peter Salem, who was the hero of the Bunker Hill Battle and actually fired the shot that killed Major Pitcairn who was the one who started the Revolutionary War.

And so we are so involved in the history of this country, and to have to stand here to defend what we have gained, to have to plead that we have justice, is wrong, and so, as we go through our history, as I indicated, we have so many outstanding persons, and then we saw everything start to change. We saw the civil rights movement start.

We saw the murder of Emmet Till where America was unaccustomed to coming or seeing funerals of African-Americans. Emmet Till was a 14-year-old from Chicago, went to the South to visit his relatives during the summer and allegedly whistled at a white woman. His body was found days later at the bottom of a river. But Emmet Till was brought home, and what shocked America was that it was traditional for blacks, and it still is, to have open coffins where the body is displayed, and Emmet Till's body was dis-

played, and it was not different for us because it was traditional. But it was different for the non-African-American population because they had never focused on a funeral of a black, and, with Emmet Till's brutalized body open for America to see, it was a turning point.

I was a young fellow at the time, but I became very involved and followed Medgar Evers, and what he did for his State of Mississippi, and saw people who were going out to register folks to vote.

And I came down to the March on Washington in 1963 and was on the step, the first step. I worked my way all the way up to the front, as close I could get to where Dr. King was speaking, and I marched from Selma to Montgomery, and I was on the road when they demobilized the National Guard not far from where Mrs. Liuzzo from Detroit was gunned down.

And so, when I think of the history of this country, my personal involvement, the involvement of people like the gentleman from Louisiana [Mr. FIELDS] who is one of the outstanding young Americans that we have brought into this body, who has so much to offer this country, has solutions to some of our problems, that he has to think about his future in this House, when we have the gentlewoman from Georgia [Ms. MCKINNEY] who has brought a new vision into the House, and many others, the gentleman from Florida [Mr. HASTINGS], a distinguished jurist, and the gentleman from Florida [Mrs. MEKK] who is just the most gentle person that you want to meet; when we look at those black Americans who have fought to be in this House, it is unfair that we have to worry about eradicating their districts.

So, I would just like to say we are going to have to keep on keeping on. We are going to have to keep on pushing. We are going to have to keep on fighting. We are going to have to keep on going. We are going to have to keep the right issues before this House. We have to make sure that another Rwanda does not happen because of inaction and moving too late from the world. We cannot allow this to happen.

And so once again I would like to associate myself with the remarks of the previous speakers and say that I join in this effort and will continue to fight for right over wrong, for justice, because justice should roll down like a river and righteousness like a mighty stream.

Mr. FIELDS of Louisiana. Mr. Speaker, I thank the gentleman from New Jersey [Mr. PAYNE] for his comments, and at this time I yield to the distinguished gentlewoman from the District of Columbia [Ms. NORTON], my good friend and colleague.

□ 1720

Ms. NORTON. Mr. Speaker, I want to thank the gentleman from Louisiana

[Mr. FIELDS] for the initiative he is showing in this special order. He is showing an initiative that is important for the Members of this body and their constituents to take special note of. Though I do not come from an affected district, I believe that Mr. FIELDS and those who have come forward to the floor today are speaking to one of the most important issues we face today, and I want to indicate why.

I am going to address this issue in three aspects. First, to indicate why the retention of these new districts in the south is in the best interests of the country. Second, to take us back to where these districts come from, to the actions of this body, the Congress of the United States, the predicate for, the reason for the language from which these districts were created. Third, to say a word about the extraordinary success of the statute we passed in 1965 and amended in 1982, precisely to get the results we have gotten in the drawing of these new districts.

The statute is the most successful of the civil rights statutes, with the possible exception of the public accommodations statute. That was the easiest of them all, and no one can say that affording equal right to the ballot for people of color in this country was easy as public accommodations after the statute turned out to be.

First, let me say why these districts are in the best interests not only of their constituents, but of the country.

As I go out into the black community and hear and read the views and the opinions of blacks, I am disturbed by the degree of alienation that is there in the black community, the sense, even after all the progress, that this is not a fair country. It is very disturbing.

You see it everywhere. It is reflected one thousand times a day in the reactions of blacks. For example, the O.J. Simpson matter has brought it home most recently, where the majority of blacks see the criminal justice system precisely in the opposite fashion from the majority of whites.

Mr. STOKES. Mr. Speaker, I rise in strong support of the use of redistricting as a means of promoting racial equality and fulfilling the goals of the Voting Rights Act of 1965. As you know, the Voting Rights Act of 1965 was constructed as a broad piece of legislation to dismantle all voting-related discrimination practices. For the past three decades, the courts have consistently, and with few exceptions, reaffirmed the provisions of this Act. It is fitting that we recognize the contribution of the Voting Rights Act of 1965 and the use of redistricting as a means to realize the goals of the act in a time when the concept of equality in representation is now under judicial attack. Too many Americans have fought too long and too hard to relinquish the constitutional rights we have fought to realize.

Mr. Speaker, during the long and distinguished history of this Nation, there are few conceptions of democracy more sacred than

the concept of representative government. The intellect and wisdom of the Founding Fathers who enshrined this concept as the central pillar of our democracy is what makes this Nation one of the greatest ever created. Yet, even with the intellectual commitment to promote representative government, this Nation has failed to live up to its potential because of the historic and entrenched practice of excluding minorities from being fully represented.

We are all aware of the anti-democratic practice of excluding minorities from participating in representative government. The U.S. Congress has distinguished itself by playing a key role in the past by passing legislation designed to protect the civil rights of all citizens. The recent attacks on the use of redistricting by the U.S. courts is shocking. Redistricting is one of the most important means of correcting the lingering and virulent legacy of the exclusion of minorities from the benefits of representative government.

Mr. Speaker, it is clear that the Voting Rights Act expressed a preference for creating districts where minorities have a realistic opportunity to be elected. Redistricting that is sensitive to the essential government interest of racial equality is consistent with the constitution and representative democracy for America.

Mr. DELLUMS. Mr. Speaker, almost 90 years ago, the philosopher Santayana wrote, "Progress, far from consisting in change, depends on retentiveness. Those who cannot remember the past are condemned to fulfill it." Some of us refuse to forget the lessons of the past. We will not forget, will not turn back and will instead push forward.

In just a few days, we will celebrate the 29th anniversary of the Voting Rights Act. Yet 29 years after enactment, we are still fighting the same battles and defending a law that has helped enfranchise millions. The recent Supreme Court decision in Shaw versus Reno has opened the door for opponents of this law to call into question the propriety of all race-conscious redistricting. However, history is illuminating on this issue.

Historically, African-Americans have been disenfranchised. Prior to the Civil War, only white males had the right to vote. During Reconstruction, Congress passed election laws that guaranteed the right to vote and established Federal supervision. Congress also passed civil rights legislation that imposed fines and criminal penalties on those convicted of conspiring to deprive citizens of their civil rights. As a result, black participation in the political process rose dramatically—70 percent of eligible black voters were registered; 10 African-Americans were elected to the U.S. House of Representatives; two to the Senate. They also influenced local, State, and national elections throughout the South.

Opponents resorted to a number of tactics, mostly illegal, to discourage or stop blacks from participating in the political process, using creative measures to hinder voting. States passed laws to deter African-American voters and found legal ways to permanently disenfranchise African-Americans.

In the mid-1960's Congress passed the Voting Rights Act as one of a handful of powerful civil rights statutes. Passage did not immediately produce results. Subsequent legislation

was necessary to properly ensure its intent. Finally, the legislation is working as intended. After the 1990 census, 32 majority African-American and 20 majority Hispanic Districts were drawn resulting in the number of minorities in Congress doubling from 26 to 52. In North Carolina, the subject of the Shaw case, no African-American had been elected to Congress since Reconstruction until 1992. Despite 1.46 million African-Americans in North Carolina, they had no congressional representation from their community for well over a century. Although not originally in the act, bilingual provisions have enfranchised Hispanics. Hispanics registered to vote in the Southwest doubled from 1976 to 1988 from 1,512,300 to 3,003,400. Considerable progress has been made. It is not surprising that opponents have once again cloaked themselves in the rhetoric of a color blind society to overturn the very progress that has been made toward that goal by the Voting Rights Act.

In Shaw versus Reno, the Supreme Court ruled that a district that is so bizarre on its face that it is unexplainable on grounds other than race may be challenged on constitutional grounds. Why should race become a suspect factor in drawing districts? Historically, oddly shaped districts have been drawn to protect incumbents, protect a parties' interest, accommodate geographic features such as rivers and mountain ranges, and put similar groups of people, such as farmers, in one district. Why then is it constitutionally suspect to draw oddly shaped lines to remedy past racial discrimination? Districts can be perfectly symmetrical but dilute voting strength by fragmenting concentrations of minority populations. Esthetics is not the issue; it is whether groups can combine effectively in political activity.

The claim that majority minority districts are political apartheid and exacerbate racial bloc voting has no basis in fact. Congress rejected this claim more than a decade ago, and no more credible evidence exists today than at that time. In fact, the evidence suggests just the opposite. Majority minority districts and the election of highly regarded and respected individuals, among them my colleagues in this body, tend in the long term to decrease racial bloc voting and polarization as well as challenging racial stereotypes. Remedial redistricting has broken down racial barriers and permitted minority voters to participate on an equal basis in the political process, as can be seen in the number of enfranchised voters and minority elected officials at all levels of government be it local, State or Federal.

Nor are majority minority districts segregated or ghettos. Despite its irregular shape, the 12th district of North Carolina, represented by my colleague MEL WATT, is less segregated than any congressional district previously drawn in the State with totals of approximately 57 percent black and 43 percent white voters. To suggest that a district is a ghetto because it is predominantly comprised of African-Americans or Hispanics but by reversing the percentages or by creating districts that are 100 percent white we have integrated ones turns logic and reason on its head. Political apartheid much more accurately describes the system in place before the Voting Rights Act when no African-Americans represented any Southern State in Congress.

On the eve of the anniversary of the Voting Rights Act, let us reflect on the lessons of the past. Considerable progress has been made in the area of minority representation on all levels of government, and there is more work to be done. Let us continue to work to enfranchise voters and reinvigorate the electoral process. Majority minority redistricting has proven to be an effective remedy to counteract efforts to dilute minority voting strength and the disenfranchisement of voters. We cannot allow the progress already made to be undone. Let us not doom ourselves to repeat the mistakes of the past.

The SPEAKER pro tempore (Mr. MENENDEZ). The time of the gentleman from Louisiana [Mr. FIELDS] has expired.

VOTING RIGHTS IN AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentlewoman from Georgia [Ms. MCKINNEY] is recognized for 60 minutes as the designee of the majority leader.

Ms. MCKINNEY. Mr. Speaker, I yield to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, the O.J. Simpson matter I had mentioned indicates a severe gap between black and white perceptions of justice in this country. This gap is dangerous when you consider that this country is becoming more and more colored, more and more people of color are in this country. The notion that you would have a very large number of people who, after the passage of these statutes still feel this is an unfair country, does not bode well for democracy or stability.

The best way for people to feel a part of their society is to be represented in that society. About the last message I personally would want to send to a very alienated black community is that there is no room for you on the inside, and we are going to put some people that you elected pursuant to Federal statute passed by the Congress of the United States, we are going to put them out, and, in the case of Louisiana, we are going to bring David Duke back.

I have to tell you, I know of no way in which I could explain that or get people to understand. Well, that doesn't quite say what justice is about in America. I mean, the symbolism of it is already so high that I dread the notion that I could become more than symbolism.

In any case, what has kept this from being a country fraught with the kind of tensions and violence we see in other nations and on other continents is that however gradually people have been able to come on the inside, ethnic group after ethnic group came to the country, by the way, almost always treated as dogs and rats, the white eth-

nic groups who came here one by one saw themselves discriminated against in exactly the fashion blacks were, to tell you the truth. The difference is white skin enabled them to move on and move up.

When you take people, keep them outside of mainstream society for a long enough time, you create a dangerous situation in your society. When you say hey, come on in and be a part of us and let's help straighten out what you don't like, then, of course, you promote stability and peace in society.

The last thing I think we ought to do now is consider, after 100 years of work, repeating what was done almost as many years ago when the blacks in this body disappeared. That should be unthinkable. Far beyond what it means for democracy and for hypocrisy, it is dangerous to do that.

What I already hear out there is dangerous. I hear people responding. I hear people in my own community responding to people of very extreme views, who tap into this sense of alienation. I want to tap into it and say come on in here and represent your people right here if you don't like it. The wrong message is to say go out there and find a way to take care of your problems.

That is why these districts are in the very best interests of the country and bespeak the very best of the American tradition.

Let me move on. Where do these districts come from? My colleagues, you and your constituents created these districts, and I want to prove that right now.

In 1980, the Supreme Court, in a decision called *Mobile versus Bolden*, invalidated, in effect, what most of us had regarded was the way the Voting Rights Act ought to be applied. They said very specific intent had to be found to have discriminated before you redraw districts from which people of color might then be represented.

This body said hey, wait a minute. The way in which the Supreme Court has spoken will mean that it will be very hard for blacks who have in fact encountered race discrimination to indeed be included through redistricting. So this body, Mr. Speaker, this body revisited its own statute and revised its own statute. And it did so precisely because its intention was for the Voting Rights Act to be used to remedy past and present discrimination.

Now, let me be clear about what that means. The redrawing of districts that take place, bearing in mind that people of color have been excluded, is not a permanent redrawing of the districts. It is a remedial redrawing of the districts that will last so long as the discrimination exists, but passes at least every 10 years, and the districts are redrawn.

So what we are looking at is a district specifically drawn to remedy as a legal remedy, not districts drawn be-

cause you want to get more blacks elected in and of itself. But they are specifically drawn because these blacks, or these Hispanics, or this group, has been excluded by operation of law, and the only way to remedy that is for there to be a remedy which allows members of that group to be elected.

□ 1730

Not in perpetuity based on color but as a remedy, and these remedies are always temporary. And in the case of voting rights, they last no more than 10 years because the districts have to be drawn again. But as a former chair of the Equal Employment Opportunity Commission, which had the same jurisdiction in employment, I can tell you that the remedies there would use goals to bring in excluded groups and are also temporary. And they have to fall away once the discrimination has been addressed. So we are talking about a specific remedy for a specific wrong.

We are talking about a remedy that passes out of existence when the specific wrong is taken care of.

Let us go on and see how we know when the remedy should be applied; namely, the district should be redrawn.

Under our amendment of our statute, the Voting Rights Act, in 1982, we adopted a test based on the, what we called a totality-of-the-circumstances standard. I sincerely believe that some courts understand this standard and some courts, for whatever reason, do not. The court in Louisiana not only did not understand it, in the case of the district of the gentleman from Louisiana [Mr. FIELDS] which has been redrawn in order to favor whites in the population who never experience discrimination, they did not just misunderstand it, there is something worse going on in Louisiana.

In North Carolina, they seemed to get our drift. They seemed to have read our words. Because in a district that looks a lot like the district of the gentleman from Louisiana [Mr. FIELDS], at least in the sense that it is irregularly drawn in order to remedy the past discrimination, the court comes out exactly the opposite way from the way the Louisiana court comes out. By the way, that guarantees another Supreme Court decision because we have got decisions that clash. Somebody has to figure it out, and we are going back to the Supreme Court, thank you very much, Mr. Thomas. Maybe he has learned something since the last time.

We are going to keep at this until we get it right, even if it means we have to revisit the Voting Rights Act yet again.

What does totality of the circumstances that lead to the redrawing of a district mean? Here is what we said, if I may paraphrase. That in seeing whether or not this remedy is necessary, we, the Congress of the United

States, said, look at any history of official discrimination, such as denial of the right to vote or to register to vote or to participate in the democratic process.

Louisiana, North Carolina, Alabama, Georgia, need I say anything more? You can take judicial notice of the fact that the failures there are part of our tragic history. Test met.

Another test we said, that elections in the political subdivisions are racially polarized. Another test, that in drawing districts in the past, we see that they have been drawn so as to enhance opportunities for discrimination against the minority group. Examples of that would be drawing districts real large so that minority group gets lost in them, for example.

Another example of a circumstance that you look at is the use of processes that deny the minority group access, such as candidate-slating processes. Blacks were very unlikely to be put on a slate with whites. Look at the extent to which the minority group bears the effects of discrimination in the way it has been forced to live, as evidenced by education, employment, health, indicators of that kind. Or look at the extent to which members of a minority group have been elected to public office in the jurisdiction. Those are the tests from our 1982 amendment of the Voting Rights Act.

To show you how those tests applied in a particular case, let me take Thornburg versus Gingles, a North Carolina case. They looked at North Carolina, the situation in North Carolina in the Gingles case. This is a court of appeals case. I am sorry, this is a Supreme Court case. And they found that there had been discriminatory election related acts in North Carolina between the years 1900 and 1970, such as, understand they went all the way to 1970, such as the use of a pole tax, a literacy test, a prohibition against bullet voting where you vote for one person rather than for all six, let us say. And they said that that was an indication of discrimination. And there were a number of others.

Just let me name a few more that they found. They found that there had been historic discrimination in education, housing, employment, health services in North Carolina. They found that voting procedures such as majority vote requirement for primary elections had been used in North Carolina. Well, it has to be the majority vote. If you are in the minority, there is some indication in that atmosphere, in that part of the country, given its history, that they were not just using majority vote primaries for nothing. We have majority vote primaries all over the country where there is no history of discrimination and you might think nothing about it. But that has to be filtered through the particular history, in this case in North Carolina. And so it went.

I have, Mr. Speaker, emphasized this legal history because it is our history, the history of this body, the words of this body, the intention of this body. The amendments were done because we were dissatisfied with the Supreme Court, because the Supreme Court had misread us.

Now, unless we can straighten this out, we are going to have to give them some more instructions through yet another amendment of the Voting Rights Act. I certainly hope we will not have to do that and that they get it right this time and that we straighten out the district of the gentleman from Louisiana [Mr. FIELDS] and the several others that are under attack that you have heard about today.

Let me finally say to you, Mr. Speaker, why I think, above all, Americans would want to embrace the statute and the districts it has finally produced. How many times have I heard conservatives get up on this floor and talk about the great progress we have made so why do you people need more remedies?

Well, if you are going to talk about great progress, let us make sure we keep the progress intact and do not reverse it. Boy, what a reversal this would be. It would be a reversal in a little more than a couple years' time. But you would not want to, if you are an American, want to reverse the kind of progress I am about to detail, just a few indicators.

In 1965, when this statute was passed, there were all of 300 black elected officials in this country. Today, almost 30 years later, there are 8,015 black elected officials in this country. In 1965, in the States of the old Confederacy, in the South, there were only 87 black elected officials. By 1993, my hat is off to the new South, because we have grown from 87 black elected officials to 5,492 black elected officials in the South of the United States.

As a student and young woman, I spent some of the best days of my life in Mississippi.

□ 1740

I was sure that I would never live to see it become a civilized part of the world. Now, Mississippi has more black elected officials than any State in the Union. That makes me feel like an American, myself. I certainly would hope it would make every American feel more American.

Black voter registration in 1965 was 41 percent. It is 63 percent today. How encouraging the Voting Rights Act has been to all of us. Surely, Mr. Speaker, the gentleman from Louisiana [Mr. FIELDS] is proud of the fact that Louisiana apparently leads the Nation in black registration. Eighty-two percent of all blacks over 18 are registered in the State of Louisiana. It would be interesting to know how many of those registered after the redistricting took place.

Here is a State that only had one black, I just got him in my class two classes ago, and now it is about to have two, and Mr. Speaker, I have to say it will take a long time to really catch up to the deprivation that has gone before. While we are catching up, surely we do not want to step back. That just makes catching up ever so much more difficult.

Mr. Speaker, I have come forward, even though my own district is not endangered—my district in voter registration is, I don't know, perhaps 60 percent black, 40 percent white, it has a wonderful homogeneity in underlying philosophy—but I come forward because these new districts have made me a proud American; because I believe we ought to shout to the hilltops that this is the handiwork of this proud body, and this Congress should take whatever action is necessary to preserve these districts.

Mr. Speaker, I come forward because I see dangerous alienation in my own community, because it has taken so long to come to parity, and we are nowhere near parity yet, and because I have to have something to say to people that indicates that there is hope, and that change is coming, and I will not know what to say if these new districts are turned back and turned around.

Of course, Mr. Speaker, first and foremost, I stand with the gentlewoman from Georgia [Ms. MCKINNEY] and my other colleagues whose districts may be in danger, because I have a very personal bond with them. However, I believe this Congress has a bond with the American people that is represented by the action we took to make sure districts like this would indeed be formed, and so they have been formed. They must not be deformed and turned around.

Mr. Speaker, we cannot control what the Supreme Court does. We cannot control what courts of appeals do. However, we certainly can restate what our intentions are, and have been, and we can certainly do what we are doing this afternoon, to let the American people know what is at stake, know how far we have come, and know that we certainly do not intend at this late time in the century to turn around.

Let us all embrace these districts, let us all take pride in them, and through them, in ourselves as Americans.

Ms. MCKINNEY. I would just commend the gentlewoman from her eloquence, as usual. Let me just say that politics is not always interesting, and certainly redistricting is not the easiest subject to comprehend, but the gentlewoman has done a wonderful job in making this both interesting and understandable to the people who are with us this evening.

Mr. Speaker, I would also like to go a little further and thank the gentlewoman for her work, her life's work, on

behalf of democracy, freedom, justice, and fairness in this country, and also her work on behalf of the 11th Congressional District of Georgia. Thank you very much.

We also, Mr. Speaker, have with us another gentlewoman from Texas who is in a State whose districts are being challenged, and I yield to the gentlewoman from Texas [Ms. EDDIE BERNICE JOHNSON of Texas].

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I cannot reach the eloquence of my colleague, the gentlewoman who just completed, but I think I can bring forth a little bit of understanding as to what we are experiencing also in Texas.

Mr. Speaker, we sat for a number of years waiting to join the rest of this Nation for representation. It was a great day when the Voting Rights Act of 1965 came. When the census of 1970 came and the opportunity in 1972 came, I'm talking about the seventies, 1972, not 1700 anything, not 1800 anything, but 1972, we were able to elect the first black American from Texas to the U.S. Congress.

It was a joyous time in Texas. All of Texas celebrated. We came to the Capitol grounds and celebrated freedom and equality. Thousands and thousands of Texans came to Austin, TX, to celebrate Barbara Jordan getting an opportunity to come to the U.S. Congress.

That was not a big deal for white people. After all, they had been doing it as long as it has been a nation, and as long as it has been a Congress. However, this was an extraordinary occasion for us. Then she was followed by Mickey Leland and CRAIG WASHINGTON, and finally, Mr. Speaker, because Dallas, with a large number, a concentrated population, could not get a seat at the same time, though we had the population to do so, we were not able to get it until after the census of 1990.

It was not because the people were not voting. It was because their votes were paired off to elect others; not candidates of our choice, necessarily, but other candidates.

Mr. Speaker, in 1992, there was a second opportunity in Texas, and maybe there should have been at least five opportunities, but at least there was a second one, where the voters in the primary nominated a candidate with 93 percent of the vote, and I believe that made that candidate a candidate of choice. That candidate went on to win in the general election with almost 76 percent of the vote.

Mr. Speaker, the voters did not stop the person, but now one or two people want to take that right away from those voters who elected a candidate of their choice.

Though the approach is not considered to be one of personal attack, as has been explained over and over again, how can we explain this to young peo-

ple? How can we explain this to the frustrated young population now, that we cannot understand why they do not want to stay in school, and why they do not want to follow all the rules of society, if they feel that the adult population in this country do not care what they think, how their parents vote, whether they have an opportunity?

Do you think we can instill hope? Do you think that young people of color in this country can feel that there is a nation of which they are a real part when the representatives that they can talk with, that they know understand, they do not have to guess, they do not have to wonder, they do not have to ask "What you people want," can represent them in the bodies that they watch on television, and the threat is to take them away?

I wish that we had the luxury, Mr. Speaker, to come here, vote no, and leave without thinking about it, but we do not. Most of our work takes place without coming to this floor and voting, because we are inundated with many concerns every day that become our major responsibility over and above what we were actually elected to do.

We do not have the luxury of just being a Congressperson or a State senator or a councilman. We have to be the whole show of equality, freedom, and opportunity for our people, and not just confined to our districts, but all over the country.

I get mail from all over this country pleading for help, especially in States where there are no black elected officials, especially at this level.

Young people in this country watched Thurgood Marshall become a Justice on the Supreme Court. That was a great day. This man had been one who helped all of us break down the barriers to be a part of the mainstream in this country.

□ 1750

He was somebody we could be proud of. We have not had that representation on that court since him, and I do not see it in the future. But that was an example of how we can encourage young people to have aspirations, to give them reason to stay in school, to give them reason for following the law because somebody is going to help it be fair. But when it is not going to be fair, when they do not see the fairness, when they see that they get the worst of everything, hope is injured. Hope right now has less life than it had 25 years ago, because they see less progress. Yes, we have had some, but it is being rolled back. They see the attacks. They fear the coming of a new reconstruction, just as we do. We do not feel safe. And we know that we work every day, day in and day out, to try to relieve some of the burden, to look for opportunities, to try to do it within the

framework of law, to try to do it with the rules that were written before we got here. We are trying hard, because we fought for this Nation. We have more than our share of the population in every war. We are proud to be Americans. But when we come home, it is difficult to tell our young people that there is something to look forward to when we never really feel that we can grab hold to a bit of equality and hold onto it. It is fleeting. If we just slacken any pace of vigilance, it disappears. That is what we are trying to convince the people, that we are an integral part of this Nation, but it is not fair unless we be an integral part of every level of what governs this Nation. We do not want to see the negative. We are here every day working against that. But we cannot convince any young person that there is hope when there is no opportunity. We cannot just bear the responsibility without having some results. We have got to have a part of all of it. We are only looking for fairness. We have not even asked for equality, because if we had equality in Texas, for example, we would have five Members that are black in this U.S. Congress. But we are getting attacked because we have two. I do not believe that any person in cloth with any sense of fairness can turn this clock back. I fail to see the logic. I do not think it is written anywhere in any law book. I think when they decide that we do not deserve to represent people, they will write new law that has never been written, that can never be validated.

In 1971, the Congressional Black Caucus was founded. In 1992, there were 26 Members. But in January 1993, we went to 40, and the attacks started. There have been lots of articles written about the clout. We recognize that we do not control any major voting here. All we try to do is speak out on issues of what we consider to be right. That is what is being attacked. You cannot attack our numbers without attacking what we stand for, and all we stand for is justice and equality.

We speak for voices that will not be heard otherwise. All of those voices do not live in our districts, all of them do not look like us. Sometimes I wonder, what would public education do in this Nation without voices like mine speaking out? Yet my people cannot even get the equality in the distribution of the funds. It is most unfortunate that this cannot be understood. I believe strongly that if the American people stopped to recognize what we are trying to say and tried to understand what we are trying to do, that every American that finds themselves in this great Nation would agree that all of its people deserve representation.

There are so many Americans, not black Americans, not just Hispanic Americans, not just Asian Americans or Native Americans but other Americans as well that would never have

their causes expressed and advanced without a very small minority of the voices in bodies like these. I believe it was intended when the Constitution was written that all of the people in this Nation be represented. That is simply all we are asking. We have not even asked for our fair share. We have simply asked for those that we can go to the right arenas and negotiate, whether they be in State legislatures or in the courts. We have not taken up arms and held guns and shot and threatened. We have tried to go to the right arenas and use the mechanisms placed in position to govern this kind of deliberation, to get the rights we feel we deserve. That is all we are asking. We have defended this Nation. We will continue to do that. We are invested. We love this country.

But tell me, how do you explain to young people the love you have for a Nation that continues to reject you? How do we continue to explain it? How do we explain to young people that, yes, it is worth going to school when their parents go and they cannot get an opportunity even after they go?

Those are the kind of messages that we need to share with our colleagues. This is the kind of representation that we bring. We bring that message with sincerity and commitment. We sincerely believe that we have a role and we feel that the attack that is going on now to eliminate us from this body is grossly unfair and will not be tolerated.

I thank you, Mr. Speaker, for this time, and I plead to the Members on both sides of the aisle to speak out against this unfairness and let this Constitution and this country be a living document.

Ms. MCKINNEY. I thank the gentlewoman for her wonderful eloquent words and her fight on behalf of that which is right in this country.

I would like to submit for the record the remarks of President Lyndon Baines Johnson on August 6 when he discussed the triumph of the Voting Rights Act. I would just like to read a phrase from it where he said:

They came in darkness and they came in chains and today we strike away the last major shackle of those fierce and ancient bonds. Today the Negro story and the American story fuse and blend.

Let us make sure that that continues to happen.

I would like to yield now to my friend and colleague from North Carolina, Mr. WATT.

Mr. WATT. I thank the gentlewoman from Georgia for yielding time and for organizing this important special order this afternoon to celebrate the anniversary of the 1965 Voting Rights Act.

This is an important undertaking and she and my colleague CLEO FIELDS from Louisiana are to be commended for organizing this event.

Mr. Speaker, let me talk for a few minutes about the 1965 Voting Rights

Act and start by expressing my delight at the three-judge panel's decision in North Carolina this week which affirmed the configuration of congressional districts in North Carolina and once again affirmed the fact that I am the beneficiary of the 1965 Voting Rights Act.

□ 1800

As Members maybe recall, the U.S. Supreme Court had suggested that the districts in North Carolina may be subject to attack or at least subject to question because they said, and I had some trouble understanding this, that while an 80- to 90-percent white congressional district was an integrated district, a 51-percent black district was somehow akin to racial apartheid. I never understood that. It seems to me that a district that was 51 percent black and 48 percent white would be a lot more integrated than a district that was 80 percent white and 20 percent black.

So it seemed to me that the congressional districts that were majority black in North Carolina were the most integrated districts that North Carolina had, but for some reason the Supreme Court said these districts were suspect.

I am delighted that the three-judge panel has seen fit, despite the rigorous guidelines that were given by the Supreme Court, to uphold the congressional districts in North Carolina. So I want to start by expressing my appreciation to those North Carolinians and my colleagues here who stood with us in that fight.

But as you know, that fight goes on in Texas, that fight goes on in Georgia, in Louisiana, in Florida, and continues as we speak in North Carolina, because they will not rest this case at the end of the three-judge panel's decision. The case will be appealed.

So I want to spend 1 minute or 2 talking about this 1965 Voting Rights Act and the basis for it. My colleague, ELEANOR HOLMES NORTON, from the District of Columbia, talked about one of the bases for passage of the Voting Rights Act. She talked about this concept called racially polarized voting. I want to spend a little bit of time talking about this concept of racially polarized voting in plain everyday English that my colleagues and the people of America can understand, because when I talk about racially polarized voting, people look at me and say well, that should like one of those legal terms. Let me just say that racially polarized voting simply means that there is a history of white people voting for white candidates. Let me repeat that. There is a demonstrated history of white people voting for only white candidates and refusing to vote for black candidates.

What does that mean? That means if you go to North Carolina right now in

the year of our Lord 1994 and you take a poll, 30 percent, 35 percent of the white citizens in North Carolina will tell you honestly under no circumstances, under no conditions would I vote for a black candidate. I do not care how good that black candidate is, I do not care if he can walk on water, I do not care, I would not consider voting for a black candidate.

Now play that out to the next level and understand that 78 percent of our population in North Carolina is white. If you have 30 percent to 35 percent of those people who say that they under no conditions will vote for a black candidate, how then in an at-large election can a black candidate ever be elected? It cannot be done, and that is what we talk about when we talk about this historical pattern of racially polarized voting. It means that the majority, who is white, because they refuse to even consider the qualifications of a black candidate would never, ever elect a black candidate.

Some of my news media friends, and some of my colleagues do not understand that, and I do not beat up on them because when they talk to me they say they do not understand this because they do not know white people who carry those attitudes. We all deny that we know people who would refuse to vote for the most qualified candidate whether that person was black or white. It is alien to our concept of fairness, and so the newspapers and the news media, my news reporter friends say oh, that cannot be so. All of my friends tell me that if the black candidate is more qualified than the white candidate they would vote for the black candidate. I say to them you go down into North Carolina and you take a poll and 30 percent to 35 percent of the population will tell you under no circumstances, regardless of how qualified, would I vote for a black candidate.

So there is a need for something that will equalize the playing field. That is all the Voting Rights Act does. All it says is draw districts in such a way, for the time being at least, that it will give a black candidate an opportunity to be elected, not an assurance, but factor out that 30 percent to 35 percent of the population so that at least a black candidate has a fighting chance of being elected.

That is all the Voting Rights Act does, gives people of color the right to select on an equal footing the candidate of their choice.

Let me play this out one more level talking about racially-polarized voting and the whole notion that somehow we should be color blind. If 30 percent to 35 percent of the population has already indicated they refuse to be color blind, even though that number is reducing gradually as time goes on because of the world in which we live, why should we wait until that 30 percent to 35 percent of the population changes its attitude before we allow black America to

have representation in the Congress of the United States? We should not have to wait for their racist attitudes to change. The voting Rights Act says we do not have to wait, we would like to give you an opportunity to serve in the Congress of the United States.

I want to submit that that is not different than what the people said in South Africa when they were setting up the government over there. Imagine, if you would, that the people of South Africa came to the United States and said we are going to set up a government in South Africa that does not guarantee the white minority representation in their government. Do you think there is any American who would not have stood up in abject outrage at that notion? They would have said, "Oh no, that's not fair." The white minority has been in control for all of these years, but when you create a new government, if it is going to be fair, if it is going to be a democratic government, you have to at least make sure that all of the people in South Africa have an opportunity to be represented in that government.

□ 1810

And we would have stood up in complete outrage if the people of South Africa had come forward with a plan that did not assure the white minority representation in their government. So why in our own country, why in our own country are so many people saying, "Why can't we just be color blind? We don't need to assure the black minority in this country representation in their government."

Can we have one standard for South Africa and a completely different standard right here in our own country?

There is nothing sinister about a Voting Rights Act. It is completely and utterly democratic. It says to our Nation that we believe in democracy, we believe in everybody having an opportunity to be represented in their government, and that is what democracy is all about, I thought.

So I want to say right now that when the time comes for the reauthorization of the 1965 Voting Rights Act next year, I do not want anybody to come and tell me all of a sudden we are going to be color blind in this country. If you are going to come and tell me to be color blind, I want you to go down to North Carolina and tell that 30 percent of the population who says, if you polled them privately, "I won't vote for somebody black," and if you do not draw districts that take that into account, then the 70 percent of the population is being color blind, but that 30 percent, I submit to you, is not being color blind.

If we are all going to play by the same set of rules, the democratic rules that give all of us the pride to stand up and say we live in a democracy, then I

submit to you that we have got to reauthorize the Voting Rights Act again.

Now, some of my friends asked me, "Well, how long has this got to go on? Isn't this a transitional remedy?" Sure, it is. I would like to transition out of it tomorrow as soon as we get rid of all of these people who refuse to take qualifications rather than color into account in selecting their candidates. I am ready to phase it out.

As soon as we do not have any more discrimination in this country, we can do away with affirmative action. As soon as the polls in North Carolina show that every citizen says, "Oh, yes, I can vote for the person regardless of their color, based on their qualifications," as soon as that occurs, I am ready to phase it out.

I have got two young sons, not young sons; they both are old now, 26 and 21. I would love nothing better than to think that that day will come in my lifetime, and certainly, if not in mine, sometime during the course of theirs. But until that day, Mr. Speaker, until that day, as long as we have this racially polarized voting that I have talked about, we must, if we are going to have representative democratic government, have a vibrant and enforceable Civil Rights and Voting Rights Act.

I thank the gentlewoman for yielding time to me, and I thank her for her efforts to further the cause of not black America, not Hispanic America, but of democracy, of democracy in this country.

Ms. MCKINNEY. Mr. Speaker, I thank the gentleman from North Carolina, who has demonstrated how in the middle of a fierce and sometimes personal battle, one can remain calm and balanced, sure-footed and strong.

I would like to take this opportunity to thank the tremendous work of Judge Leon Higginbotham, Jr., who serves as special counsel to the Congressional Black Caucus.

He has written a brief for the Georgia redistricting challenge, and that brief begins with the words of Congressman George White of North Carolina, the last African American elected to Congress during reconstruction, and in his farewell address to Congress, he says:

I want to enter a plea for the colored man, the colored woman, the colored boy, and the colored girl of this country. He asks no special favors but simply demands that he be given the same chance for existence, for earning a livelihood, for raising himself in the scales of manhood and womanhood that are accorded to kindred nationalities. This, Mr. Chairman, is perhaps the Negro's temporary farewell to the American Congress, but lest me say, Phoenix-like, he will rise up someday and come again. These parting words are in behalf of an outraged, heart-broken, bruised and bleeding, but God-fearing people, faithful, industrious, loyal people, rising people, full of potential force. The only apology that I have to make for the earnestness with which I have spoken is that I am pleading for the life, the liberty, the fu-

ture happiness and manhood suffrage for one-eighths of the entire population of the United States.

After George White departed from Congress, decades passed where not one African American legislator held a seat in Congress.

As I said earlier, in 1868 in Georgia, 33 were expelled for no other reason than the color of their skin. Let us not fool ourselves and think that it cannot happen again, because it can.

It is up to us. It is up to you, my friends, to stop it, and we can. Let us let freedom ring. Let us make freedom ring, and, please, let your voices be heard on Capitol Hill in support of the Voting Rights Act. Let your voices be heard in newspapers and on the radio in support of the Voting Rights Act.

And pay close attention to the state of democracy in our home areas. Support us as we fight these attempts to expel us for no other reason than the color of our skin, and next year, when the extension of the Voting Rights Act comes up, let us all support the extension and its strengthening.

CONFERENCE REPORT ON H.R. 2739

Mr. MINETA submitted the following conference report and statement on the bill (H.R. 2739) to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations for fiscal years 1994, 1995, and 1996, and for other purposes:

CONFERENCE REPORT (H. REPT. 103-677)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2739) to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations for fiscal years 1994, 1995, and 1996, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the "Federal Aviation Administration Authorization Act of 1994".

(b) *TABLE OF CONTENTS.*—

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Amendment of title 49, United States Code.

TITLE I—AIRPORT AND AIRWAY IMPROVEMENT

- Sec. 101. Airport improvement program.
- Sec. 102. Airway improvement program.
- Sec. 103. Operations of FAA.
- Sec. 104. Innovative technology policy.
- Sec. 105. Inclusion of explosive detection devices and universal access systems.
- Sec. 106. Submission and approval of project grant applications.
- Sec. 107. Preventive maintenance.
- Sec. 108. Repeal of general aviation airport project grant application approval.

- Sec. 109. Reports on impacts of new airport projects.
- Sec. 110. Airport fees policy.
- Sec. 111. Airport financial reports.
- Sec. 112. Additional enforcement against illegal diversion of airport revenue.
- Sec. 113. Resolution of airport-air carrier disputes concerning airport fees.
- Sec. 114. Terminal development.
- Sec. 115. Letters of intent.
- Sec. 116. Military airport program.
- Sec. 117. Terminal development costs.
- Sec. 118. Airport safety data collection.
- Sec. 119. Soundproofing and acquisition of certain residential buildings and properties.
- Sec. 120. Landing aids and navigational equipment inventory pool.
- Sec. 121. Review of passenger facility charge program.

TITLE II—OTHER AVIATION PROGRAMS

- Sec. 201. Term of office of FAA Administrator.
- Sec. 202. Assistance to foreign aviation authorities.
- Sec. 203. Use of passenger facility charges to meet Federal mandates.
- Sec. 204. Passenger facility charges.
- Sec. 205. Gambling on commercial aircraft.
- Sec. 206. Slots for air carriers at airports.
- Sec. 207. Air service termination notice.
- Sec. 208. State taxation of air carrier employees.
- Sec. 209. Foreign fee collection.

TITLE III—RESEARCH, ENGINEERING, AND DEVELOPMENT

- Sec. 301. Short title.
- Sec. 302. Aviation research authorization of appropriations.
- Sec. 303. Joint aviation research and development program.
- Sec. 304. Aircraft cabin air quality research program.
- Sec. 305. Use of domestic products.
- Sec. 306. Purchase of American made equipment and products.
- Sec. 307. Cooperative agreements for research, engineering, and development.
- Sec. 308. Research program on quiet aircraft technology.

TITLE IV—EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY

- Sec. 401. Expenditures from Airport and Airway Trust Fund.

TITLE V—MISCELLANEOUS PROVISIONS

- Sec. 501. Rulemaking on random testing for prohibited drugs.
- Sec. 502. Transportation security report.
- Sec. 503. Repeal of annual report requirement.
- Sec. 504. Advanced landing system.
- Sec. 505. Asbestos removal and building demolition and removal, vacant air force station, Marin County, California.
- Sec. 506. Land acquisition costs.
- Sec. 507. Information on disinsection of aircraft.
- Sec. 508. Contract tower assistance.
- Sec. 509. Discontinuation of aviation safety journal.
- Sec. 510. Monroe airport improvement.
- Sec. 511. Soldotna airport improvement.
- Sec. 512. Sturgis, Kentucky.
- Sec. 513. Rolla airport improvement.
- Sec. 514. Palm Springs, California.
- Sec. 515. Real estate transfers in Alaska and weather observation services.
- Sec. 516. Relocation of airway facilities.
- Sec. 517. Safety at Aspen-Pitkin County Airport.
- Sec. 518. Collective bargaining at Washington airports.
- Sec. 519. Report on certain bilateral negotiations.

- Sec. 520. Study on innovative financing.
- Sec. 521. Safety of Juneau International Airport.
- Sec. 522. Study on child restraint systems.
- Sec. 523. Sense of Senate relating to DOT Inspector General.
- Sec. 524. Sense of Senate on issuance of report on usage of radar at the Cheyenne, Wyoming, airport.

- Sec. 525. North Korea.
- Sec. 526. Sense of Senate on final regulations under Civil Rights Act of 1964.

TITLE VI—INTRASTATE TRANSPORTATION OF PROPERTY

- Sec. 601. Preemption of intrastate transportation of property.

SEC. 2. DEFINITIONS.

In this Act, the following definitions apply:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Federal Aviation Administration.

(2) SECRETARY.—The term "Secretary" means the Secretary of Transportation.

SEC. 3. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

TITLE I—AIRPORT AND AIRWAY IMPROVEMENT

SEC. 101. AIRPORT IMPROVEMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 48103 is amended—

(1) by striking "Not more" and all that follows through "1993," and inserting "The total amounts which shall be available after September 30, 1981, to the Secretary of Transportation"; and

(2) by inserting before the period at the end "shall be \$17,583,500,000 for fiscal years ending before October 1, 1994, \$19,744,500,000 for fiscal years ending before October 1, 1995, and \$21,958,500,000 for fiscal years ending before October 1, 1996";

(b) OBLIGATIONAL AUTHORITY.—Section 47104(c) is amended by striking "After" and all that follows through "Secretary" and inserting "After September 30, 1996, the Secretary".

SEC. 102. AIRWAY IMPROVEMENT PROGRAM.

(a) AIRWAY FACILITIES AND EQUIPMENT.—Section 48101(a) is amended—

(1) in paragraph (1) by striking "for" and inserting "For";

(2) in paragraph (2)—

(A) by striking "for" and inserting "For"; and

(B) by striking "\$11,100,000,000" and inserting "\$10,724,000,000";

(3) in paragraph (3)—

(A) by striking "for" and inserting "For"; and

(B) by striking "\$14,000,000,000" and inserting "\$13,394,000,000"; and

(4) by adding at the end the following:

"(4) For the fiscal years ending September 30, 1991–1996, \$16,129,000,000."

(b) CERTAIN DIRECT COSTS AND JOINT AIR NAVIGATION SERVICES.—Section 48104 is amended—

(1) in the heading for subsection (b) by inserting "FOR FISCAL YEARS 1993" after "LIMITATION";

(2) in subsection (b) by striking "each" and all that follows through "1995," and inserting "fiscal year 1993"; and

(3) by adding at the end the following:

"(c) LIMITATION FOR FISCAL YEARS 1994–1996.—The amount appropriated from the Trust Fund for the purposes of paragraphs (1) and (2) of subsection (a) for each of fiscal years 1994, 1995, and 1996 may not exceed the lesser of—

"(1) 50 percent of the amount of funds made available under sections 48101–48103 of this title for such fiscal year; or

"(2)(A) 70 percent of the amount of funds made available under sections 106(k) and 48101–48103 of this title for such fiscal year; less

"(B) the amount of funds made available under sections 48101–48103 of this title for such fiscal year."

(c) LIMITATION ON OBLIGATING OR EXPENDING FUNDS.—Section 48108(c) is amended by striking "1995" and inserting "1996".

SEC. 103. OPERATIONS OF FAA.

Section 106(k) is amended by striking "\$,510,000,000" and all that follows through "1995" and inserting "\$,457,000,000 for fiscal year 1994, \$4,674,000,000 for fiscal year 1995, and \$4,810,000,000 for fiscal year 1996".

SEC. 104. INNOVATIVE TECHNOLOGY POLICY.

Section 47101(a) is amended—

(1) by striking "and" at the end of paragraph (9)(C);

(2) by striking the period at the end of paragraph (10) and inserting a semicolon; and

(3) by adding at the end the following:

"(11) that the airport improvement program should be administered to encourage projects that employ innovative technology, concepts, and approaches that will promote safety, capacity, and efficiency improvements in the construction of airports and in the air transportation system (including the development and use of innovative concrete and other materials in the construction of airport facilities to minimize initial laydown costs, minimize time out of service, and maximize lifecycle durability) and to encourage and solicit innovative technology proposals and activities in the expenditure of funding pursuant to this subchapter;"

SEC. 105. INCLUSION OF EXPLOSIVE DETECTION DEVICES AND UNIVERSAL ACCESS SYSTEMS.

Section 47102(3)(B)(ii) is amended by inserting after "or security equipment" the following: "including explosive detection devices and universal access systems."

SEC. 106. SUBMISSION AND APPROVAL OF PROJECT GRANT APPLICATIONS.

Section 47105(a)(1)(B) is amended—

(1) by striking "at least 2" each place it appears and inserting "1 or more"; and

(2) by striking "similar".

SEC. 107. PREVENTIVE MAINTENANCE.

(a) CONDITION OF ASSISTANCE.—Section 47105 is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection:

"(e) PREVENTIVE MAINTENANCE.—After January 1, 1995, the Secretary may approve an application under this subchapter for the replacement or reconstruction of pavement at an airport only if the sponsor has provided such assurances or certifications as the Secretary may determine appropriate that such airport has implemented an effective airport pavement maintenance-management program. The Secretary may require such reports on pavement condition and pavement management programs as the Secretary determines may be useful."

(b) STUDY.—

(1) IN GENERAL.—The Secretary shall study the products used for airport pavement maintenance and rehabilitation. Such study shall consider, at a minimum, the cost and benefits of the following:

(A) A requirement that the manufacturer or installer of such products provide minimum warranties.

(B) Establishment of enhanced minimum specifications or performance standards for such products.

(C) The use of insurance or other means to improve the performance and value of such products.

(2) **SOLICITATION OF VIEWS.**—In conducting the study under this subsection, the Secretary shall solicit and consider the views of airport operators, manufacturers of airport pavement maintenance and rehabilitation products, installers of such products, appropriate Federal agencies, and other relevant persons.

(3) **REPORT.**—Not later than June 1, 1995, the Secretary shall report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives on the results of the study conducted under this subsection.

SEC. 108. REPEAL OF GENERAL AVIATION AIRPORT PROJECT GRANT APPLICATION APPROVAL.

Section 47106 is amended—

- (1) by striking subsection (d); and
(2) by redesignating subsection (e) as subsection (d).

SEC. 109. REPORTS ON IMPACTS OF NEW AIRPORT PROJECTS.

Section 47106 is amended by adding at the end the following:

“(f) **REPORTS RELATING TO CONSTRUCTION OF CERTAIN NEW HUB AIRPORTS.**—At least 90 days prior to the approval under this subchapter of a project grant application for construction of a new hub airport that is expected to have 0.25 percent or more of the total annual enplanements in the United States, the Secretary shall submit to Congress a report analyzing the anticipated impact of such proposed new airport on—

“(1) the fees charged to air carriers (including landing fees), and other costs that will be incurred by air carriers, for using the proposed airport;

“(2) air transportation that will be provided in the geographic region of the proposed airport; and

“(3) the availability and cost of providing air transportation to rural areas in such geographic region.”

SEC. 110. AIRPORT FEES POLICY.

Section 47101(a) is further amended by adding at the end the following:

“(12) that airport fees, rates, and charges must be reasonable and may only be used for purposes not prohibited by this Act; and

“(13) that airports should be as self-sustaining as possible under the circumstances existing at each particular airport and in establishing new fees, rates, and charges, and generating revenues from all sources, airport owners and operators should not seek to create revenue surpluses that exceed the amounts to be used for airport system purposes and for other purposes for which airport revenues may be spent under section 47107(b)(1) of this title, including reasonable reserves and other funds to facilitate financing and cover contingencies.”

SEC. 111. AIRPORT FINANCIAL REPORTS.

(a) **IN GENERAL.**—Section 47107(a) is amended—

(1) by inserting before the semicolon at the end of paragraph (15) “and make such reports available to the public”;

(2) by striking “and” at the end of paragraph (17);

(3) by striking the period at the end of paragraph (18) and inserting “; and”;

(4) by adding at the end the following:

“(19) the airport owner or operator will submit to the Secretary and make available to the public an annual report listing in detail—

“(A) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

“(B) all services and property provided to other units of government and the amount of compensation received for provision of each such service and property.”

(b) **FORMAT FOR REPORTING.**—Within 180 days after the date of the enactment of this Act, the Secretary shall prescribe a uniform simplified format for reporting that is applicable to airports. Such format shall be designed to enable the public to understand readily how funds are collected and spent at airports, and to provide sufficient information relating to total revenues, operating expenditures, capital expenditures, debt service payments, contributions to restricted funds, accounts, or reserves required by financing agreements or covenants or airport lease or use agreements or covenants. Such format shall require each commercial service airport to report the amount of any revenue surplus, the amount of concession-generated revenue, and other information as required by the Secretary.

(c) **ANNUAL SUMMARIES.**—Section 47107 is amended by adding at the end the following:

“(k) **ANNUAL SUMMARIES OF FINANCIAL REPORTS.**—The Secretary shall provide to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives an annual summary of the reports submitted to the Secretary under subsection (a)(19) of this section and under section 111(b) of the Federal Aviation Administration Authorization Act of 1994.”

SEC. 112. ADDITIONAL ENFORCEMENT AGAINST ILLEGAL DIVERSION OF AIRPORT REVENUE.

(a) **NEW POLICIES AND PROCEDURES.**—Section 47107 is further amended by adding at the end the following:

“(l) **POLICIES AND PROCEDURES TO ENSURE ENFORCEMENT AGAINST ILLEGAL DIVERSION OF AIRPORT REVENUE.**—

“(1) **IN GENERAL.**—Not later than 90 days after the date of the enactment of this subsection, the Secretary of Transportation shall establish policies and procedures that will assure the prompt and effective enforcement of subsections (a)(13) and (b) of this section and grant assurances made under such subsections. Such policies and procedures shall recognize the exemption provision in subsection (b)(2) of this section and shall respond to the information contained in the reports of the Inspector General of the Department of Transportation on airport revenue diversion and such other relevant information as the Secretary may by law consider.

“(2) **REVENUE DIVERSION.**—Policies and procedures to be established pursuant to paragraph (1) of this subsection shall prohibit, at a minimum, the diversion of airport revenues (except as authorized under subsection (b) of this section) through—

“(A) direct payments or indirect payments, other than payments reflecting the value of services and facilities provided to the airport;

“(B) use of airport revenues for general economic development, marketing, and promotional activities unrelated to airports or airport systems;

“(C) payments in lieu of taxes or other assessments that exceed the value of services provided; or

“(D) payments to compensate nonsponsoring governmental bodies for lost tax revenues exceeding stated tax rates.

“(3) **EFFORTS TO BE SELF-SUSTAINING.**—With respect to subsection (a)(13) of this section, policies and procedures to be established pursuant to paragraph (1) of this subsection shall take into account, at a minimum, whether owners and operators of airports, when entering into new or revised agreements or otherwise establishing rates, charges, and fees, have undertaken reasonable efforts to make their particular airports as self-sustaining as possible under the circumstances existing at such airports.

“(4) **ADMINISTRATIVE SAFEGUARDS.**—Policies and procedures to be established pursuant to

paragraph (1) shall mandate internal controls, auditing requirements, and increased levels of Department of Transportation personnel sufficient to respond fully and promptly to complaints received regarding possible violations of subsections (a)(13) and (b) of this section and grant assurances made under such subsections and to alert the Secretary to such possible violations.”

(b) **WITHHOLDING OF APPROVAL OF APPLICATIONS FOR GRANTS OR PASSENGER FACILITY CHARGES; JUDICIAL ENFORCEMENT.**—Section 47111 is amended by adding at the end the following:

“(e) **ACTION ON GRANT ASSURANCES CONCERNING AIRPORT REVENUES.**—If, after notice and opportunity for a hearing, the Secretary finds a violation of section 47107(b) of this title, and the Secretary has provided an opportunity for the airport sponsor to take corrective action to cure such violation, and such corrective action has not been taken within the period of time set by the Secretary, the Secretary shall withhold approval of any new grant application for funds under this chapter, or any proposed modification to an existing grant that would increase the amount of funds made available under this chapter to the airport sponsor, and withhold approval of any new application to impose a fee under section 40117 of this title. Such applications may thereafter be approved only upon a finding by the Secretary that such corrective action as the Secretary requires has been taken to address the violation and that the violation no longer exists.

“(f) **JUDICIAL ENFORCEMENT.**—For any violation of this chapter or any grant assurance made under this chapter, the Secretary may apply to the district court of the United States for any district in which the violation occurred for enforcement. Such court shall have jurisdiction to enforce obedience thereto by a writ of injunction or other process, mandatory or otherwise, restraining any person from further violation.”

(d) **CIVIL PENALTIES.**—

(1) **GENERAL PENALTY.**—Section 46301(a) is amended—

(A) in paragraph (1) by striking “or 46303” and inserting “46303, or 47107(b) (including any assurance made under such section)”; and

(B) by adding at the end the following:

“(5) In the case of a violation of section 47107(b) of this title, the maximum civil penalty for a continuing violation shall not exceed \$50,000.”

(2) **ADMINISTRATIVE PENALTY.**—Section 46301(d)(2) is amended by striking “or 46303” and inserting “46303, or 47107(b) (as further defined by the Secretary under section 47107(l) and including any assurance made under section 47107(b))”.

(3) **PROCEDURES.**—Section 46301(d)(7) is amended by adding at the end the following:

“(D) In the case of a violation of section 47107(b) of this title or any assurance made under such section—

“(i) a civil penalty shall not be assessed against an individual;

“(ii) a civil penalty may be compromised as provided under subsection (f); and

“(iii) judicial review of any order assessing a civil penalty may be obtained only pursuant to section 46110 of this title.”

(c) **CONSIDERATION OF DIVERSION OF REVENUES IN AWARDING DISCRETIONARY GRANTS.**—Section 47115 is amended by adding at the end the following new subsection:

“(f) **CONSIDERATION OF DIVERSION OF REVENUES IN AWARDING DISCRETIONARY GRANTS.**—

“(1) **GENERAL RULE.**—Subject to paragraph (2), in deciding whether or not to distribute

funds to an airport from the discretionary funds established by subsection (a) of this section and section 47116 of this title, the Secretary shall consider as a factor militating against the distribution of such funds to the airport the fact that the airport is using revenues generated by the airport or by local taxes on aviation fuel for purposes other than capital or operating costs of the airport or the local airports system or other local facilities which are owned or operated by the owner or operator of the airport and directly and substantially related to the actual air transportation of passengers or property.

"(2) **REQUIRED FINDING.**—Paragraph (1) shall apply only when the Secretary finds that the amount of revenues used by the airport for purposes other than capital or operating costs in the airport's fiscal year preceding the date of the application for discretionary funds exceeds the amount of such revenues in the airport's first fiscal year ending after the date of the enactment of this subsection, adjusted by the Secretary for changes in the Consumer Price Index of All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor."

(d) **UNREASONABLE BURDEN ON INTERSTATE COMMERCE.**—Section 40116(d)(2)(A) is amended by adding at the end the following:

"(iv) Levy or collect a tax, fee, or charge, first taking effect after the date of the enactment of this clause, exclusively upon any business located at a commercial service airport or operating as a permittee of such an airport other than a tax, fee, or charge wholly utilized for airport or aeronautical purposes."

SEC. 113. RESOLUTION OF AIRPORT-AIR CARRIER DISPUTES CONCERNING AIRPORT FEES.

(a) **IN GENERAL.**—Subchapter I of chapter 471 of subtitle VII is amended—

(1) by redesignating section 47129 (and any references thereto) as section 47131; and

(2) by adding at the end the following new section:

"§47129. Resolution of airport-air carrier disputes concerning airport fees

"(a) **AUTHORITY TO REQUEST SECRETARY'S DETERMINATION.**—

"(1) **IN GENERAL.**—The Secretary of Transportation shall issue a determination as to whether a fee imposed upon one or more air carriers (as defined in section 40102 of this subtitle) by the owner or operator of an airport is reasonable if—

"(A) a written request for such determination is filed with the Secretary by such owner or operator; or

"(B) a written complaint requesting such determination is filed with the Secretary by an affected air carrier within 60 days after such carrier receives written notice of the establishment or increase of such fee.

"(2) **CALCULATION OF FEE.**—A fee subject to a determination of reasonableness under this section may be calculated pursuant to either a compensatory or residual fee methodology or any combination thereof.

"(3) **SECRETARY NOT TO SET FEE.**—In determining whether a fee is reasonable under this section, the Secretary may only determine whether the fee is reasonable or unreasonable and shall not set the level of the fee.

"(b) **PROCEDURAL REGULATIONS.**—Not later than 90 days after the date of the enactment of this section, the Secretary shall publish in the Federal Register final regulations, policy statements, or guidelines establishing—

"(1) the procedures for acting upon any written request or complaint filed under subsection (a)(1); and

"(2) the standards or guidelines that shall be used by the Secretary in determining under this section whether an airport fee is reasonable.

"(c) **DECISIONS BY SECRETARY.**—The final regulations, policy statements, or guidelines required in subsection (b) shall provide the following:

"(1) Not more than 120 days after an air carrier files with the Secretary a written complaint relating to an airport fee, the Secretary shall issue a final order determining whether such fee is reasonable.

"(2) Within 30 days after such complaint is filed with the Secretary, the Secretary shall dismiss the complaint if no significant dispute exists or shall assign the matter to an administrative law judge; and thereafter the matter shall be handled in accordance with part 302 of title 14, Code of Federal Regulations, or as modified by the Secretary to ensure an orderly disposition of the matter within the 120-day period and any specifically applicable provisions of this section.

"(3) The administrative law judge shall issue a recommended decision within 60 days after the complaint is assigned or within such shorter period as the Secretary may specify.

"(4) If the Secretary, upon the expiration of 120 days after the filing of the complaint, has not issued a final order, the decision of the administrative law judge shall be deemed to be the final order of the Secretary.

"(5) Any party to the dispute may seek review of a final order of the Secretary under this subsection in the Circuit Court of Appeals for the District of Columbia Circuit or the court of appeals in the circuit where the airport which gives rise to the written complaint is located.

"(6) Any findings of fact in a final order of the Secretary under this subsection, if supported by substantial evidence, shall be conclusive if challenged in a court pursuant to this subsection. No objection to such a final order shall be considered by the court unless objection was urged before an administrative law judge or the Secretary at a proceeding under this subsection or, if not so urged, unless there were reasonable grounds for failure to do so.

"(d) **PAYMENT UNDER PROTEST; GUARANTEE OF AIR CARRIER ACCESS.**—

"(1) **PAYMENT UNDER PROTEST.**—

"(A) **IN GENERAL.**—Any fee increase or newly established fee which is the subject of a complaint that is not dismissed by the Secretary shall be paid by the complainant air carrier to the airport under protest.

"(B) **REFERRAL OR CREDIT.**—Any amounts paid under this subsection by a complainant air carrier to the airport under protest shall be subject to refund or credit to the air carrier in accordance with directions in the final order of the Secretary within 30 days of such order.

"(C) **ASSURANCE OF TIMELY REPAYMENT.**—In order to assure the timely repayment, with interest, of amounts in dispute determined not to be reasonable by the Secretary, the airport shall obtain a letter of credit, or surety bond, or other suitable credit facility, equal to the amount in dispute that is due during the 120-day period established by this section, plus interest, unless the airport and the complainant air carrier agree otherwise.

"(D) **DEADLINE.**—The letter of credit, or surety bond, or other suitable credit facility shall be provided to the Secretary within 20 days of the filing of the complaint and shall remain in effect for 30 days after the earlier of 120 days or the issuance of a timely final order by the Secretary determining whether such fee is reasonable.

"(2) **GUARANTEE OF AIR CARRIER ACCESS.**—Contingent upon an air carrier's compliance with the requirements of paragraph (1) and pending the issuance of a final order by the Secretary determining the reasonableness of a fee that is the subject of a complaint filed under subsection (a)(1)(B), an owner or operator of an airport may not deny an air carrier currently

providing air service at the airport reasonable access to airport facilities or service, or otherwise interfere with an air carrier's prices, routes, or services, as a means of enforcing the fee.

"(e) **APPLICABILITY.**—This section does not apply to—

"(1) a fee imposed pursuant to a written agreement with air carriers using the facilities of an airport;

"(2) a fee imposed pursuant to a financing agreement or covenant entered into prior to the date of the enactment of this section; or

"(3) any other existing fee not in dispute as of such date of enactment.

"(f) **EFFECT ON EXISTING AGREEMENTS.**—Nothing in this section shall adversely affect—

"(1) the rights of any party under any existing written agreement between an air carrier and the owner or operator of an airport; or

"(2) the ability of an airport to meet its obligations under a financing agreement, or covenant, that is in force as of the date of the enactment of this section.

"(g) **DEFINITION.**—In this section, the term 'fee' means any rate, rental charge, landing fee, or other service charge for the use of airport facilities."

(b) **CONFORMING AMENDMENT.**—The analysis to such chapter is amended—

(1) by striking "47129" and inserting "47131"; and

(2) by inserting after the item relating to section 47128 the following:

"47129. Resolution of airport-air carrier disputes concerning airport fees."

SEC. 114. TERMINAL DEVELOPMENT.

Section 47109 is amended—

(1) in subsection (a) by striking "subsections (b) and (c)" and inserting "subsection (b)"; and

(2) by striking subsection (c).

SEC. 115. LETTERS OF INTENT.

Section 47110(e) is amended by adding at the end the following:

"(6) **LIMITATION ON STATUTORY CONSTRUCTION.**—Nothing in this section shall be construed to prohibit the obligation of amounts pursuant to a letter of intent under this subsection in the same fiscal year as the letter of intent is issued."

SEC. 116. MILITARY AIRPORT PROGRAM.

(a) **MILITARY AIRPORT SET-ASIDE.**—Section 47117(e)(1)(E) is amended by striking "and 1995" and inserting ", 1995, and 1996".

(b) **DESIGNATION OF MILITARY AIRPORTS.**—Section 47118(a) is amended—

(1) by striking "12" and inserting "15"; and

(2) by adding at the end the following: "The Secretary may only designate an airport for such grants (other than an airport designated for such grants on or before the date of the enactment of this sentence) if the Secretary finds that grants under such section for projects at such airport would reduce delays at an airport with more than 20,000 hours of annual delays in commercial passenger aircraft takeoffs and landings."

(c) **ELIMINATION OF EXTENSION OF 5-YEAR PERIOD OF ELIGIBILITY.**—Section 47118(d) is amended by striking the last sentence.

(d) **CONSTRUCTION OF PARKING LOTS, FUEL FARMS, AND UTILITIES.**—Section 47118(f) is amended by striking "1995" and inserting "1996".

SEC. 117. TERMINAL DEVELOPMENT COSTS.

Section 47119 is amended—

(1) in subsection (a) by inserting "or, in the case of a commercial service airport which annually had less than 0.05 percent of the total enplanements in the United States, between January 1, 1992, and October 31, 1992," after "July 12, 1976,"; and

(2) by adding at the end the following:

"(c) NONHUB AIRPORTS.—With respect to a project at a commercial service airport which annually has less than 0.05 percent of the total enplanements in the United States, the Secretary may approve the use of the amounts described in subsection (a) notwithstanding the requirements of sections 47107(a)(17), 47112, and 47113."

SEC. 118. AIRPORT SAFETY DATA COLLECTION.

(a) IN GENERAL.—Chapter 471 of subtitle VII is further amended by inserting after section 47129 the following:

"§47130. Airport safety data collection

"Notwithstanding any other provision of law, the Administrator of the Federal Aviation Administration may contract, using sole source or limited source authority, for the collection of airport safety data."

(b) CLERICAL AMENDMENT.—The analysis for such chapter 471 is further amended by inserting after the item relating to section 47129 the following:

"47130. Airport safety data collection."

SEC. 119. SOUNDPROOFING AND ACQUISITION OF CERTAIN RESIDENTIAL BUILDINGS AND PROPERTIES.

Section 47504(c) is amended—

(1) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively;

(2) by inserting after paragraph (1) the following:

"(2) SOUNDPROOFING AND ACQUISITION OF CERTAIN RESIDENTIAL BUILDINGS AND PROPERTIES.—The Secretary may incur obligations to make grants from amounts made available under section 48103 of this title—

"(A) for projects to soundproof residential buildings—

"(i) if the airport operator received approval for a grant for a project to soundproof residential buildings pursuant to section 301(d)(4)(B) of the Airport and Airway Safety and Capacity Expansion Act of 1987;

"(ii) if the airport operator submits updated noise exposure contours, as required by the Secretary; and

"(iii) if the Secretary determines that the proposed projects are compatible with the purposes of this chapter; and

"(B) to an airport operator and unit of local government referred to in paragraph (1)(A) or (1)(B) of this subsection to soundproof residential buildings located on residential properties, and to acquire residential properties, at which noise levels are not compatible with normal operations of an airport—

"(i) if the airport operator amended an existing local aircraft noise regulation during calendar year 1993 to increase the maximum permitted noise levels for scheduled air carrier aircraft as a direct result of implementation of revised aircraft noise departure procedures mandated for aircraft safety purposes by the Administrator of the Federal Aviation Administration for standardized application at airports served by scheduled air carriers;

"(ii) if the airport operator submits updated noise exposure contours, as required by the Secretary; and

"(iii) if the Secretary determines that the proposed projects are compatible with the purposes of this chapter.";

(3) in paragraph (4), as so redesignated, by striking "paragraph (1) of".

SEC. 120. LANDING AIDS AND NAVIGATIONAL EQUIPMENT INVENTORY POOL.

(a) PURCHASE.—Section 44502(a) is amended by adding at the end the following new paragraph:

"(4) PURCHASE OF INSTRUMENT LANDING SYSTEM.—

"(A) ESTABLISHMENT OF PROGRAM.—The Secretary shall purchase precision approach instru-

ment landing system equipment for installation at airports on an expedited basis.

"(B) AUTHORIZATION.—No less than \$30,000,000 of the amounts appropriated under section 48101(a) for each of fiscal years 1995 and 1996 shall be used for the purpose of carrying out this paragraph, including acquisition, site preparation work, installation, and related expenditures."

(b) COST SAVINGS ASSOCIATED WITH PURCHASE.—Notwithstanding other provisions of law or regulations to the contrary, the Administrator shall establish, within 120 days after the date of the enactment of this Act, a process through which airport sponsors may take advantage of cost savings associated with the purchase and installation of instrument landing systems, along with associated equipment, under existing or future Federal Aviation Administration contracts. The process established by the Administrator may provide for the direct reimbursement (including administrative costs) of the Administrator by an airport sponsor using grants funds under subchapter I of chapter 471 of subtitle VII of title 49, United States Code, relating to airport improvement, for the ordering of such equipment and installation or for the direct ordering of such equipment and installation by an airport sponsor, using such grant funds, from the suppliers with which the Administrator has contracted.

SEC. 121. REVIEW OF PASSENGER FACILITY CHARGE PROGRAM.

The Secretary shall conduct a review of section 158.49(b) of title 14, Code of Federal Regulations, to assess the effectiveness of such section in light of the objectives of section 40117 of title 49, United States Code, and shall take such corrective action as the Secretary determines to be necessary to address any problems discovered in the review.

TITLE II—OTHER AVIATION PROGRAMS

SEC. 201. TERM OF OFFICE OF FAA ADMINISTRATOR.

Section 106(b) is amended by adding at the end the following: "The term of office for any individual appointed as Administrator after the date of the enactment of this sentence shall be 5 years."

SEC. 202. ASSISTANCE TO FOREIGN AVIATION AUTHORITIES.

Section 40113 is amended by adding at the end the following new subsection:

"(e) ASSISTANCE TO FOREIGN AVIATION AUTHORITIES.—

"(1) SAFETY-RELATED TRAINING AND OPERATIONAL SERVICES.—The Administrator may provide safety-related training and operational services to foreign aviation authorities with or without reimbursement, if the Administrator determines that providing such services promotes aviation safety. To the extent practicable, air travel reimbursed under this subsection shall be conducted on U.S. air carriers.

"(2) REIMBURSEMENT SOUGHT.—The Administrator shall actively seek reimbursement for services provided under this subsection from foreign aviation authorities capable of providing such reimbursement.

"(3) CREDITING APPROPRIATIONS.—Funds received by the Administrator pursuant to this section shall be credited to the appropriation from which the expenses were incurred in providing such services.

"(4) REPORTING.—Not later than December 31, 1995, and annually thereafter, the Administrator shall transmit to Congress a list of the foreign aviation authorities to which the Administrator provided services under this subsection in the preceding fiscal year. Such list shall specify the dollar value of such services and any reimbursement received for such services."

SEC. 203. USE OF PASSENGER FACILITY CHARGES TO MEET FEDERAL MANDATES.

Section 40117(a)(3) is amended—

(1) by striking "and" at end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(3) by adding at the end the following:

"(F) in addition to projects eligible under subparagraph (A), the construction, reconstruction, repair, or improvement of areas of an airport used for the operation of aircraft or actions to mitigate the environmental effects of such construction, reconstruction, repair, or improvement when the construction, reconstruction, repair, improvement, or action is necessary for compliance with the responsibilities of the operator or owner of the airport under the Americans with Disabilities Act of 1990, the Clean Air Act, or the Federal Water Pollution Control Act with respect to the airport."

SEC. 204. PASSENGER FACILITY CHARGES.

(a) CLARIFICATION OF APPLICABILITY.—

(1) GENERAL RULE.—Section 40117(e)(2) is amended—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C)(ii) and inserting "; and"; and

(C) by adding at the end the following:

"(D) enplaning at an airport if the passenger did not pay for the air transportation which resulted in such enplanement, including any case in which the passenger obtained the ticket for the air transportation with a frequent flier award coupon without monetary payment."

(2) LIMITATION ON STATUTORY CONSTRUCTION.—The amendment made by paragraph (1) shall not be construed as requiring any person to refund any fee paid before the date of the enactment of this Act.

(b) USE OF REVENUES AND RELATIONSHIP BETWEEN FEES AND REVENUES.—Section 40117(d) is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2)(C) and inserting "; and"; and

(3) by adding at the end the following:

"(3) the application includes adequate justification for each of the specific projects."

SEC. 205. GAMBLING ON COMMERCIAL AIRCRAFT.

(a) IN GENERAL.—

(1) RESTRICTIONS.—Chapter 413 of subtitle VII is amended by adding at the end the following:

"§41311. Gambling restrictions

"(a) IN GENERAL.—An air carrier or foreign air carrier may not install, transport, or operate, or permit the use of, any gambling device on board an aircraft in foreign air transportation.

"(b) DEFINITION.—In this section, the term 'gambling device' means any machine or mechanical device (including gambling applications on electronic interactive video systems installed on board aircraft for passenger use)—

"(1) which when operated may deliver, as the result of the application of an element of chance, any money or property; or

"(2) by the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property."

(2) CLERICAL AMENDMENT.—The analysis of such chapter 413 is amended by inserting at the end the following new item:

"41311. Gambling restrictions."

(b) STUDY OF GAMBLING ON COMMERCIAL AIRCRAFT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall complete a study of—

(1) the aviation safety effects of gambling applications on electronic interactive video systems installed on board aircraft for passenger use, including an evaluation of the effect of such systems on the navigational and other electronic

equipment of the aircraft, on the passengers and crew of the aircraft, and on issues relating to the method of payment;

(2) the competitive implications of permitting foreign air carriers only, but not United States air carriers, to install, transport, and operate gambling applications on electronic interactive video systems on board aircraft in the foreign commerce of the United States on flights over international waters, or in fifth freedom city-pair markets; and

(3) whether gambling should be allowed on international flights, including proposed legislation to effectuate any recommended changes in existing law.

The Secretary shall, within 5 days after the completion of the study, submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives on the results of the study.

SEC. 206. SLOTS FOR AIR CARRIERS AT AIRPORTS.

(a) AVAILABILITY OF SLOTS.—

(1) IN GENERAL.—Subchapter I of chapter 417 of subtitle VII is amended by adding at the end the following:

"§41714. Availability of slots

"(a) MAKING SLOTS AVAILABLE FOR ESSENTIAL AIR SERVICE.—

"(1) OPERATIONAL AUTHORITY.—If basic essential air service under subchapter II of this chapter is to be provided from an eligible point to a high density airport (other than Washington National Airport), the Secretary of Transportation shall ensure that the air carrier providing or selected to provide such service has sufficient operational authority at the high density airport to provide such service. The operational authority shall allow flights at reasonable times taking into account the needs of passengers with connecting flights.

"(2) EXEMPTIONS.—If necessary to carry out the objectives of paragraph (1), the Secretary shall by order grant exemptions from the requirements of subparts K and S of part 93 of title 14, Code of Federal Regulations (pertaining to slots at high density airports), to air carriers using Stage 3 aircraft or to commuter air carriers, unless such an exemption would significantly increase operational delays.

"(3) ASSURANCE OF ACCESS.—If the Secretary finds that an exemption under paragraph (2) would significantly increase operational delays, the Secretary shall take such action as may be necessary to ensure that an air carrier providing or selected to provide basic essential air service is able to obtain access to a high density airport; except that the Secretary shall not be required to make slots available at O'Hare International Airport in Chicago, Illinois, if the number of slots available for basic essential air service (including slots specifically designated as essential air service slots and slots used for such purposes) to and from such airport is at least 132 slots.

"(4) ACTION BY THE SECRETARY.—The Secretary shall issue a final order under this subsection on or before the 60th day after receiving a request from an air carrier for operational authority under this subsection.

"(b) SLOTS FOR FOREIGN AIR TRANSPORTATION.—

"(1) EXEMPTIONS.—If the Secretary finds it to be in the public interest at a high density airport (other than Washington National Airport), the Secretary may grant by order exemptions from the requirements of subparts K and S of part 93 of title 14, Code of Federal Regulations (pertaining to slots at high density airports), to enable air carriers and foreign air carriers to provide foreign air transportation using Stage 3 aircraft.

"(2) SLOT WITHDRAWALS.—The Secretary may not withdraw a slot from an air carrier in order

to allocate that slot to a carrier to provide foreign air transportation if the withdrawal of that slot would result in the withdrawal of slots from an air carrier at O'Hare International Airport under section 93.223 of title 14, Code of Federal Regulations, in excess of the total withdrawn from that air carrier as of October 31, 1993.

"(3) EQUIVALENT RIGHTS OF ACCESS.—The Secretary shall not take a slot at a high density airport from an air carrier and award such slot to a foreign air carrier if the Secretary determines that air carriers are not provided equivalent rights of access to airports in the country of which such foreign air carrier is a citizen.

"(4) PERIOD OF EFFECTIVENESS.—This subsection and exemptions issued under this subsection shall cease to be in effect when the final rules issued under subsection (f) become effective.

"(c) SLOTS FOR NEW ENTRANTS.—

"(1) IN GENERAL.—If the Secretary finds it to be in the public interest and the circumstances to be exceptional, the Secretary may by order grant exemptions from the requirements under subparts K and S of part 93 of title 14, Code of Federal Regulations (pertaining to slots at high density airports), to enable new entrant air carriers to provide air transportation at high density airports (other than Washington National Airport).

"(2) PERIOD OF EFFECTIVENESS.—Exemptions issued under this subsection shall cease to be in effect on or after the date on which the final rules issued under subsection (f) become effective.

"(d) SPECIAL RULES FOR WASHINGTON NATIONAL AIRPORT.—

(1) IN GENERAL.—Notwithstanding sections 6005(c)(5) and 6009(e) of the Metropolitan Washington Airports Act of 1986, or any provision of this section, the Secretary may, only under circumstances determined by the Secretary to be exceptional, grant by order to an air carrier currently holding or operating a slot at Washington National Airport an exemption from requirements under subparts K and S of part 93 of title 14, Code of Federal Regulations (pertaining to slots at Washington National Airport), to enable that carrier to provide air transportation with Stage 3 aircraft at Washington National Airport; except that such exemption shall not—

"(A) result in an increase in the total number of slots per day at Washington National Airport;

"(B) result in an increase in the total number of slots at Washington National Airport from 7:00 ante meridiem to 9:59 post meridiem;

"(C) increase the number of operations at Washington National Airport in any 1-hour period by more than 2 operations;

"(D) result in the withdrawal or reduction of slots operated by an air carrier;

"(E) result in a net increase in noise impact on surrounding communities resulting from changes in timing of operations permitted under this subsection; and

"(F) continue in effect on or after the date on which the final rules issued under subsection (f) become effective.

"(2) LIMITATION ON APPLICABILITY.—Nothing in this subsection shall adversely affect Exemption No. 5133, as from time-to-time amended and extended.

"(e) STUDY.—

"(1) MATTERS TO BE CONSIDERED.—The Secretary shall continue the Secretary's current examination of slot regulations and shall ensure that the examination includes consideration of—

"(A) whether improvements in technology and procedures of the air traffic control system and the use of quieter aircraft make it possible to eliminate the limitations on hourly operations imposed by the high density rule contained in

part 93 of title 14 of the Code of Federal Regulations or to increase the number of operations permitted under such rule;

"(B) the effects of the elimination of limitations or an increase in the number of operations allowed on each of the following:

"(i) congestion and delay in any part of the national aviation system;

"(ii) the impact of noise on persons living near the airport;

"(iii) competition in the air transportation system;

"(iv) the profitability of operations of airlines serving the airport; and

"(v) aviation safety;

"(C) the impact of the current slot allocation process upon the ability of air carriers to provide essential air service under subchapter II of this chapter;

"(D) the impact of such allocation process upon the ability of new entrant air carriers to obtain slots in time periods that enable them to provide service;

"(E) the impact of such allocation process on the ability of foreign air carriers to obtain slots;

"(F) the fairness of such process to air carriers and the extent to which air carriers are provided equivalent rights of access to the air transportation market in the countries of which foreign air carriers holding slots are citizens;

"(G) the impact, on the ability of air carriers to provide domestic and international air service, of the withdrawal of slots from air carriers in order to provide slots for foreign air carriers; and

"(H) the impact of the prohibition on slot withdrawals in subsections (b)(2) and (b)(3) of this section on the aviation relationship between the United States Government and foreign governments, including whether the prohibition in such subsections will require the withdrawal of slots from general and military aviation in order to meet the needs of air carriers and foreign air carriers providing foreign air transportation (and the impact of such withdrawal on general aviation and military aviation) and whether slots will become available to meet the needs of air carriers and foreign air carriers to provide foreign air transportation as a result of the planned relocation of Air Force Reserve units and the Air National Guard at O'Hare International Airport.

"(2) REPORT.—Not later than January 31, 1995, the Secretary shall complete the current examination of slot regulations and shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report containing the results of such examination.

"(f) RULEMAKING.—The Secretary shall conduct a rulemaking proceeding based on the results of the study described in subsection (e). In the course of such proceeding, the Secretary shall issue a notice of proposed rulemaking not later than August 1, 1995, and shall issue a final rule not later than 90 days after public comments are due on the notice of proposed rulemaking.

"(g) WEEKEND OPERATIONS.—The Secretary shall consider the advisability of revising section 93.227 of title 14, Code of Federal Regulations, so as to eliminate weekend schedules from the determination of whether the 80 percent standard of subsection (a)(1) of that section has been met.

"(h) DEFINITIONS.—In this section and section 41734(h), the following definitions apply:

"(1) COMMUTER AIR CARRIER.—The term 'commuter air carrier' means a commuter operator as defined or applied in subpart K or S of part 93 of title 14, Code of Federal Regulations.

"(2) HIGH DENSITY AIRPORT.—The term 'high density airport' means an airport at which the

Administrator limits the number of instrument flight rule takeoffs and landings of aircraft.

"(3) **NEW ENTRANT AIR CARRIER.**—The term 'new entrant air carrier' means an air carrier that does not hold a slot at the airport concerned and has never sold or given up a slot at that airport after December 16, 1985, and a limited incumbent carrier as defined in subpart S of part 93 of title 14, Code of Federal Regulations.

"(4) **SLOT.**—The term 'slot' means a reservation for an instrument flight rule takeoff or landing by an air carrier of an aircraft in air transportation."

(b) **CLERICAL AMENDMENT.**—The analysis for chapter 417 of subtitle VII is amended by inserting after the item relating to section 41713 the following:

"41714. Availability of slots."

(c) **NONCONSIDERATION OF SLOT AVAILABILITY.**—Section 41734 is amended by adding at the end the following:

"(h) **NONCONSIDERATION OF SLOT AVAILABILITY.**—In determining what is basic essential air service and in selecting an air carrier to provide such service, the Secretary shall not consider as a factor whether slots at a high density airport are available for providing such service."

SEC. 207. AIR SERVICE TERMINATION NOTICE.

(a) **IN GENERAL.**—Subchapter I of chapter 417 of subtitle VII is further amended by adding at the end the following new section:

"§41715. Air service termination notice

"(a) **IN GENERAL.**—An air carrier may not terminate interstate air transportation from a nonhub airport included on the Secretary's latest published list of such airports, unless such air carrier has given the Secretary at least 45 days' notice before such termination.

"(b) **EXCEPTIONS.**—The requirements of subsection (a) shall not apply when—

"(1) the carrier involved is experiencing a sudden or unforeseen financial emergency, including natural weather related emergencies, equipment-related emergencies, and strikes;

"(2) the termination of transportation is made for seasonal purposes only;

"(3) the carrier involved has operated at the affected nonhub airport for 180 days or less;

"(4) the carrier involved provides other transportation by jet from another airport serving the same community as the affected nonhub airport; or

"(5) the carrier involved makes alternative arrangements, such as a change of aircraft size, or other types of arrangements with a part 121 or part 135 air carrier, that continues uninterrupted service from the affected nonhub airport.

"(c) **WAIVERS FOR REGIONAL/COMMUTER CARRIERS.**—Before January 1, 1995, the Secretary shall establish terms and conditions under which regional/commuter carriers can be excluded from the termination notice requirement.

"(d) **DEFINITIONS.**—In this section, the following definitions apply:

"(1) **NONHUB AIRPORT.**—The term 'nonhub airport' has the meaning that term has under section 41731(a)(3).

"(2) **PART 121 AIR CARRIER.**—The term 'part 121 air carrier' means an air carrier to which part 121 of title 14, Code of Federal Regulations, applies.

"(3) **PART 135 AIR CARRIER.**—The term 'part 135 air carrier' means an air carrier to which part 135 of title 14, Code of Federal Regulations, applies.

"(4) **REGIONAL/COMMUTER CARRIERS.**—The term 'regional/commuter carrier' means—

"(A) a part 135 air carrier; or

"(B) a part 121 air carrier that provides air transportation exclusively with aircraft having a seating capacity of no more than 70 passengers.

"(5) **TERMINATION.**—The term 'termination' means the cessation of all service at an airport by an air carrier."

(b) **CONFORMING AMENDMENTS.**—The analysis of such chapter 417 is amended by inserting after the item relating to section 41713 the following new item:

"41715. Air service termination notice."

(c) **CIVIL PENALTIES.**—Section 46301(a) is amended—

(1) in paragraph (1)(A) by striking "or 46303" and inserting "46303, or 41715";

(2) in paragraph (4) by inserting "(other than a violation of section 41715)" after "violation" the second and third place it appears; and

(3) by adding at the end the following:

"(5) Notwithstanding paragraph (1), the maximum civil penalty for violating section 41715 shall be \$5,000 instead of \$1,000."

(d) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on February 1, 1995.

SEC. 208. STATE TAXATION OF AIR CARRIER EMPLOYEES.

Section 40116(f) is amended by adding at the end the following:

"(3) Compensation paid by an air carrier to an employee described in subsection (a) in connection with such employee's authorized leave or other authorized absence from regular duties on the carrier's aircraft in order to perform services on behalf of the employee's airline union shall be subject to the income tax laws of only the following:

"(A) The State or political subdivision of the State that is the residence of the employee.

"(B) The State or political subdivision of the State in which the employee's scheduled flight time would have been more than 50 percent of the employee's total scheduled flight time for the calendar year had the employee been engaged full time in the performance of regularly assigned duties on the carrier's aircraft."

SEC. 209. FOREIGN FEE COLLECTION.

Section 45301 is amended—

(1) in subsection (b) by striking "This section" and inserting "Subsection (a)"; and

(2) by adding at the end the following:

"(c) **RECOVERY OF COST OF FOREIGN AVIATION SERVICES.**—

"(1) **ESTABLISHMENT OF FEES.**—The Administrator may establish and collect fees for providing or carrying out the following aviation services outside the United States: any test, authorization, certificate, permit, rating, evaluation, approval, inspection, review.

"(2) **FOREIGN REPAIR STATION CERTIFICATION AND INSPECTION FEES.**—The Administrator must establish and collect under this subsection fees for certification and inspection of repair stations outside of the United States.

"(3) **LEVEL OF FEES.**—Fees shall be established under this subsection as necessary to recover the additional cost of providing or carrying out such services outside the United States, as compared to the cost of providing or carrying out such services within the United States; except that the Administrator may for such services as the Administrator designates (and shall for certification and inspection of repair stations outside the United States) establish fees at a level necessary to recover the full cost of providing such services.

"(4) **EFFECT ON OTHER AUTHORITY.**—The provisions of this subsection do not limit the Administrator's authority to establish and collect fees under subsection (a).

"(5) **CREDITING OF PREESTABLISHED FEES.**—Fees described in paragraph (1) that were not established before the date of the enactment of this subsection may be credited in accordance with section 45302(d)."

TITLE III—RESEARCH, ENGINEERING, AND DEVELOPMENT

SEC. 301. SHORT TITLE.

This title may be cited as the "Federal Aviation Administration Research, Engineering, and Development Authorization Act of 1994".

SEC. 302. AVIATION RESEARCH AUTHORIZATION OF APPROPRIATIONS.

Section 48102(a) of title 49, United States Code, is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) for fiscal year 1995—

"(A) \$7,673,000 for management and analysis projects and activities;

"(B) \$80,901,000 for capacity and air traffic management technology projects and activities;

"(C) \$39,242,000 for communications, navigation, and surveillance projects and activities;

"(D) \$2,909,000 for weather projects and activities;

"(E) \$8,660,000 for airport technology projects and activities;

"(F) \$51,004,000 for aircraft safety technology projects and activities;

"(G) \$36,604,000 for system security technology projects and activities;

"(H) \$26,484,000 for human factors and aviation medicine projects and activities;

"(I) \$8,124,000 for environment and energy projects and activities; and

"(J) \$5,199,000 for innovative/cooperative research projects and activities; and

"(2) for fiscal year 1996—

"(A) \$8,056,000 for management and analysis projects and activities;

"(B) \$84,946,000 for capacity and air traffic management technology projects and activities;

"(C) \$41,204,000 for communications, navigation, and surveillance projects and activities;

"(D) \$3,054,000 for weather projects and activities;

"(E) \$9,093,000 for airport technology projects and activities;

"(F) \$53,554,000 for aircraft safety technology projects and activities;

"(G) \$38,434,000 for system security technology projects and activities;

"(H) \$27,808,000 for human factors and aviation medicine projects and activities;

"(I) \$8,532,000 for environment and energy projects and activities; and

"(J) \$5,459,000 for innovative/cooperative research projects and activities."

SEC. 303. JOINT AVIATION RESEARCH AND DEVELOPMENT PROGRAM.

(a) **ESTABLISHMENT.**—The Administrator, in consultation with the heads of other appropriate Federal agencies, shall jointly establish a program to conduct research on aviation technologies that enhance United States competitiveness. The program shall include—

(1) next-generation satellite communications, including global positioning satellites;

(2) advanced airport and airplane security;

(3) environmentally compatible technologies, including technologies that limit or reduce noise and air pollution;

(4) advanced aviation safety programs; and

(5) technologies and procedures to enhance and improve airport and airway capacity.

(b) **PROCEDURES FOR CONTRACTS AND GRANTS.**—The Administrator and the heads of the other appropriate Federal agencies shall administer contracts and grants entered into under the program established under subsection (a) in accordance with procedures developed jointly by the Administrator and the heads of the other appropriate Federal agencies. The procedures should include an integrated acquisition policy for contract and grant requirements and for technical data rights that are not an impediment to joint programs among the Federal Aviation Administration, the other Federal agencies involved, and industry.

(c) **PROGRAM ELEMENTS.**—The program established under subsection (a) shall include—

(1) selected programs that jointly enhance public and private aviation technology development;

(2) an opportunity for private contractors to be involved in such technology research and development; and

(3) the transfer of Government-developed technologies to the private sector to promote economic strength and competitiveness.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—Of amounts authorized to be appropriated for fiscal years 1995 and 1996 under section 48102(a) of title 49, United States Code, as amended by section 302 of this title, there are authorized to be appropriated for fiscal years 1995 and 1996, respectively, such sums as may be necessary to carry out this section.

SEC. 304. AIRCRAFT CABIN AIR QUALITY RESEARCH PROGRAM.

(a) **ESTABLISHMENT.**—The Administrator, in consultation with the heads of other appropriate Federal agencies, shall establish a research program to determine—

(1) what, if any, aircraft cabin air conditions, including pressure altitude systems, on flights within the United States are harmful to the health of airline passengers and crew, as indicated by physical symptoms such as headaches, nausea, fatigue, and lightheadedness; and

(2) the risk of airline passengers and crew contracting infectious diseases during flight.

(b) **CONTRACT WITH CENTER FOR DISEASE CONTROL.**—In carrying out the research program established under subsection (a), the Administrator and the heads of the other appropriate Federal agencies shall contract with the Center for Disease Control and other appropriate agencies to carry out any studies necessary to meet the goals of the program set forth in subsection (c).

(c) **GOALS.**—The goals of the research program established under subsection (a) shall be—

(1) to determine what, if any, cabin air conditions currently exist on domestic aircraft used for flights within the United States that could be harmful to the health of airline passengers and crew, as indicated by physical symptoms such as headaches, nausea, fatigue, and lightheadedness, and including the risk of infection by bacteria and viruses;

(2) to determine to what extent, changes in, cabin air pressure, temperature, rate of cabin air circulation, the quantity of fresh air per occupant, and humidity on current domestic aircraft would reduce or eliminate the risk of illness or discomfort to airline passengers and crew; and

(3) to establish a long-term research program to examine potential health problems to airline passengers and crew that may arise in an airplane cabin on a flight within the United States because of cabin air quality as a result of the conditions and changes described in paragraphs (1) and (2).

(d) **PARTICIPATION.**—In carrying out the research program established under subsection (a), the Administrator shall encourage participation in the program by representatives of aircraft manufacturers, air carriers, aviation employee organizations, airline passengers, and academia.

(e) **REPORT.**—(1) Within six months after the date of enactment of this Act, the Administrator shall submit to the Congress a plan for implementation of the research program established under subsection (a).

(2) The Administrator shall annually submit to the Congress a report on the progress made during the year for which the report is submitted toward meeting the goals set forth in subsection (c).

(f) **AUTHORIZATION OF APPROPRIATIONS.**—Of amounts authorized to be appropriated for fiscal years 1995 and 1996 under section 48102(a) of title 49, United States Code, as amended by section 302 of this title, there are authorized to be appropriated for fiscal years 1995 and 1996, respectively, such sums as may be necessary to carry out this section.

SEC. 305. USE OF DOMESTIC PRODUCTS.

(a) **PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.**—(1) A person

shall not intentionally affix a label bearing the inscription of "Made in America", or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(2) A person who violates paragraph (1) shall not be eligible for any contract for a procurement carried out with amounts authorized under this title, including any subcontract under such a contract pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, Code of Federal Regulations, or any successor procedures thereto.

(b) **COMPLIANCE WITH BUY AMERICAN ACT.**—(1) Except as provided in paragraph (2), the head of each office within the Federal Aviation Administration that conducts procurements shall ensure that such procurements are conducted in compliance with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a through 10c, popularly known as the "Buy American Act").

(2) This subsection shall apply only to procurements made for which—

(A) amounts are authorized by this title to be made available; and

(B) solicitations for bids are issued after the date of the enactment of this Act.

(3) The Secretary, before January 1, 1995, shall report to the Congress on procurements covered under this subsection of products that are not domestic products.

(c) **DEFINITIONS.**—For the purposes of this section, the term "domestic product" means a product—

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.

SEC. 306. PURCHASE OF AMERICAN MADE EQUIPMENT AND PRODUCTS.

(a) **SENSE OF CONGRESS.**—It is the sense of Congress that any recipient of a grant under this title, or under any amendment made by this title, should purchase, when available and cost-effective, American made equipment and products when expending grant monies.

(b) **NOTICE TO RECIPIENTS OF ASSISTANCE.**—In allocating grants under this title, or under any amendment made by this title, the Secretary shall provide to each recipient a notice describing the statement made in subsection (a) by the Congress.

SEC. 307. COOPERATIVE AGREEMENTS FOR RESEARCH, ENGINEERING, AND DEVELOPMENT.

Section 44505 of title 49, United States Code, is amended by adding at the end the following new subsection:

"(d) **COOPERATIVE AGREEMENTS.**—The Administrator may enter into cooperative agreements on a cost-shared basis with Federal and non-Federal entities that the Administrator may select in order to conduct, encourage, and promote aviation research, engineering, and development, including the development of prototypes and demonstration models."

SEC. 308. RESEARCH PROGRAM ON QUIET AIRCRAFT TECHNOLOGY.

(a) **IN GENERAL.**—Subchapter 1 of chapter 475 of part B of subtitle VII is amended by adding at the end the following new section:

"§47509. **Research program on quiet aircraft technology for propeller and rotor driven aircraft**

"(a) **ESTABLISHMENT.**—The Administrator of the Federal Aviation Administration and the Administrator of the National Aeronautics and Space Administration shall conduct a study to identify technologies for noise reduction of propeller driven aircraft and rotorcraft.

"(b) **GOAL.**—The goal of the study conducted under subsection (a) is to determine the status

of research and development now underway in the area of quiet technology for propeller driven aircraft and rotorcraft, including technology that is cost beneficial, and to determine whether a research program to supplement existing research activities is necessary.

"(c) **PARTICIPATION.**—In conducting the study required under subsection (a), the Administrator of the Federal Aviation Administration and the Administrator of the National Aeronautics and Space Administration shall encourage the participation of the Department of Defense, the Department of the Interior, the airtour industry, the aviation industry, academia and other appropriate groups.

"(d) **REPORT.**—Not less than 280 days after the date of the enactment of this section, the Administrator of the Federal Aviation Administration and the Administrator of the National Aeronautics and Space Administration shall transmit to Congress a report on the results of the study required under subsection (a).

"(e) **RESEARCH AND DEVELOPMENT PROGRAM.**—If the Administrator of the Federal Aviation Administration and the Administrator of the National Aeronautics and Space Administration determine that additional research and development is necessary and would substantially contribute to the development of quiet aircraft technology, then the agencies shall conduct an appropriate research program in consultation with the entities listed in subsection (c) to develop safe, effective, and economical noise reduction technology (including technology that can be applied to existing propeller driven aircraft and rotorcraft) that would result in aircraft that operate at substantially reduced levels of noise to reduce the impact of such aircraft and rotorcraft on the resources of national parks and other areas."

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 47508 the following new item:

"47509. Research program on quiet aircraft technology for propeller and rotor driven aircraft."

TITLE IV—EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY

SEC. 401. EXPENDITURES FROM AIRPORT AND AIRWAY TRUST FUND.

Paragraph (1) of section 9502(d) of the Internal Revenue Code of 1986 (relating to expenditures from Airport and Airway Trust Fund) is amended—

(1) by striking "October 1, 1995" and inserting "October 1, 1996";

(2) by inserting "or the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992" after "Capacity Expansion Act of 1990" in subparagraph (A);

(3) by striking "(as such Acts were in effect on the date of the enactment of the Airport Improvement Program Temporary Extension Act of 1994)" in subparagraph (A) and inserting "or the Federal Aviation Administration Authorization Act of 1994"; and

(4) by adding at the end the following new flush sentence:

"Any reference in subparagraph (A) to an Act shall be treated as a reference to such Act and the corresponding provisions (if any) of title 49, United States Code, as such Act and provisions were in effect on the date of the enactment of the last Act referred to in subparagraph (A)."

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. RULEMAKING ON "RANDOM TESTING FOR PROHIBITED DRUGS."

Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete a rulemaking proceeding and issue a final

decision on whether there should be a reduction in the annualized rate now required by the Secretary of random testing for prohibited drugs for personnel engaged in aviation activities.

SEC. 502. TRANSPORTATION SECURITY REPORT.

Section 44938(a) is amended by striking "December 31" and inserting "March 31".

SEC. 503. REPEAL OF ANNUAL REPORT REQUIREMENT.

Section 401 of the Aviation Safety and Noise Abatement Act of 1979 (Public Law 96-193; 94 Stat. 57) is repealed.

SEC. 504. ADVANCED LANDING SYSTEM.

Notwithstanding any other provision of law or regulation, the Administrator shall consider for approval under part 171 of title 14, Code of Federal Regulations, the new generation, low cost, advanced landing system being developed by the Department of Defense. The charter for approval of such system shall be considered and acted upon expeditiously by the Federal Aviation Administration in the region where such system is being developed.

SEC. 505. ASBESTOS REMOVAL AND BUILDING DEMOLITION AND REMOVAL, VACANT AIR FORCE STATION, MARIN COUNTY, CALIFORNIA.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated in fiscal year 1995 to the account for the Department of Transportation for facilities and equipment of the Federal Aviation Administration such amount as may be necessary to permit the Administrator to carry out asbestos abatement activities and the demolition and removal of buildings at the site of the vacant Air Force station located on Mount Tamalpais, Marin County, California. The amount authorized to be appropriated by the preceding sentence shall not exceed the Federal Aviation Administration's share of the costs of carrying out such activities, demolitions, and removals.

(b) **AUTHORITY TO USE FUNDS.**—The Administrator may use the funds appropriated pursuant to the authorization of appropriations in subsection (a) to carry out the abatement activities and demolition and removal described in that subsection. Such funds shall be available for such purpose until expended.

SEC. 506. LAND ACQUISITION COSTS.

Notwithstanding section 47108 of title 49, United States Code, the Secretary may approve an upward adjustment not to exceed \$750,000 in the maximum obligation of the United States under an airport improvement program grant made under subchapter I of chapter 471 of subtitle VII of such title to a reliever airport after September 1, 1989, and before October 1, 1989, in order to assist in funding increased land acquisition costs (as determined in judicial proceedings) and associated eligible project costs.

SEC. 507. INFORMATION ON DISINFECTION OF AIRCRAFT.

(a) **AVAILABILITY OF INFORMATION.**—In the interest of protecting the health of air travelers, the Secretary shall publish a list of the countries (as determined by the Secretary) that require disinfection of aircraft landing in such countries while passengers and crew are on board such aircraft.

(b) **REVISION.**—The Secretary shall revise the list required under subsection (a) on a periodic basis.

(c) **PUBLICATION.**—The Secretary shall publish the list required under subsection (a) not later than 30 days after the date of the enactment of this Act. The Secretary shall publish a revision to the list not later than 30 days after completing the revision under subsection (b).

SEC. 508. CONTRACT TOWER ASSISTANCE.

The Secretary shall take appropriate action to assist communities where the Secretary deems such assistance appropriate in obtaining the in-

stallation of a Level I Contract Tower for those communities.

SEC. 509. DISCONTINUATION OF AVIATION SAFETY JOURNAL.

(a) **IN GENERAL.**—The Administrator may not publish, nor contract with any other organization for the publication of, the magazine known as the "Aviation Safety Journal".

(b) **CANCELLATION OF EXISTING CONTRACTS.**—Not later than 30 days after the date of the enactment of this Act, the Administrator shall cancel any existing contract for publication of the Aviation Safety Journal.

SEC. 510. MONROE AIRPORT IMPROVEMENT.

(a) **AUTHORITY TO GRANT WAIVERS.**—Notwithstanding section 16 of the Federal Airport Act (as in effect on the date of transfer of Selman Field, Louisiana, from the United States to the city of Monroe, Louisiana), the Secretary is authorized, subject to the provisions of section 47153 of title 49, United States Code, and the provisions of subsection (b) of this section, to waive any term contained in the 1949 deed of conveyance, or any other deed of conveyance occurring subsequent to that initial transference and before the date of enactment of this Act, under which the United States conveyed certain property then constituting Selman Field, Louisiana, to the city of Monroe, Louisiana, for airport purposes.

(b) **CONDITIONS.**—Any waiver granted under subsection (a) shall be subject to the following conditions:

(1) The city of Monroe, Louisiana, shall agree that, in conveying any interest in the property which the United States conveyed to the city by a deed described in subsection (a), the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by the Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

SEC. 511. SOLDOTNA AIRPORT IMPROVEMENT.

(a) **AUTHORITY TO GRANT WAIVERS.**—Notwithstanding section 16 of the Federal Airport Act (as in effect on December 12, 1963), the Secretary is authorized, subject to the provisions of section 47153 of title 49, United States Code, and the provisions of subsection (b) of this section, to waive any of the terms contained in the deed of conveyance dated December 12, 1963, under which the United States conveyed certain property to the city of Soldotna, Alaska, for airport purposes.

(b) **CONDITIONS.**—Any waiver granted under subsection (a) shall be subject to the following conditions:

(1) The city of Soldotna, Alaska, shall agree that, in conveying any interest in the property which the United States conveyed to the city by deed dated December 12, 1963, the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by the Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

SEC. 512. STURGIS, KENTUCKY.

(a) **AUTHORITY TO GRANT WAIVERS.**—Notwithstanding any other provision of law, the Secretary is authorized, subject to section 47153 of title 49, United States Code, and subsection (b) of this section, to waive with respect to such parcels of land, or portions of such parcels, as the Administrator determines are no longer required for airport purposes, from any term contained in the deed of conveyance dated July 13, 1948, under which the United States conveyed such property to the Union County Air Board, State of Kentucky, for airport purposes of the Sturgis Municipal Airport.

(b) **CONDITIONS.**—Any waiver granted by the Secretary under subsection (a) shall be subject to the following conditions:

(1) The Union County Air Board shall agree that, in leasing or conveying any interest in the property with respect to which waivers are granted under subsection (a), such Board will receive an amount that is equal to the fair lease value or the fair market value, as the case may be (as determined pursuant to regulations issued by the Secretary).

(2) Such Board shall use any amount so received only for the development, improvement, operation, or maintenance of the Sturgis Municipal Airport.

(3) Any other conditions that the Secretary considers necessary to protect or advance the interests of the United States in civil aviation.

SEC. 513. ROLLA AIRPORT IMPROVEMENT.

(a) **AUTHORITY TO GRANT WAIVERS.**—Notwithstanding section 16 of the Federal Airport Act (as in effect on December 30, 1957), the Secretary is authorized, subject to the provisions of section 47153 of title 49, United States Code, and the provisions of subsection (b) of this section, to waive any of the terms contained in the deed of conveyance dated December 30, 1957, or any other deed of conveyance dated after such date and before the date of enactment of this Act, under which the United States conveyed certain property to the city of Rolla, Missouri, for airport purposes.

(b) **CONDITIONS.**—Any waiver under subsection (a) shall be subject to the following conditions:

(1) The city of Rolla, Missouri, shall agree that, in conveying any interest in the property which the United States conveyed to the city by a deed described in subsection (a), the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by the Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

SEC. 514. PALM SPRINGS, CALIFORNIA.

(a) **AUTHORITY TO GRANT WAIVERS.**—Notwithstanding section 47153 of title 49, United States Code, and subject to the provisions of subsection (b), the Secretary shall grant waivers from all of the terms contained in the deed of conveyance dated September 15, 1949, under which the United States conveyed certain property to Palm Springs, California, for airport purposes. The waivers shall apply only to approximately 11 acres of lot 16 of section 13, and approximately 39.07 acres of lots 19 and 20 of section 19, used by the city of Palm Springs, California for general governmental purposes.

(b) **CONDITIONS.**—Any waiver granted by the Secretary under subsection (a) shall be subject to the following conditions:

(1) The Secretary shall waive any requirement that there be credited to the account of the airport any amount attributable to the city's use for governmental purposes of any land conveyed under the deed of conveyance referred to in subsection (a) before the date of the enactment of this section.

(2) The city shall abandon all claims, against income of the Palm Springs Regional Airport or other assets of that airport, for reimbursement of general revenue funds that the city may have expended before the date of the enactment of this section for acquisition of 523.39 acres of land conveyed August 28, 1961, for airport purposes and for expenses incurred at any time in connection with such acquisition, and such claims shall not be eligible for reimbursement under the Airport and Airway Improvement Act or any successor law.

SEC. 515. REAL ESTATE TRANSFERS IN ALASKA AND WEATHER OBSERVATION SERVICES.

(a) **TRANSFER OF SITE IN LAKE MINCHUMINA, ALASKA.**—The Administrator shall convey to the Iditarod Area School District the Federal Aviation Administration building number 106 and a reasonable amount of land to make use of the property, at Lake Minchumina, Alaska, for the purpose of providing educational facilities, under the terms set forth in Agreement No. DTF404-93-J-82007, between the Federal Aviation Administration and the Iditarod Area School District, and such other terms as are mutually agreed on between the Administrator and the Iditarod Area School District.

(b) **TRANSFER OF SITE IN FORT YUKON, ALASKA.**—The Administrator shall convey to the city of Fort Yukon, Alaska, the buildings of the Federal Aviation Administration and land in Fort Yukon, Alaska (described as that portion of Lot 4, U.S. Survey 7161, within section 8, T.20 N., R.12E., Fairbanks Meridian consisting of 7.14 acres, and containing the health clinic and staff housing for the aforementioned clinic) for the purpose of providing health services, under terms that are mutually agreed on between the Administrator and the city of Fort Yukon.

(c) **WEATHER OBSERVATION SERVICES.**—Not later than 90 days after the date of the enactment of this Act, the Administrator shall designate airports, as described in this section, and provide human observers at such airports to offer real time weather information to pilots by direct radio contact. Airports to be designated shall be located in a State that averaged, during the period 1989-1993, 3 or more accidents per year involving serious or fatal injury to crew or passengers on regularly scheduled flights operating single-engine aircraft under visual flight rules, and shall be designated as follows:

(1) Not to exceed 5 airports where terrain and conditions do not lend themselves to IFR operations supported solely by automated weather observing systems.

(2) Not to exceed 1 airport where an automated surface observing system is scheduled to be accepted on September 1, 1994, with such weather services to be provided until such time as the Administrator determines that the automated surface observing system is fully operational.

(3) Not to exceed 8 airports (where such weather observation services shall be on a cost-reimbursable basis) that are minor hub stations or strategic visual flight rules alternate airports at times when an observer is needed to supplement the automated weather observing system or immediately replace it in the event of failure.

SEC. 516. RELOCATION OF AIRWAY FACILITIES.

Compensation received by the United States for transfer of the San Jacinto Disposal Area by the United States to the city of Galveston, Texas, shall include compensation to be provided to the Federal Aviation Administration for all costs of establishing airway facilities to replace existing airway facilities on the San Jacinto Disposal Area. Such compensation shall include but is not limited to compensation for the replacement of the land, clear zones, buildings and equipment, and demolition and disposal of the existing facilities on the San Jacinto Disposal Area.

SEC. 517. SAFETY AT ASPEN-PITKIN COUNTY AIRPORT.

(a) **NIGHTTIME OPERATIONS.**—On and after November 1, 1994, nighttime operations (takeoffs and landings) at Aspen-Pitkin County Airport in the State of Colorado shall be allowed for a pilot operating under instrument flight rules or visual flight rules under parts 91 and 135 of title 14, Code of Federal Regulations, between 30 minutes after official sunset and 11 p.m., local time, as follows:

(1) A pilot may operate under instrument flight rules between 30 minutes after official sunset and 11 p.m., local time (or such other operating hours as are established uniformly for all classes of operators), only if the pilot—

(A) is granted clearance by air traffic control;

(B) is instrument-rated;

(C) is operating an aircraft that is equipped as required under section 91.205(d) of such title 14 for instrument flight; and

(D) is operating an instrument approach or departure procedure approved by the Federal Aviation Administration.

(2) A pilot may operate under visual flight rules between 30 minutes after official sunset and 11:00 p.m., local time (or such other operating hours as are established uniformly for all classes of operators), only if the pilot—

(A) is instrument rated;

(B) has completed at least one takeoff or landing in the preceding 12 calendar months at such airport; and

(C) operates an aircraft equipped as required under section 91.205(d) of such title 14 for instrument flight.

(b) **COMMITMENTS OF AIRPORT OWNER OR OPERATOR.**—The owner or operator of the Aspen-Pitkin County Airport shall be considered to be in compliance with the requirements of subchapter II of chapter 475 of title 49, United States Code, and not otherwise unjustly discriminatory when such owner or operator notifies the Administrator that such owner or operator—

(1) commits to modify its existing regulation to expand access to general aviation operations under such special operating restrictions as are created under subsection (a) and such conditions applicable to aircraft noise certification as are currently in effect for night operations at such airport; and

(2) commits permanently not to enforce its 1990 regulatory action eliminating the so-called "ski season exception" to its nighttime curfew. To remain in compliance, such owner or operator shall carry out both such commitments on or before November 1, 1994.

(c) **MOUNTAIN FLYING.**—The Administrator shall issue a notice of proposed rulemaking on mountain flying.

SEC. 518. COLLECTIVE BARGAINING AT WASHINGTON AIRPORTS.

(a) **STUDY.**—The Secretary and the Secretary of Labor shall undertake a study of whether employees of airports operated by the Metropolitan Washington Airports Authority (hereinafter in this section referred to as the "Airports Authority") should be given the right to bargain collectively. The study shall consider whether the benefits of collective bargaining for employees of the Airports Authority outweighs the burdens of collective bargaining.

(b) **MATTERS TO BE CONSIDERED.**—In conducting the study under subsection (a), the Secretary and the Secretary of Labor shall investigate the following matters and reach conclusions as to the relevance of such matters to the question of whether employees of airports operated by the Airports Authority should be given collective bargaining rights:

(1) The employment status of employees of the Airports Authority.

(2) The wages and working conditions of firefighters and other employees at the airports operated by the Airports Authority and other airports.

(3) The collective bargaining rights of employees at the airports operated by the Airports Authority and other airports.

(4) Whether other airports are governed by Federal labor laws.

(5) The existing rights of employees of the Airports Authority to collective representation regarding the terms and conditions of employment.

(6) Any other factors that the Secretary and the Secretary of Labor consider relevant to the study.

In conducting such study, the Secretary and the Secretary of Labor shall also consider procedures for impasse resolution of collective bargaining disputes that will avoid the disruption of essential public services at the Airports Authority.

(c) **REPORT.**—Not later than March 1, 1995, the Secretary and the Secretary of Labor shall transmit to Congress a report containing the results of the study to be conducted under subsection (a). If the study concludes that employees of the airports operated by the Airports Authority should be afforded collective bargaining rights, the report shall also include specific legislative recommendations.

SEC. 519. REPORT ON CERTAIN BILATERAL NEGOTIATIONS.

The Secretary shall report every other month to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate on the status of all active aviation bilateral and multilateral negotiations and informal government-to-government consultations with United States aviation trade partners.

SEC. 520. STUDY ON INNOVATIVE FINANCING.

(a) **STUDY.**—The Secretary shall conduct a study on innovative approaches for using Federal funds to finance airport development as a means of supplementing financing available under the Airport Improvement Program.

(b) **MATTERS TO BE CONSIDERED.**—In conducting the study under subsection (a), the Secretary shall consider, at a minimum, the following:

(1) Mechanisms that will produce greater investments in airport development per dollar of Federal expenditure.

(2) Approaches that would permit entering into agreements with non-Federal entities, such as airport sponsors, for the loan of Federal funds, guarantee of loan repayment, or purchase of insurance or other forms of enhancement for borrower debt, including the use of unobligated Airport Improvement Program contract authority and unobligated balances in the Airport and Airway Trust Fund.

(3) Means to lower the cost of financing airport development.

(c) **CONSULTATION.**—In considering innovative financing pursuant to this section, the Secretary may consult with airport owners and operators and public and private sector experts.

(d) **REPORT TO CONGRESS.**—Not later than 12 months after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a).

SEC. 521. SAFETY OF JUNEAU INTERNATIONAL AIRPORT.

(a) **STUDY.**—Not later than 30 days after the date of the enactment of this Act, the Secretary, in cooperation with the National Transportation Safety Board, the National Guard, and the Juneau International Airport, shall undertake a study of the safety of the approaches to the Juneau International Airport.

(b) **MATTERS TO BE CONSIDERED.**—In conducting the study under subsection (a), the Secretary shall examine—

(1) the crash of Alaska Airlines Flight 1866 on September 4, 1971;

(2) the crash of a Lear Jet on October 22, 1985;

(3) the crash of an Alaska Army National Guard aircraft on November 12, 1992;

(4) the adequacy of NAVAIDs in the vicinity of the Juneau International Airport;

(5) the possibility of inaccurate data from Sisters Island DVOR and the possibility of confusion between Elephant Island Non-Directional Beacon and Coghlan Island Non-Directional Beacon;

(6) the need for a singular Approach Surveillance Radar site on top of Heintzleman Ridge;

(7) the need for a Terminal Very High Frequency Omni-Directional Range (Terminal VOR) navigational aid in Gastineau Channel; and

(8) any other matter that a participant in the study specified in subsection (a) considers appropriate to the safety of aircraft approaching or leaving the Juneau International Airport.

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report which—

(1) details the matters considered by the study conducted under subsection (a);

(2) summarizes any conclusions reached by the participants in the study;

(3) proposes specific recommendations to improve or enhance the safety of aircraft approaching or leaving the Juneau International Airport or contains a detailed explanation of why no recommendations are being proposed;

(4) estimates the cost of any proposed recommendations;

(5) includes any other matters the Secretary deems appropriate; and

(6) includes any minority views if a consensus is not reached among the participants in the study specified in subsection (a).

SEC. 522. STUDY ON CHILD RESTRAINT SYSTEMS.

(a) STUDY.—The Secretary shall conduct a study on the availability, effectiveness, cost, and usefulness of restraint systems that may offer protection to a child carried in the lap of an adult aboard an air carrier aircraft or provide for the attachment of a child restraint device to the aircraft.

(b) STUDY CRITERIA.—Among other issues, the study shall examine the impact of the following:

(1) The direct cost to families of requiring air carriers to provide restraint systems and requiring infants to use them, including whether airlines will charge a fare for use of seats containing infant restraining systems; such estimate to cover a ten-year period.

(2) The impact on air carrier aircraft passenger volume by requiring use of infant restraint systems, including whether families will choose to travel to destinations by other means, including automobiles; such estimate to cover a ten-year period.

(3) The impact over a 10-year period on fatality rates of infants using other modes of transportation, including automobiles.

(4) The efficacy of infant restraint systems currently marketed as able to be used for air carrier aircraft.

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of the study conducted under subsection (a).

SEC. 523. SENSE OF SENATE RELATING TO DOT INSPECTOR GENERAL.

It is the sense of the Senate that the Inspector General of the Department of Transportation in carrying out the duties and responsibilities of the Inspector General Act of 1978 has oversight responsibilities and may conduct and supervise audits and investigations relating to any funds appropriated by the Congress and made available for any programs or operations at Washington National Airport and Washington Dulles International Airport, and that the Inspector General shall—

(1) provide leadership and coordination and recommend policies for activities designed to

promote the economy, efficiency, and effectiveness of such programs and operations;

(2) act to prevent and detect fraud and abuse in such programs and operations; and

(3) inform the Secretary and the Congress about problems and deficiencies relating to the administration of such programs and operations.

SEC. 524. SENSE OF SENATE ON ISSUANCE OF REPORT ON USAGE OF RADAR AT THE CHEYENNE, WYOMING, AIRPORT.

It is the sense of the Senate that the Secretary should—

(1) take such action as may be necessary to revise the cost and benefit analysis process of the Department of Transportation to fully take projected military enplanement and cost savings figures into consideration with regard to radar installations at joint-use civilian and military airports;

(2) require the Administrator to reevaluate the aircraft radar needs at the Cheyenne, Wyoming, airport and enter into an immediate dialogue with officials of the Wyoming Air Guard, F.E. Warren Air Force Base, and Cheyenne area leaders in the phase II radar installation reevaluation of the Administration and adjust cost and benefit determinations based to some appropriate degree on already provided military figures and concerns and other enplanement projections in the region; and

(3) report to Congress not later than 60 days after the date of the enactment of this Act on the results of the reevaluation of the aircraft radar needs of the Cheyenne, Wyoming, airport and of Southeast Wyoming, and explain how military figures and concerns will be appropriately solicited in future radar decisions involving joint-use airport facilities.

SEC. 525. NORTH KOREA.

(a) FINDINGS.—(1) President Clinton stated in November 1993 that it is the official policy of the United States that North Korea cannot be allowed to become a nuclear power.

(2) The United States seeks to persuade North Korea, through negotiations, the imposition of sanctions, or other means, to act in accordance with its freely undertaken obligations under the Treaty on the Non-Proliferation of Nuclear Weapons and to abandon its efforts to develop nuclear weapons.

(3) North Korea has repeatedly threatened to withdraw from the Treaty on the Non-Proliferation of Nuclear Weapons, has resisted efforts of the International Atomic Energy Agency to conduct effective inspections of its nuclear program, and has stated that it would consider the imposition of economic sanctions as an act of war and has threatened retaliatory action.

(4) The North Korean Government has constructed and has operated a reprocessing facility at Yongbyon solely designed to convert spent nuclear fuel into plutonium with which to make nuclear weapons. Further, the existence of this facility and the development of these weapons gravely threaten security in the region and increases the likelihood of worldwide nuclear terrorism.

(5) The Secretary of Defense stated that the United States must act on the assumption that there will be some increase in the risk of war if sanctions are imposed on North Korea.

(6) It is incumbent on the United States to take all necessary and prudent action to act together with the Republic of Korea to ensure the preparedness of United States and Republic of Korea forces to repel as quickly as possible any attack from North Korea and to protect the safety and security of United States and Republic of Korea forces, as well as the safety and security of the civilian population of the peninsula.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the United States should immediately take all necessary and prudent actions

to enhance the preparedness and safety of United States forces and urge and assist the Republic of Korea to do likewise in order to deter and, if necessary, repel an attack from North Korea.

SEC. 526. SENSE OF SENATE ON FINAL REGULATIONS UNDER CIVIL RIGHTS ACT OF 1964.

(a) FINDINGS.—The Senate finds that—

(1) the liberties protected by our Constitution include religious liberty protected by the first amendment;

(2) citizens of the United States profess the beliefs of almost every conceivable religion;

(3) Congress has historically protected religious expression even from governmental action not intended to be hostile to religion;

(4) the Supreme Court has written that "the free exercise of religion means, first and foremost, the right to believe and profess whatever religious doctrine one desires";

(5) the Supreme Court has firmly settled that under our Constitution the public expression of ideas may not be prohibited merely because the content of the ideas is offensive to some;

(6) Congress enacted the Religious Freedom Restoration Act of 1993 to restate and make clear again our intent and position that religious liberty is and should forever be granted protection from unwarranted and unjustified government intrusions and burdens;

(7) the Equal Employment Opportunity Commission has written proposed guidelines to title VII of the Civil Rights Act of 1964, published in the Federal Register on October 1, 1993, that may result in the infringement of religious liberty;

(8) such guidelines do not appropriately resolve issues related to religious liberty and religious expression in the workplace;

(9) properly drawn guidelines for the determination of religious harassment should provide appropriate guidance to employers and employees and assist in the continued preservation of religious liberty as guaranteed by the first amendment;

(10) the Commission states in its proposed guidelines that it retains wholly separate guidelines for the determination of sexual harassment because the Commission believes that sexual harassment raises issues about human interaction that are to some extent unique in comparison to other harassment and may warrant separate treatment; and

(11) the subject of religious harassment also raises issues about human interaction that are to some extent unique in comparison to other harassment.

(b) It is the sense of the Senate that, for purposes of issuing final regulations under title VII of the Civil Rights Act of 1964 in connection with the proposed guidelines published by the Equal Employment Opportunity Commission on October 1, 1993 (58 Fed. Reg. 51266)—

(1) the category of religion should be withdrawn from the proposed guidelines at this time;

(2) any new guidelines for the determination of religious harassment should be drafted so as to make explicitly clear that symbols or expressions of religious belief consistent with the first amendment and the Religious Freedom Restoration Act of 1993 are not to be restricted and do not constitute proof of harassment;

(3) the Commission should hold public hearings on such new proposed guidelines; and

(4) the Commission should receive additional public comment before issuing similar new regulations.

TITLE VI—INTRASTATE TRANSPORTATION OF PROPERTY

SEC. 601. PREEMPTION OF INTRASTATE TRANSPORTATION OF PROPERTY.

(a) FINDINGS.—Congress finds and declares that—

(1) the regulation of intrastate transportation of property by the States has—

(A) imposed an unreasonable burden on interstate commerce;

(B) impeded the free flow of trade, traffic, and transportation of interstate commerce; and

(C) placed an unreasonable cost on the American consumers; and

(2) certain aspects of the State regulatory process should be preempted.

(b) TRANSPORTATION BY AIR CARRIER OR CARRIER AFFILIATED WITH A DIRECT AIR CARRIER.—

(1) IN GENERAL.—Section 41713(b) is amended by adding at the end the following new paragraph:

“(4) TRANSPORTATION BY AIR CARRIER OR CARRIER AFFILIATED WITH A DIRECT AIR CARRIER.—

“(A) GENERAL RULE.—Except as provided in subparagraph (B), a State, political subdivision of a State, or political authority of 2 or more States may not enact or enforce a law, regulation, or other provision having the force and effect of law related to a price, route, or service of an air carrier or carrier affiliated with a direct air carrier through common controlling ownership when such carrier is transporting property by aircraft or by motor vehicle (whether or not such property has had or will have a prior or subsequent air movement).

“(B) MATTERS NOT COVERED.—Subparagraph (A)—

“(i) shall not restrict the safety regulatory authority of a State with respect to motor vehicles, the authority of a State to impose highway route controls or limitations based on the size or weight of the motor vehicle or the hazardous nature of the cargo, or the authority of a State to regulate motor carriers with regard to minimum amounts of financial responsibility relating to insurance requirements and self-insurance authorization; and

“(ii) does not apply to the transportation of household goods, as defined in section 10102 of this title.

“(C) APPLICABILITY OF PARAGRAPH (1).—This paragraph shall not limit the applicability of paragraph (1).”.

(2) CONFORMING AMENDMENTS.—

(A) SECTION 41713.—Section 41713(b)(2) is amended by striking “Paragraph (1) of this subsection does” and inserting “Paragraphs (1) and (4) of this subsection do”.

(B) SECTION 40102.—Section 40102(a)(35) is amended by striking “for air transportation”.

(C) SECTION 10521.—Section 10521(b)(1) is amended by striking “and 11501(e)” and inserting “11501(e), and 11501(h)”.

(c) TRANSPORTATION BY MOTOR CARRIER.—Section 11501 is amended by adding at the end the following new subsection:

“(h) PREEMPTION OF STATE ECONOMIC REGULATION OF MOTOR CARRIERS.—

“(1) GENERAL RULE.—Except as provided in paragraphs (2) and (3), a State, political subdivision of a State, or political authority of 2 or more States may not enact or enforce a law, regulation, or other provision having the force and effect of law related to a price, route, or service of any motor carrier (other than a carrier affiliated with a direct air carrier covered by section 41713(b)(4) of this title) or any motor private carrier with respect to the transportation of property.

“(2) MATTERS NOT COVERED.—Paragraph (1)—

“(A) shall not restrict the safety regulatory authority of a State with respect to motor vehicles, the authority of a State to impose highway route controls or limitations based on the size or weight of the motor vehicle or the hazardous nature of the cargo, or the authority of a State to regulate motor carriers with regard to minimum amounts of financial responsibility relating to insurance requirements and self-insurance authorization; and

“(B) does not apply to the transportation of households goods.

“(3) STATE STANDARD TRANSPORTATION PRACTICES.—

“(A) CONTINUATION.—Paragraph (1) shall not affect any authority of a State, political subdivision of a State, or political authority of 2 or more States to enact or enforce a law, regulation, or other provision, with respect to the intrastate transportation of property by motor carriers, related to—

“(i) uniform cargo liability rules,

“(ii) uniform bills of lading or receipts for property being transported,

“(iii) uniform cargo credit rules, or

“(iv) antitrust immunity for joint line rates or routes, classifications and mileage guides, if such law, regulation, or provision meets the requirements of subparagraph (B).

“(B) REQUIREMENTS.—A law, regulation, or provision of a State, political subdivision, or political authority meets the requirements of this subparagraph if—

“(i) the law, regulation, or provision covers the same subject matter as, and compliance with such law, regulation, or provision is no more burdensome than compliance with, a provision of this subtitle or a regulation issued by the Interstate Commerce Commission or the Secretary of Transportation under this subtitle; and

“(ii) the law, regulation, or provision only applies to a carrier upon request of such carrier.

“(C) ELECTION.—Notwithstanding any other provision of law, a carrier affiliated with a direct air carrier through common controlling ownership may elect to be subject to a law, regulation, or provision of a State, political subdivision, or political authority under this paragraph.”.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on January 1, 1995; except that with respect to the State of Hawaii the amendment made by subsection (c) shall take effect on the last day of the 3-year period beginning on the date of the enactment of this Act.

And the Senate agree to the same.

From the Committee on Public Works and Transportation, for consideration of titles I and II of the House bill, and the Senate amendment (except secs. 121, 206, 304, 415, 418 and title VI), and modifications committed to conference:

NORMAN Y. MINETA,
NICK RAHALL,
JAMES L. OBERSTAR,
ROBERT A. BORSKI,
BOB CLEMENT,
BUD SHUSTER,
BILL CLINGER,
THOMAS E. PETRI,

From the Committee on Banking, Finance and Urban Affairs, for consideration of title VI of the Senate amendment, and modifications committed to conference:

HENRY GONZALEZ,
STEVE NEAL,

From the Committee on Education and Labor, for consideration of sec. 418 of the Senate amendment, and modifications committed to conference:

WILLIAM D. FORD,
MAJOR R. OWENS,
HOWARD “BUCK” MCKEON,

From the Committee on Education and Labor, for consideration of sec. 208 of the House bill, and modifications committed to conference:

WILLIAM D. FORD,
BILL CLAY,
PAT WILLIAMS,

From the Committee on Foreign Affairs, for consideration of sec. 415 of the Senate amendment, and modifications committed to conference:

LEE H. HAMILTON,
TOM LANTOS,
GARY L. ACKERMAN,
HOWARD L. BERMAN,
ENI FALEOMAVAEGA,
BENJAMIN A. GILMAN,
BILL GOODLING,
JIM LEACH,

From the Committee on Science, Space, and Technology, for consideration of title III of the House bill, and secs. 206 and 304 of the Senate amendment, and modifications committed to conference:

GEORGE E. BROWN, Jr.,
TIM VALENTINE,
DAN GLICKMAN,
PETE GEREN,
JANE HARMAN,
ROBERT S. WALKER,
TOM LEWIS,
CONSTANCE MORELLA,

From the Committee on Ways and Means, for consideration of title IV of the House bill, and secs. 121 and 122 of the Senate amendment, and modifications committed to conference:

SAM GIBBONS,
DAN ROSTENKOWSKI,
J.J. PICKLE,
PETE STARK,
BILL ARCHER,
PHIL CRANE,

Managers on the Part of the House.

ERNEST HOLLINGS,
WENDELL FORD,
JAMES EXON,
JOHN C. DANFORTH,
LARRY PRESSLER,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2739) to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations for fiscal years 1994, 1995, and 1996, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

1. SECTION 1. SHORT TITLE

House bill

“Aviation Infrastructure Investment Act of 1993.”

Senate amendment

“Federal Aviation Administration Authorization Act of 1994.”

Conference substitute

Senate amendment.

2. SECTION 101. AIP REAUTHORIZATION

House bill

Authorizes contract authority for Airport Improvement Program of \$2.105 billion for fiscal year 1994; \$2.161 billion for fiscal year 1995; and \$2.214 billion for fiscal year 1996.

Senate amendment

Authorizes AIP contract authority of \$2.05 billion for fiscal year 1994; \$2.2 billion for fiscal year 1995; and \$2.28 billion for fiscal year 1996.

Conference substitute

The Conference Substitute adopts the authorization levels of the House bill.

In recent years, AIP funding has steadily been reduced in the appropriations process. The Managers are concerned about the affect these lower funding levels will have on private reliever airports. In order to receive an AIP grant, airports must put up a local share, usually between 10 and 25 percent of the grant. Currently, airports can use land value as an airport's local share. Under this approach, an airport would agree to forego reimbursement from the FAA for the land the airport previously acquired itself. The amount of the reimbursement foregone is counted as the airport's local share. However, the FAA considers the amount of the reimbursement foregone to be the value of the land at the time that the airport acquired it, rather than its current value at the time the AIP grant is made. Under these circumstances, the private reliever airports present a special case, dealing with private property rights. There are but a few private reliever airports in the country that may be in such a unique position.

These private reliever airports acquired their land years ago. Consequently the value of the land, as calculated by the FAA for the purpose of the local share, is treated as only a fraction of its real value today. As a result, private reliever airports may not get the full benefit of using land for the local share. At private reliever airports, because of their limited ability to generate revenues, land valuation may be the only means to obtain financing. As a consequence, this limited land valuation may inhibit the private reliever in meeting the local share requirements for an AIP grant. These relievers provide a benefit to the national air transportation system, at least as important as public relievers, in reducing congestion at larger airports. Therefore, impediments to improving these private reliever facilities should be minimized. Accordingly, the Managers urge the FAA to reconsider carefully its policy on land value of private relievers for their local share under the AIP program.

Due to the lapse in the AIP program, new hub airports have had to move forward with multi-year capital construction programs to accommodate new increased cargo demands at airports. The Managers recommend that the FAA take these factors into consideration when awarding FY 1995 capital grants and negotiating Letters of Intent.

With respect to Title 49 U.S.C. Section 47102 (3)(E) of the Airport and Airway Improvement Act, the Managers intend relocation of radar towers to include a tower which must be relocated due to interference from a facility served by a project approved by the Secretary under this title.

3. SECTION 102. F&E REAUTHORIZATION

House bill

Authorizes funding for FAA Facilities and Equipment of \$2.524 billion for fiscal year 1994; \$2.670 billion for fiscal year 1995; and \$2.735 billion for fiscal year 1996.

Senate amendment

No provision.

Conference substitute

The Conference Substitute adopts the funding levels of the House bill.

The Managers recognize, as does the FAA, that weather information plays a critical

role in aviation safety. In addition, according to the FAA, in 1993, weather accounted for 71.8 percent of delays. The need to better detect weather systems is borne out by NTSB data which indicates that weather is cited as the cause in 20-25% of all aviation accidents. There are many systems that are used by FAA to track weather, and FAA also works with the National Weather Service to ensure that the best information is available. Systems like Low Level Windshear Alert Systems and Terminal Doppler Weather Radars (TDWRs) are designed to provide advance warnings of windshear and other potentially hazardous wind conditions. Currently, FAA is in the process of installing TDWRs at 47 sites. Ten sites already have TDWRs, but only one has been commissioned. (The first site was commissioned on July 21, 1994.) In addition, nine sites are under construction, while the remaining sites are awaiting installation. As a general matter, it takes some 18 months to install a TDWR, and an additional 4 to 6 months to commission the facility.

The TDWRs must be sited approximately 8 to 12 miles off the end of a runway. In selecting sites, the FAA has encountered a variety of problems, including wetlands replacement and other environmental issues, as well as land owners unwilling to sell the land. The FAA has worked through many of these problems. Currently, FAA anticipates that it will install and commission TDWRs at the rate of one and a half per month. TDWR technology is fully developed and the contract executed. Delivery, installation and commissioning remain to be accomplished.

The Managers want to ensure that the FAA continues to make this program a priority and that sufficient resources and personnel are available to ensure its completion. In addition, the Managers urge the FAA to accelerate areas like environmental reviews and system check out teams. Finally, the Managers request that the FAA keep the Committee on Commerce, Science, and Transportation and the Committee on Public Works and Transportation apprised of any scheduling changes in the program.

With respect to the modernization of towers the Managers direct the FAA to fully consider the tower modernization needs beyond the approximately 70 Towers currently being addressed under the restructured TCCC program. FAA shall consider the implementation of FAA-developed systems which provide enhanced functionality on a low-cost basis as a near-term complement to the restructured TCCC. The Managers believe the FAA should consider a Pilot Project involving several towers which could then be evaluated and potentially expanded to bring modernization operations to as many towers as possible. The FAA should report to the House Committee on Public Works and Transportation and the Senate Committee on Commerce, Science and Transportation on its activities in this regard.

4. SECTION 102. O&M FROM TRUST FUND

House bill

Authorizes Trust Fund to support FAA Operations subject to ceilings of 50% of the amounts made available for the AIP, F&E, and R&D programs and that total Trust Fund spending may not exceed 70% of FAA's budget.

Senate Amendment

No provision.

Conference substitute

House bill.

5. SECTION 103. FAA OPERATIONS AUTHORIZATION

House bill

Authorizes FAA Operations in the amounts of \$4.576 billion for fiscal year 1994; \$4.674 billion for fiscal year 1995; and \$4.810 billion for fiscal year 1996.

Senate Amendment

No provision.

Conference substitute

House bill.

6. SECTION 103. MINIMUM ENTITLEMENT

House bill

The minimum entitlement in AIP program is raised from \$400,000 a year to \$500,000.

Senate Amendment

No provision.

Conference substitute

No provision (enacted in P.L. 103-260, April 19, 1994).

7. INTEGRATED AIRPORT SYSTEM PLANNING

House bill

Minimum funding for integrated airport system planning in the AIP program is increased from 0.5% to 0.75% of AIP program.

Senate Amendment

No provision.

Conference substitute

No provision (enacted in P.L. 103-260, April 19, 1994).

8. SECTION 116. MILITARY AIRPORT SET-ASIDE OF 2.5% OF AIP PROGRAM

House bill

Minimum funding requirements for military airports in the AIP program are extended through FY 1996. The number of airports which may be included in the program is increased from 12 to 16.

Senate Amendment

Minimum funding requirements are extended indefinitely. There is no numerical limitation on the number of airports in program. Airports to be added to the program are limited to military airports listed in reports of the Defense Base Closure and Realignment Commission. The exception to the limitation of five years participation in the program is eliminated (the exception permits airports which do not reach the small hub level to be redesignated). Eligibility for funding for repair or construction of parking lots, fuel farms, and utilities is extended indefinitely.

Conference substitute

The program is extended through FY 1996 and the number of airports which may participate in the program is increased to 15. For airports added to the program in the future, there must be a finding that development of the military airport would reduce delays at an airport with more than 20,000 hours of annual delay. The Senate provision eliminating the exception to five year limit is included. Notwithstanding the recent GAO report, the Managers expect the FAA to continue to make grants to military airports for runways, taxiways, land, and aprons. FAA should not necessarily focus on fuel farms, parking lots, and utilities, except where that is important for making the airport compatible with civilian use.

9. TERMINAL DEVELOPMENT AT SMALL AIRPORTS

House bill

Makes non-hub airports eligible for discretionary AIP funding for terminal development.

Senate Amendment

No provision.

Conference substitute

No provision (enacted in P.L. 103-260, April 19, 1994).

10. SECTION 105. EXPLOSIVE DETECTION DEVICES AND UNIVERSAL ACCESS SYSTEM

House bill

Clarifies that explosive detection devices and universal access systems are eligible for AIP funding if they otherwise meet the criteria for funding of security equipment.

Senate amendment

Same provision.

Conference substitute

House bill.

11. SECTION 104. INNOVATIVE CONCRETE

House bill

Amends the policy statement for the AIP program to establish the goal of administering the AIP program to encourage the development and use of innovative concrete and other building materials.

Senate amendment

Amends the policy statement to encourage innovative technology generally, in all Trust Fund programs.

Conference substitute

The Conference substitute merges the House bill and the Senate Amendment.

12. SECTION 115. LETTERS OF INTENT

House bill

Provides that AIP grants may be made under letters of intent in the same fiscal year that the letter is issued.

Senate amendment

Same provision.

Conference substitute

House bill.

13. SECTION 514. PALM SPRINGS

House bill

Allows the release of deed restrictions requiring specified land at Palm Springs Airport to be used for airport purposes, subject to certain conditions.

Senate amendment

Same provision.

Conference substitute

House bill.

14. FEES FOR FOREIGN REPAIR STATIONS (SEE ITEM 32)

House bill

Requires the FAA to establish a schedule of fees equivalent to the costs of certifying and inspecting foreign repair stations.

Senate amendment

No provision.

Conference substitute

Merge the House bill with the Senate amendment in Item 32.

15. SECTION 501. RANDOM DRUG TESTING

House bill

Requires the Secretary of Transportation to complete a rulemaking proceeding in 1 year to determine whether to reduce the rate of random drug testing with regard to aviation personnel. If the rulemaking is not completed on time, the rate of random drug testing is reduced by law to 25% of employees per year.

Senate amendment

No provision.

Conference substitute

The Conference Substitute establishes a 6 month deadline for the completion of a Department of Transportation rulemaking on this issue.

In February 1994, DOT issued a notice of proposed rulemaking concerning random drug testing rates, under which the testing rates for aviation and other modal industries are tied to the percentage of positive tests for persons working in the particular transportation industry. The Managers urge the Department to move forward on this rulemaking expeditiously.

16. SECTION 204. PASSENGER FACILITY CHARGES ON FREQUENT FLIERS

House bill

Provides that airports may not impose passenger facility charges (PFCs) on frequent fliers and other non-paying passengers.

Senate amendment

No provision.

Conference substitute

House bill.

17. SECTION 204. JUSTIFICATION FOR PFC

House bill

Provides that to approve a PFC, the Secretary of Transportation must find that the application includes adequate justification for each of the projects proposed.

Senate amendment

No provision.

Conference substitute

House bill.

18. SECTION 201. TERM OF OFFICE FOR FAA ADMINISTRATOR

House bill

Establishes a five year term of office for FAA Administrators appointed after enactment.

Senate amendment

No provision.

Conference substitute

House bill.

19. SECTION 120. SOUNDPROOFING RESIDENTIAL BUILDINGS

House bill

Continues an exemption permitting funding for the soundproofing of residential buildings at airports which have not completed a Part 150 study.

Senate amendment

Same provision.

Conference substitute

House bill.

20. SECTION 120. SOUNDPROOFING RESIDENTIAL BUILDINGS AT AIRPORTS WHERE DEPARTURE PROCEDURES WERE CHANGED BY FAA

House bill

Allows funding for the soundproofing of residential buildings at airports which did not do a Part 150 study, if there is increased noise at the airport caused by a revision of departure procedures that occurred in FY 1993.

Senate amendment

Same provision.

House bill.

21. SECTION 518. COLLECTIVE BARGAINING AT WASHINGTON AIRPORTS

House bill

Provides for collective bargaining for employees of the Metropolitan Washington Airports Authority, with a prohibition of strikes and lockouts, and a requirement of mandatory arbitration of disputes which are not resolved by bargaining.

Senate amendment

No provision.

Conference substitute

Requires the Secretaries of Transportation and Labor to study the issue of whether em-

ployees of the airports operated by the Metropolitan Washington Airports Authority should be given the right to bargain collectively for wages.

The Managers raised a number of questions concerning this provision during its consideration, which led to the decision to seek further information. The Managers would expect to revisit this issue upon completion of the study.

One of the specific items which is to be studied may require clarification; with respect to the "status of employees," the Managers contemplate a determination of whether airport employees are state or federal employees, or have some other status.

22. SECTION 519. REPORT ON BILATERAL NEGOTIATIONS

House bill

Requires a bimonthly report from the Secretary of Transportation on active aviation bilateral negotiations.

Senate amendment

No provision.

Conference substitute

House bill. The Managers have agreed to this provision so that the committees can be kept apprised of important developments in aviation negotiations. Currently, the Department is providing only a list of meeting dates concerning such negotiations. The report directed by the Conference Substitute requires a summary and analysis of discussions held in active negotiations and informal government consultation. Departmental views in the prospects for reaching a satisfactory agreement should also be included.

23. SECTION 206. SLOTS

House bill

Requires DOT to conduct a study of whether the high density rule should be eliminated or whether an increase in the number of operations should be permitted. The study should also include the impact of prohibiting the withdrawal of domestic slots for international service by U.S. or foreign carriers.

Provides that slot availability shall not be a factor in establishing Essential Air Service (EAS) requirements; requires the Secretary to take action to ensure that slots are available as needed for EAS communities, subject to a limit of 132 EAS slots at O'Hare; modifies requirements for retaining slots previously used for EAS, so that a slot may be retained only if it is used to provide basic EAS at another point.

Provides that the Secretary shall not take a slot from a U.S. carrier and award the slot to a foreign carrier, if U.S. carriers are not provided equal access in the foreign country involved.

Senate amendment

References an on-going DOT study of the high density rule. Requires the study to consider the impact of existing rules on essential air service and new entrants, and to consider the fairness and desirability of current rules providing for the withdrawal of domestic slots for foreign operations. Requires a rulemaking after the study is completed in November, 1994. The NPRM resulting from the study must be issued by March 1, 1995, and the final rule be June 1, 1995.

Authorizes exemptions to create additional slots at airports, other than National Airport, for Stage 3 operations, essential air service with Stage 3 aircraft, foreign air transportation with Stage 3 aircraft, and new entrants, in exceptional circumstances.

At National Airport, a carrier now holding slots may obtain an exemption to obtain another slot to operate Stage 3 aircraft if the

exemption does not increase the total number of slots at National, does not increase hourly operations at National by more than two, does not withdraw slots from any carrier, and does not increase the noise impact.

Any exemptions issued shall terminate on the effective date of the new regulations.

DOT is directed to consider eliminating weekend flights from the use-it-or-lose-it rule for slots.

Until new slot regulations are issued, the Secretary may not withdraw domestic slots at O'Hare Airport for the purpose of reallocating such slots to international service.

Conference substitute

The Substitute requires that, in determining what is basic essential air service and selecting an air carrier to provide such service, the Secretary of Transportation shall not consider as a factor whether slots at a high density airport are available for providing such service. The substitute further requires that if essential air service is to be provided from an eligible point to a high density airport, the Secretary shall ensure that the air carrier providing or selected to provide such service has sufficient operational authority at the high density airport to provide such service. The Managers believe that this will lead to the restoration of service to communities that lost it, and access to O'Hare Airport for passengers from communities that have been forced to fly to other airports.

If necessary to carry out these objectives, the Secretary shall grant exemptions to create slots for air carriers using Stage 3 aircraft or commuter air carriers, unless such exemption, will significantly increase operational delays. If the Secretary finds that an exemption would significantly increase operational delays, the Secretary shall take such action as may be necessary to ensure that an air carrier providing or selected to provide basic essential air service is able to obtain access to the required high density airport. At O'Hare Airport, the Secretary shall not be required to make slots available for essential air service if the number of slots used for such service is at least 132. The Secretary shall take final action within 60 days on an application for operational authority to provide essential air service.

As a general matter, the Managers expect the Secretary to accommodate the essential air service needs of communities by exemption rather than slot take-aways. The exemptions, of slots where necessary must be provided within 60 days of being requested by the carrier and should be at reasonable times, taking into account the needs of passengers with connecting flights.

For foreign air transportation, the Substitute provides that the Secretary may, if he finds it to be in the public interest, grant exemptions for operations to provide foreign air transportation at high density airports to air carriers and foreign air carriers. The Secretary may not withdraw a slot from an air carrier to allocate it to a foreign air carrier for foreign air transportation if the withdrawal of that slot will result in the withdrawal of a slot from an air carrier at O'Hare Airport in excess of the total number of slots withdrawn from that air carrier as of October, 31, 1993. The Secretary shall not issue exemptions or withdraw slots for the benefit of foreign air carriers whose countries deny equal access to our carriers.

The bill adopts the provisions in the Senate amendment for slots for new entrants (which include limited incumbents) and the special rules for Washington National Airport. The provisions in the bill on essential air service, foreign air transportation, and

new entrants do not apply to National Airport.

For Washington National Airport, the Conference Substitute adds to the Senate amendment a requirement that any exemption may not result in an increase in a total number of slots at the airport from 7:00 a.m. to 9:59 p.m., and may not increase in any one hour operations by more than two slots. The Managers believe this section should be used in limited circumstances to meet the needs of carriers holding a limited number of slots. Carriers holding numerous slots should be able to adjust their schedules, and thus the flexibility permitted by this schedule, and thus the flexibility permitted by their section should not be available to such carriers. In addition, exemption 5133 is not adversely affected, and if circumstances warrant, the Secretary may permit changes in operations to this exemption holder. The Managers also are aware of a colloquy on June 16, 1994, during the Senate consideration of H.R. 2739 concerning exceptional circumstances. Finally the Conference Substitute merges the studies contemplated by the House bill and the Senate amendment, and includes the provision in the Senate amendment that requires consideration by the Secretary of the advisability of eliminating weekend schedules from the "use-it-or-lose-it" rule for retaining slots.

24. SECTION 108. REPEAL OF SPECIAL REQUIREMENTS FOR GENERAL AVIATION AIRPORTS ASTRIDE A COUNTY LINE

House bill

Repeals the requirement that to receive an AIP grant, a general aviation airport astride a county line must have the approval of all incorporated communities within five miles of the airport boundaries.

Senate amendment

No provision.

Conference substitute

House bill.

25. SECTION 522. CHILD RESTRAINT SYSTEMS

House bill

Requires airlines to provide a child restraint system if requested by a revenue passenger on behalf of a revenue child passenger.

Senate amendment

Requires a study of the availability, effectiveness, cost, and usefulness of a restraint system for a child in a lap, or in a child restraint system attached to the aircraft. The study shall consider the impact on passenger volume, costs to the passengers, and the fatality rate for infants using other modes of transportation.

Conference substitute

Senate amendment.

26. CONTINUATION OF LETTERS OF INTENT

House bill

No provision.

Senate amendment

Authorizes the Secretary to continue to issue Letters of Intent.

Conference substitute

No provision. The Managers have concluded that this provision is necessary. The provision has been included as a response to legislative proposals to suspend letters of intent. These proposals have not been passed. The Managers expect the FAA to continue to implement the letter of intent program.

27. SECTION 107. PREVENTIVE MAINTENANCE

House bill

No provision.

Senate amendment

Provides that no AIP funds shall be available for the replacement or reconstruction of pavement unless the sponsor has provided assurances that the airport has implemented an effective pavement maintenance/management program. Requires DOT to issue regulations, not later than one year after the date of enactment, to ensure that no product shall be used for pavement maintenance or rehabilitation unless the manufacturer of such product warrants the performance of the product.

Conference substitute

Senate provision on AIP assurance. Requires DOT to study the costs and benefits of a requirement that the manufacturer or installer of pavement maintenance and rehabilitation products provide minimum warranties of enhanced minimum specifications for such products, and of the use of insurance, or other means to improve the performance and value of such products.

28. SECTION 109. REPORT ON IMPACTS OF NEW AIRPORT PROJECTS

House bill

No provision.

Senate amendment

Provides that at least 90 days prior to the approval of a grant application to construct a new large or medium hub airport, the Secretary shall submit to the Congress a report analyzing the anticipated impact of the airport on fees charged to air carriers, air transportation provided in the geographic region of the proposed airport, and the availability and cost of providing air transportation to rural areas in such geographical region.

Conference substitute

Senate amendment.

29. SECTION 120. LANDING AIDS AND NAVIGATIONAL EQUIPMENT POOL

House bill

No provision.

Senate amendment

Requires Secretary to purchase an inventory of Instrument Landing Systems (ILS); requires spending of not less than \$30 million a year for FY 1994-1996 to acquire and install these ILS.

Conference substitute

Senate amendment on the requirement of funds to be spent for ILSs. Authorizes FAA to allow airports to purchase ILSs under FAA procurement contracts.

The Managers have found that the current federal procurement processes used to acquire and install precision approach landing aids and navigation equipment, such as Instrument Landing Systems (ILS) are expensive, time consuming and inefficient. Existing constraints have resulted in higher costs, non-standard equipment, and excessive delays in the acquisition and installation of these essential landing aids which continue to impede implementation of important system safety, capacity and efficiency improvements.

In recent years, numerous actions have been initiated directing the FAA to expand and expedite the procurement of ILS equipment. Statutory mandates have been advanced to authorize improved expenditure levels for the purchase of equipment and to streamline the procurement, acquisition and installation process. Various steps have also been undertaken to encourage the purchase of ILS equipment with Airport Improvement Program (AIP) funds in an effort to augment

the cumbersome federal procurement process.

The Managers believe that additional action is warranted to satisfy substantial ongoing requirements for navigation and landing aids. This legislation mandates increased funding of no less than \$30 million annually over the next three years to help accommodate the substantial new requirements that exist for ILS equipment and installation. Moreover, the legislation includes a provision that requires the Federal Aviation Administrator, within 120 days, to establish an expedited process through which airport sponsors may take advantage of cost savings associated with the purchase and installation of Instrument Landing Systems and related equipment under existing or future FAA contracts when using AIP grants.

The Managers believe that significant cost savings could result for users and the federal government; the current acquisition and installation process could be reduced substantially; and important additional safety, capacity and efficiency requirements could be met.

30. MICROWAVE LANDING SYSTEM

House bill

No provision.

Senate amendment

Prohibits spending for MLSS, except under contracts in effect on January 1, 1994.

Conference substitute

No provision. The Managers commend the Federal Aviation Administration for canceling the MLS program on June 2, 1994. The Managers concur with the decision to focus on the adoption of satellite technology.

The Managers are very supportive of FAA's aggressive approach to testing, approving, and implementing the use of Global Positioning System (GPS) for both en route and landing navigation purposes. During the transition from the current ground-based systems to a satellite system, the Managers understand a period will exist where FAA must operate and maintain satellites and ground-based systems simultaneously. However, the Managers fear that FAA must be planning to use the current ground-based systems as a permanent back-up to the satellite systems.

If FAA believes satellite navigation may not exhibit the reliability and redundancy found in the current ground-based system, perhaps GPS would not be the low cost, space saving option promised to airlines and general aviation pilots. If FAA believes GPS is reliable, but a back-up system is necessary, the Managers doubt that maintaining both GPS and a ground-based system would be cost beneficial.

FAA should provide a plan informing the House Committee on Public Works and Transportation and the Senate Committee on Commerce, Science and Transportation of its schedule for approving satellite-based navigation and its schedule for decommissioning ground-based navigation equipment.

31. SECTION 202. ASSISTANCE TO FOREIGN AVIATION AUTHORITIES

House bill

No provision.

Senate amendment

Authorizes FAA to provide safety-related training and operational services to foreign aviation authorities with or without reimbursement, if providing such services would promote safety.

Conference substitute

Senate amendment, modified to require FAA to obtain reimbursement if possible.

32. SECTION 209. FEES FOR SERVICE OUTSIDE U.S.

House bill

No provision.

Senate amendment

Allows FAA to charge higher fees to cover the cost of providing certification-type services outside the U.S., and to have such additional fees credited to FAA's treasury account.

Conference substitute

Senate amendment, merged with House bill Item 14. The manufacture and maintenance of civil aeronautical products have become worldwide enterprises. Safety regulatory efforts to keep pace with the trend of globalization can be hampered by resource constraints. Many foreign civil aviation authorities fully recover their costs for certification work performed both domestically and overseas. This provision permits the FAA to provide safety regulatory services abroad in a more responsive and timely manner.

Examining one program in particular, the Managers believe the Aircraft Certification Service should be able to offset expenditures made in support of aircraft or airline safety regulatory programs of both U.S. and foreign owned companies outside the United States. These expenditures generally represent the difference between providing the service within the United States and overseas, and include foreign travel and per diem expenses according to U.S. Government rates; time lost in travel by inspectors who would otherwise not have had to incur the lost time in foreign travel; and overhead costs associated with seeking reimbursement.

33. REVIEW OF FAA

House bill

No provision.

Senate amendment

Requires FAA to complete a review of its personnel administration, procurement process, and overall organizational structures by March 30, 1994.

Conference substitute

No provision. P.L. 103-260, enacted on April 19, 1994, requires an extensive study of options for FAA reform.

34. SECTION 503. REPEAL OF REPORT ON COLLISION AVOIDANCE

House bill

No provision.

Senate amendment

Abolishes the requirement for FAA to submit an annual report on collision avoidance systems.

Conference substitute

Senate amendment.

35. SECTION 509. AVIATION SAFETY JOURNAL

House bill

No provision.

Senate amendment

Prohibits the FAA from continuing to publish the Aviation Safety Journal.

Conference substitute

Senate amendment.

36. SECTION 207. AIR CARRIER TERMINATION NOTICE

House bill

No provision.

Senate amendment

Requires air carriers to give 60 days notice before terminating all air service at a non-hub airports. Exceptions exist for emer-

gencies, when service has been operated for less than 180 days, and when a carrier arranges for replacement service. Allows the Secretary to exempt commuter carriers. Authorizes civil penalties for carriers failing to file adequate notice.

Conference substitute

Senate amendment modified to require 45 days notice and to limit the total amount of a civil penalty for a failure to give notice to \$5,000. The civil penalty could only be a one-time fine and could not be aggregated on a per-day, per-flight or other basis. The effective date is changed to February 1, 1995.

37. SECTION 521. SAFETY OF JUNEAU AIRPORT

House bill

No provision.

Senate amendment

Requires DOT to study the safety of approaches to Juneau Airport.

Conference substitute

Senate amendment.

38. SECTION 511. SOLDOTNA AIRPORT

House bill

No provision.

Senate amendment

Allows FAA to grant a release from deed restrictions governing land use at Soldotna Airport. The city must receive the fair market value for property conveyed and must use the amounts received for public airports.

Conference substitute

Senate amendment.

39. SECTION 513. ROLLA AIRPORT

House bill

No provision.

Senate amendment

Allows FAA to grant a release from deed restrictions governing land use at Rolla, Missouri Airport. The city must receive the fair market value for property conveyed and must use the amounts received for public airports.

Conference substitute

Senate amendment.

40. SECTION 516. RELOCATION OF SAN JACINTO AIRWAY FACILITIES

House bill

No provision.

Senate amendment

Provides that the United States shall be compensated for the costs of replacing the existing airway facilities at the San Jacinto Disposal area, as part of compensation given to the United States for transfer of the San Jacinto disposal area to the city of Galveston.

Conference substitute

Senate amendment.

41. AUGUSTA WEATHER SERVICES

House bill

No provision.

Senate amendment

Directs DOT to provide weather observation services, including direct radio contact with pilots, at Augusta, Maine Airport. DOT is authorized to enter into an agreement with the Maine DOT to provide these services.

Conference substitute

No provision.

42. ECONOMIC REGULATION OF HAWAIIAN AIR SERVICE

House bill

No provision.

Senate amendment

Allows the State of Hawaii to regulate intrastate air service in Hawaii, defined as service between points in Hawaii which do not involve carrying passengers as part of a single itinerary on a single ticket for transportation beginning or ending outside the State.

Conference substitute

No provision.

43. SECTION 117. REIMBURSEMENT FOR TERMINAL DEVELOPMENT

House bill

No Provision.

Senate amendment

Allows AIP grants to pay for bond indebtedness for terminal development at a non-hub airport between January 1, 1992 and October 31, 1992. For such reimbursement the qualifications-based procurement of engineering and design services, Davis-Bacon, veterans preference, and DBE requirements are waived.

*Conference substitute**Senate amendment*

44. SECTION 203. PASSENGER FACILITY CHARGE (PFC) MAY BE USED TO MEET FEDERAL MANDATES

House bill

No provision.

Senate amendment

Allows PFCs to be used to fund airport compliance with certain federally required mandates to the same extent that AIP funds are allowed to be used for such purposes.

Conference substitute

Senate amendment, limited to those federal mandates related to airside development. This section is intended to expand PFC eligibility and not to reduce or eliminate the eligibility of any projects which presently can be funded under the PFC program.

The Managers are aware of the difficulties that can arise when two federal agencies are charged with responsibility for overseeing activities at a public facility. In particular, the Federal Aviation Administration's mission to ensure the safe and efficient operation of our national system of airports would appear to be at variance with the Environmental Protection Agency's (EPA) responsibility under the Clean Water Act for ensuring that those operations be conducted in an environmentally benign manner. This variance would be most apparent during winter storm events, when the need to apply substantial de-icing fluids would conflict with the need to protect the receiving waters from airport runoff.

To address this need, Public Law 102-581 made projects necessary for compliance with the Clean Air Act and Federal Water Pollution Control Act eligible for AID funding. However, there may be a need to give the funding of these projects, particularly storm water collection and bio-treatment facilities, more attention.

To help guide the Congress for further action on this matter, the Managers direct that, not later than February 1, 1995, the FAA provide the House Committee on Public Works and Transportation and the Senate Committee on Commerce, Science and Transportation with the following information in letter form.

1. A list of major airport facilities located adjacent to environmentally sensitive areas, including lakes, rivers and coastal zones and the status of their stormwater discharge permits.

2. A list of stormwater runoff collection and bio-treatment projects at those facilities which have been submitted for funding under the AIP program.

3. Recommendations on how the AIP and other programs may be improved to ensure that these projects encourage the use of less hazardous materials and receive priority consideration in the distribution of AIP funds.

45. REIMBURSEMENT FOR PAST EXPENDITURES

House bill

No provision.

Senate amendment

Allows reimbursement from AIP entitlement funds for work carried out during a two year period before a grant agreement is executed. Costs reimbursed may include interest on bonds to finance projects. Projects must be consistent with an FAA approved layout plan, and must conform to all requirements which would have applied under a grant. Projects initiated after 90 days after enactment must receive prior FAA approval. Grants may cover indebtedness incurred to initiate a project or to finance a project.

Conference substitute

No provision.

46. SECTION 118. AIRPORT SAFETY DATA COLLECTION

House bill

No provision.

Senate amendment

Provides that FAA may contract, using sole source or limited source authority, for the collection of airport safety data.

Conference substitute

Senate amendment.

47. INTERMODAL SYSTEM PLANNING

House bill

No provision.

Senate amendment

Expands eligible integrated airport system planning under AIP program to include "the role which airports play in the transportation system in a specific area." For a grant to be made to a planning agency for integrated airport system planning, all large and medium hub airports in the area must be appointed to the planning agency as soon as practicable. For a grant to be made to a planning agency, the airport must be a co-applicant, the project must substantially benefit the airport, and the grant must be in proportion to the benefits to the airport.

Conference substitute

No provision.

48. SECTION 526. INNOVATIVE FINANCING

House bill

No provision.

Senate amendment

Requires DOT to study innovative approaches for using federal funds for airport development, including loans, loan guarantees, and loan insurance.

Conference substitute

Senate amendment.

49. SECTION 117. FEDERAL SHARE FOR TERMINAL DEVELOPMENT

House bill

No provision.

Senate Amendment

Establishes the federal share for terminal development at 75% for large hub airports, 90% for all others (the regular AIP shares).

Conference substitute

Senate amendment.

50. SECTION 106. WAIVERS FOR FOREIGN AIR CARRIERS

House Bill

No provision.

Senate Amendment

Allows the Secretary to grant foreign carriers the same waiver from the Noise Act as he may grant to U.S. carriers. The waiver would permit the operation of Stage 2 aircraft between December 31, 2000 and December 31, 2003 if 85% of the carrier's fleet is Stage 3 by 1999, and if there are firm orders which will result in an all Stage 3 fleet by 2003.

Conference substitute

No provision.

51. SECTION 106. STATE SPONSORSHIP

House bill

No provision.

Senate amendment

Allows a state to sponsor an application for any group of eligible projects at several airports. Current law requires that the projects be "similar."

Conference substitute

Senate amendment.

52. SECTION 504. ADVANCED LANDING SYSTEMS

House bill

No provision.

Senate amendment

Requires FAA to consider expeditious approval of the new generation, low cost, advanced landing system being developed for Department of Defense.

Conference substitute

Senate amendment with a modification to give FAA more flexibility in the procedures used to evaluate the system.

53. SECTION 517. SAFETY AT ASPEN AIRPORT

House bill

No provision.

Senate amendment

Limits operations at Aspen Airport by general aviation and commuters during the period from 30 minutes after sunset to 11:00 p.m. to instrument operations, authorized by air traffic control. VFR operations authorized by ATC may be conducted by a pilot who has operated at least one flight at Aspen in the prior 12 months, and operates an instrument-certified aircraft. Aspen Airport must agree not to enforce the "ski season exception" to its nighttime curfew and to allow operations permitted by this provision. If Aspen meets these requirements, it may bar other general aviation flights. FAA is directed to issue an NPRM on mountain flying.

Conference substitute

Senate amendment with technical and clarifying changes. The Conference Substitute refers to the existing operating hours of Aspen Airport. The Managers understand that the hours of operation can be changed, based on changed circumstances, so long as there is no discrimination between air carriers and general aviation in the availability of these operating hours.

The Federal Aviation Administration has shown little interest in addressing the safety problems unique to mountain flying. The Managers expect the FAA to complete the Notice of Proposed Rulemaking and to work with mountain airports and pilot groups to prepare general aviation pilots for mountain flying risks.

54. SECTION 208. STATE INCOME TAX

House bill

No provision.

Senate amendment

Amends existing law limiting states which may impose income tax on flight and cabin crews to the state of domicile and any state in which the employee earns more than 50% of his compensation. The amendment provides that flight and cabin crew who are given leave to perform union duties shall be required to pay income tax only in their state of domicile and a state in which they would have performed more than 50% of their flight duties. Nothing in this section should be construed as applying to federal taxes.

Conference substitute

Senate amendment.

55. SECTION 121. PFC STUDY

House bill

No provision.

Senate amendment

Requires DOT to study the administration of the rules in the PFC program which govern the handling of PFC revenues by air carriers.

Conference substitute

Senate provision. The Substitute requires the Secretary to conduct a review of 14 CFR 158.49(b) to assess the effectiveness of this regulatory provision in light of the objectives of section 1113(e) of the Federal Aviation Act of 1958 (authorization for the imposition of passenger facility charges). The Secretary is further directed to take such corrective action as the Secretary determines necessary to address any problems discovered in the review.

The Managers direct that the study focus on two issues with respect to Section 158.49(b) as currently drafted. One is that public agencies are having difficulty reconciling anticipated PFC income with amounts actually remitted by collecting carriers. The other is that the commingling of PFCs with general carrier revenues poses a risk that if the collecting carrier becomes bankrupt, the Bankruptcy Code may permit a trustee or bankruptcy court to determine that the commingled PFCs are an asset of the bankrupt, estate rather than the public agency, despite the contrary policy stated in Section 158.49(b).

56. SECTION 502. SECURITY REPORT

House bill

No provision.

Senate amendment

The date for the annual security report FAA is required to submit is shifted from December 31 to March 3.

Conference substitute

Senate amendment.

57. SMOKE EMERGENCIES

House bill

No provision.

Require FAA to enforce its regulations on pilot vision and smoke emergencies caused by dense smoke in the cockpit on current and future aircraft. Requires a report to Congress on the enforcement of FAA regulations one year after enactment.

Conference substitute

No provision. The Senate provision was not accepted by the Managers because it is not needed to solve a safety problem in today's U.S. airline fleet, or remedy a deficiency in the Federal Aviation Administration's safety enforcement program with respect to regulations governing evacuation of smoke from the cockpit.

Much of the debate on this issue has revolved around whether the cause of certain

specific accidents was due to the failure of smoke to be eliminated from aircraft cockpits. In response to an inquiry from the Committee on Public Works and Transportation, the National Transportation Safety Board, the independent agency charged with determining the probable cause of transportation accidents, stated that:

"... Safety Board accident records failed to support the contentions that smoke in cockpits was a significant factor in accidents that involve U.S. air carriers in the 15 years [preceding] 1991. These accidents would include those mentioned in [the submitted] correspondence."

There have been no such accidents since 1991. The Board further stated that:

"[It] has no outstanding safety recommendations that address the evacuation of continuous smoke."

58. SECTION 515. REAL ESTATE TRANSFER AND WEATHER OBSERVATIONS IN ALASKA

House bill

No provision.

Senate amendment

Requires FAA to convey a building in Lake Minchumina, Alaska to the local government for educational purposes and to convey a building to local government in Fort Yukon for a health clinic. Requires FAA to employ human weather observers in a number of named cities in Alaska.

Conference substitute

Senate amendment on the buildings. On weather observers. Conference substitute directs FAA to establish real time weather information for pilots at a specified number of airports in a state with three or more accidents per year involving serious or fatal injuries on scheduled flights with single engine aircraft operating under VFR.

59. SECTION 512. RELEASE OF LAND, STURGIS AIRPORT, KENTUCKY

House bill

No provision.

Senate amendment

Allows DOT to grant a release from restrictions in a federal deed requiring property tax be used for airport purposes at Sturgis Municipal Airport. The city must receive the fair market value for the property conveyed and must use the amounts received for public airports.

Conference substitute

Senate amendment.

60-63. SECTIONS 110-113. REVENUE DIVERSION AND AIRPORT-AIR CARRIER FEE DISPUTES

These sections are intended to provide additional enforcement against illegal diversion of airport revenue and a mechanism to settle disputes involving airport fees charged or sought to be imposed on airlines. The legislation specifically refers to "air carriers and airports" throughout Title V to ensure that fee disputes only involving airports and airlines are resolved, so that the national air transportation system is not threatened with lockouts.

60. SECTION 112. REVENUE DIVERSION

House bill

Provides that an airport's use of revenues generated by the airport or local taxes on aviation for purposes other than capital or operating expenses of the airport shall be considered as a factor militating against an AIP discretionary grant.

Senate amendment

Requires the Secretary to establish, within 90 days from the date of enactment, policies

and procedures to enforce grant assurances requiring airports to develop fee structures to make their operations self sustaining, and prohibiting diversion of revenues.

The new policies shall prohibit, at a minimum: revenue diversion through direct or indirect payments which exceed the value of services and facilities provided to the airport; use of airport revenues for general economic development, marketing and promotional activities unrelated to an airport; payments in lieu of taxes exceeding value of service provided; and payments to compensate for lost tax revenues exceeding stated tax rates. The policies shall provide for internal controls, auditing, and FAA personnel sufficient to monitor assurances.

If an airport sponsor violates the assurance against revenue diversion or locks out an airline which pays its fees, U.S. district courts have the authority to enjoin these violations, upon request of the Secretary. If an airport violates the assurances against revenue diversion and refuses to take corrective action directed by the Secretary, the Secretary shall not approve new AIP applications or new applications for approval of PFCs.

Civil penalties may be imposed for violations of assurances against revenue diversions. The maximum civil penalty for a continuing violation shall not exceed \$50,000.

Conference substitute

1. In general. Senate amendment. House bill with exception for airports which do not spend revenues off the airport in excess of amounts spent in 1994, plus an annual increase corresponding to an increase in the consumer price index. In administering the modified House provision on revenue diversion and AIP discretionary grants, the Secretary shall consider the amount being diverted by the airport operator compared to the amount being sought in discretionary grants in reviewing the grant application.

The Conference Substitute also adds a prohibition, effective after date of enactment, against a State or subdivision collecting a new tax, fee, or charge which is imposed exclusively upon any business located at an airport or operating as a permittee of the airport, other than a tax, fee, or charge utilized for airport or aeronautical purposes. This prohibition applies only to new taxes imposed exclusively on businesses located at airports or permittees. It does not apply to general taxes on all businesses, although a state or subdivision would be prohibited from imposing a general tax that purports to apply to all businesses when in reality it applies only to airport businesses.

3. Civil Penalties. The bill provides authority for the Secretary of Transportation to impose civil penalties up to a maximum \$50,000 on airport sponsors for violations of the AIP sponsor assurance on revenue diversion. The Managers intend this provision to send a strong message to airport sponsors and local and state governments to discourage and prevent unlawful diversion of airport revenues, and to strengthen DOT and FAA's ability to enforce the law. The Managers intend that the Secretary use this authority to create a strong disincentive for those who may be tempted to divert airport revenues, and to ensure that violations are corrected and that any funds that were used illegally are restored to the airport and the airport system for use for legitimate purposes. Civil penalties may not be imposed on any individual, and the Managers intend that the Secretary use this authority only as a last resort after all other means of correcting violations have failed and the airport sponsor

willfully continues to violate the law. The Managers want to make certain that the Secretary will use the authority given him in the bill to compromise civil penalties, specifically by providing the airport sponsor with a reasonable period of time, after a violation has been clearly identified to the airport sponsor, to take corrective action to restore the funds or otherwise come into compliance before a penalty is assessed.

61. SECTION 110. POLICY STATEMENT ON AIRPORT FEES

House bill

No provisions.

Senate amendment

Adds policy statements that airport rates and fees must be reasonable and used only for purposes not prohibited by the Act, that airports should be as self sustaining as possible, and that airports should not seek to create surpluses which exceed the amounts needed for the airport system, including reasonable reserves and allowance for contingencies.

Conference substitute

Senate amendment. The Managers carefully considered the issue of airport revenue surpluses. Reaching a middle ground on this aspect of airport finances was central to the consensus expressed in the Conference language on airport rates and charges.

As the Committee sets forth in Section 110 of the Bill (Declaration of Policy), a revenue surplus may be used for such normal business practices as setting aside a reserve of funds to accommodate the unevenness in receipts over time, to cover unanticipated contingencies, to achieve favorable capital financing agreements, and for other recognized purposes. Even the smallest airports typically face one or another of these operational realities, and need to maintain a revenue surplus to address them.

62. SECTION 112. AIRPORT FINANCIAL REPORTS

House bill

Airports receiving grants must submit annual reports of funds paid and services provided to other units of government.

Senate amendment

Provides that the secretary shall prescribe a format for airlines to file an annual report on airport finances, surpluses, and concession revenues.

Conference substitute

Combined House bill and Senate amendment. This legislation is not intended to bar reasonable reserves and other funds to facilitate financing and cover contingencies. To assure that revenue surpluses are not abused, the Conference Substitute takes care to assure that the amount of revenue surplus would be reported publicly each year by those airports covered by Section 112 of the bill (Airport Financial Reports). This public reporting would highlight any situation in which the surplus balance is clearly out of line with the overall financial status of the airport.

63. SECTION 113. PROCEDURE FOR FEE DISPUTES

House bill

No provision.

Senate amendment

Allows airport fees to be set by compensatory or residual methodologies. Within 90 days of enactment, the Secretary must develop new procedural regulations for complaints against unreasonable airport fees. Under these procedures, the Secretary must issue a final order within 120 days of the filing of a complaint. The case must be as-

signed to an ALJ, or dismissed, 30 days after it is filed. The ALJ must issue a decision 90 days after the filing of the complaint. If Secretary doesn't meet the deadline, the ALJ decision becomes final. If a case is filed, and not dismissed, fee increases shall be paid into escrow, pending final decision. If fee is paid into escrow, the airport may not "lock out" a carrier.

The section does not apply to fees under agreements, fees imposed under financing agreement before date of enactment, or existing fees which have not been challenged as of date of enactment. The section shall not adversely affect rights under existing agreements or financing covenants.

Conference substitute

The Senate provision is modified to allow airport to assure timely repayment of fees determined to be unreasonable by a letter of credit, surety bond, or other suitable credit facility.

The Managers intend these procedures to require the Secretary to act within a specific time frame. Many had sought to add a provision that would, in the event the Secretary failed to either set a dispute for hearing or dismiss a complaint, provide access to federal courts to litigate the reasonableness of an airport fee. Instead, the Managers provided a process requiring the Secretary to act. The Managers recognize the concerns raised, but at this point prefer that the Department act within the time frames set up in the Conference Substitute. However, if DOT fails to meet its obligations under the substitute, this Act is not intended to eliminate any rights of complainants to ask a court to order DOT to comply with the law. Moreover, an order dismissing a complaint on the grounds that no significant dispute exists, is an order subject to review by the Courts of Appeal of the United States as provided under Sec. 1006 of the Federal Aviation Act.

The Managers also are aware that there may be situations that involve an airport agreement with air carriers, and that airport loses a carrier, thereby triggering recalculation of fees to cover the shortfall in income. In most, if not all of these types of situations, airport agreements cover such increases. In the event an air carrier sought to challenge the fee increase (whether or not an airport has an agreement with its air carrier), the Department would be able to look at the entire picture and dismiss, if the situation warrants, such a complaint.

64. SECTION 205. GAMBLING

House bill

No provision.

Senate amendment

Prohibits transportation or use of gambling devices on any aircraft operated by a United States' air carrier or a foreign air carrier in foreign air transportation. Also requires a study of the effects on aviation safety of gambling on electronic interactive video systems on passenger aircraft. In addition, the study should evaluate the competitive effects of permitting foreign air carriers, but not United States air carriers to install, transport, and operate gambling applications on electronic interactive video system, on board aircraft.

Conference substitute

Senate provision. Requires an additional study of whether gambling should be allowed on aircraft operated in foreign air transportation, including any legislation needed to implement the resulting recommendations.

This section only prohibits air carriers from carrying gambling devices defined as

devices which, when operated, can deliver money in any form (i.e., cash or credit), or property as the result of the application of an element of chance. This section does not bar airlines from carrying game machines which do not have the prohibited money or property delivering capability.

65. SECTION 505. ASBESTOS REMOVAL, VACANT AIR FORCE STATION, MARIN COUNTY, CALIFORNIA

House bill

No provision.

Senate amendment

Authorizes appropriations from the Trust Fund to FAA of such amounts as may be necessary to carry out asbestos abatement activities, and the demolition and removal of buildings at the site of the vacant Air Force station in Marin County, California. The amount from the Trust Fund shall not exceed FAA's share of the costs of carrying out such activities.

Conference substitute

Senate provision, with technical changes to delete references to Trust Fund legislation.

66. INCREASED FUNDING

House bill

No provision.

Senate amendment

Authorizes an upward adjustment in a grant to the Aurora, Illinois airport of \$750,000, to fund increased land acquisition costs determined in judicial proceeding.

Conference substitute

Senate amendment.

67. SECTION 524. USAGE OF RADAR AT CHEYENNE, WYOMING AIRPORT

House bill

No provision.

Senate amendment

Expresses the sense of the Senate that DOT shall revise its cost benefit analysis to take account of projected military enplanement and cost savings with regard to radar installations at joint-use civil military airports; and that the FAA Administrator should re-evaluate the airport radar needs at Cheyenne, Wyoming Airport.

Conference substitute

Senate amendment.

68. SECTION 510. MONROE COUNTY IMPROVEMENT

House bill

No provision.

Senate amendment

Authorizes FAA to grant a release from deed restrictions requiring the use of Sellman Field in Monroe, Louisiana for aviation purposes. Any proceeds from using such land for non-aviation purposes must be used for aviation purposes.

Conference substitute

Senate amendment.

69. SECTION 523. INSPECTOR GENERAL/ WASHINGTON, D.C. AIRPORT

House bill

No provision.

Senate amendment

Expresses sense of the Senate that DOT IG has oversight responsibility and may conduct audits and investigations relating to funds appropriated by Congress for programs or operations at Dulles or National Airports.

Conference substitute

Senate amendment.

70. SECTION 507. INFORMATION ON DISINSECTION

House bill

No provision.

Senate amendment

Requires DOT to publish and periodically revise a list of countries that require disinsection of aircraft landing in such countries, while passengers and crew are on board.

Conference substitute

Senate amendment. The Managers recognize the need to inform the flying public of the countries which require the use of pesticides on airplanes while passengers are aboard. The Department of Transportation has announced its intention to require U.S. and foreign airlines, and their agents, including travel agents, to inform passengers at the time they book flights whether the flight will be sprayed while passengers are aboard. To further disseminate this information, the Managers also encourage the Federal Aviation Administration, and the Department of State to provide such information to travelers through existing telephone passenger advisory services.

71. SECTION 508. CONTRACT TOWER

House bill

No provision.

Senate amendment

Requires Secretary of Transportation to take appropriate action to assist Chandler, Arizona, Aberdeen, South Dakota and other appropriate communities to obtain installation of a Level I Contract Tower.

Conference substitute

Senate amendment, without references to specific sites.

72. SECTION 525. POLICY ON NORTH KOREA

House bill

No provision.

Senate amendment

Sense of the Senate concerning North Korea.

Conference substitute

Senate provision with minor House changes.

73. OVERSIGHT

House bill

No provision.

Senate amendment

Sense of Senate seeking hearing of Whitewater matter.

Conference substitute

No provision.

74. SECTION 526. RELIGIOUS LIBERTY

House bill

No provision.

Senate amendment

Sense of Congress concerning religious liberty.

Conference substitute

Senate provision with House amendment making it a sense of the Senate.

75. KI SAWYER AIR FORCE BASE

House bill

No provision.

Senate amendment

Directs FAA Administrator to carry out on-going radar approach control activities at KI Sawyer AFB, Michigan.

Conference substitute

The Managers have agreed to drop Section 416 of the Senate passed bill. The Managers determined, based on assurances from the FAA in letters to Senator Levin and Congressman Stupak, that the needs of KI Sawyer would be met. The FAA letter specifically stated "... the FAA plans to completely take over and operate the existing ASR-7. FAA will install FAA approved and supportable equipment, will maintain the system, and will operate approach control services."

JOINT EXPLANATORY STATEMENT OF THE CONFERENCE COMMITTEE STATEMENT OF MANAGERS ON H.R. 2739 TITLE III AS PASSED BY THE HOUSE ON 10/13/93 AND H.R. 2739 SECTIONS 204 AND 306 AS PASSED BY THE SENATE ON 6/16/94.

The managers of the part of the House and Senate at the conference on the disagreeing votes of the two houses on provisions of the House bill H.R. 2739 submit the following joint statement to the House and Senate in explanation of the actions agreed upon by the managers regarding H.R. 2739 Title III as passed by the House and H.R. 2739 Sections 204 and 306 as passed by the Senate and recommended in the accompanying conference report. The managers agree the authorizations and explanations are as specified in House Report 103-225 and Senate Report 103-181 as applicable in addition to the material contained herein.

SECTION BY SECTION ANALYSIS—SENATE BILL H.R. 2739 SECTION 206

Present Law

No provision.

Senate Provision

This Section authorizes the FAA to enter into cooperative agreements with Federal and non-Federal entities to pursue research, engineering, and developmental activities on a cost-shared basis.

House Provision

No Provision.

Conference Agreement

The House concurs with the Senate provision. This provision will provide the FAA with the authority to enter into cooperative agreements with Federal and non-Federal entities to pursue research, engineering and development activities. Under this program, the Administration may enter into cost-sharing agreements with aviation industry consortia along with other federal agencies to jointly develop products which will benefit the travelling public. This authority could also provide an expedited mechanism to develop needed technology, to assure that all parties involved in a particular activity work together, and to leverage research dollars. The cooperative program has a focused purpose—to allow the FAA to work with industry on a number of emerging issues as the air traffic control system is modernized.

SENATE BILL H.R. 2739 SECTION 304

Present Law

No provision.

Senate Provision

This section requires the FAA and NASA to conduct a study to identify technologies for noise reduction for propeller driven aircraft and rotorcraft. The goal of the study is to determine the status of research and development in propeller and rotary wing aircraft and to determine if additional research is necessary. The section requires delivery of a report not later than 280 days after enactment of this Act. The Section also states that if the Administrators of NASA and the FAA determine that additional R&D is necessary and would contribute to the development of quiet aircraft technology, the agencies shall conduct an appropriate research program to develop safe, effective and economical noise reduction technology which can also be applicable to existing aircraft.

House Provision

No Provision.

Conference Agreement

The House concurs with the Senate provision. The Conferees emphasize the important noise research presently underway as authorized by the Section 304 of P.L. 102-581, the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992. The Conferees acknowledge that many citizens residing near airports are adversely affected by noise from propeller driven aircraft and rotorcraft. The Conferees note that the study and research authorized in this section will assist in developing the technologies necessary to minimize noise from small aircraft. The Conferees agree that none of the funds to be used to conduct this study shall be allocated from existing noise reduction programs, and that the report shall be delivered to the Senate Committee on Commerce, Science, and Transportation and the House Committee on Science, Space, and Technology.

HOUSE BILL H.R. 2739 TITLE 3 SECTION 301

Present Law

No provision.

Senate Provision

No provision.

House Provision

Provides the short title for Title 3 of the bill.

Conference Agreement

The Senate accepts the House short title.

HOUSE BILL H.R. 2739 TITLE 3 SECTION 302

Present Law

Section 302 of P.L. 102-581 authorizes appropriations for FY 1994 under section 506(b)(2) of the Airport and Airway Improvement Act of 1982 (49 U.S.C. App. 48102 (a)(2)) of \$297,000,000.

Senate Provision

No equivalent provision.

House Provision

Section 302 authorizes appropriations from the Airport and Airway Trust Fund for Federal Aviation Administration (FAA) research, engineering, and development as follows:

AUTHORIZATION H.R. 2820

[In thousands of dollars]

	Fiscal years—		
	1994	1995	1996
00.01 Management and analysis	11,297	12,646	14,131
00.02 Capacity and air traffic management technology	76,939	84,000	92,402
00.03 Communications, navigation and surveillance	35,675	39,242	43,167
00.04 Weather	1,908	2,098	2,307
00.05 Airport technology	7,509	8,260	9,086
00.06 Aircraft safety technology	40,175	44,192	48,611
00.07 System security technology	35,430	39,523	43,475
00.08 Human factors/Aviation medicine ..	27,756	31,716	34,887
00.09 Environment and energy	7,586	8,124	8,716
00.10 Innovative/Cooperative research	5,725	5,199	5,718
Total	250,000	275,000	302,500

Conference agreement

The Conferees agree to the following provisions for the FAA Research, Engineering, and Development for FY 1995 and FY 1996:

AUTHORIZATION H.R. 2820

[In thousands of dollars]

	Fiscal year—	
	1995	1996
00.01 Management and analysis	7,673	8,056

AUTHORIZATION H.R. 2820—Continued

[In thousands of dollars]

	Fiscal year—	
	1995	1996
00.02 Capacity and air traffic management technology	80,901	84,946
00.03 Communications, navigation and surveillance	39,242	41,204
00.04 Weather	2,909	3,054
00.05 Airport technology	8,660	9,093
00.06 Aircraft safety technology	51,004	53,554
00.07 System security technology	36,604	38,434
00.08 Human factors/aviation medicine	26,484	27,808
00.09 Environment and energy	8,124	8,532
00.10 Innovative/cooperative research	5,199	5,459
Total	266,800	280,140

The objectives of the FAA R&D program, as stated in the FY 1994 R&D plan, are:

a) reducing civil aviation fatality rate by at least 10% by 2000;

b) reducing the number of accidents attributable to weather by 20% by 2000;

c) developing advanced aircraft fire safety and crashworthiness technologies by 2005;

e) fielding a Wide-Area differential global positioning system (GPS) to provide satellite based navigation for all flight phases down to Category I precision approach minima by 1998; and

f) anticipating new threats and develop and implement new security philosophies, technologies, and systems that operate effectively with minimal interference to passengers and carriers.

P.L. 102-581 contains the authorization levels for these programs for Fiscal Year 1994.

The Conferees are aware that the funds to pay for the research programs are collected through the passenger tax of ten percent per ticket, which goes into the Airport and Airways Trust Fund. Therefore, it is appropriate that those who fly, pay for the aviation research designed to make flying even safer than it already is, which is the intent of this legislation.

Since there is an uncommitted balance of \$4.4 billion in the trust fund, the increases recommended by the Committee come from unobligated tax revenues and interest. The interest alone on the cash balance which last year, including obligated and unobligated funds, was over one billion dollars. In addition, last year \$1.64 billion from the trust fund, which was the result of an increase of two percent for the passenger ticket tax, went to deficit reduction. Therefore, the flying public has paid a fair share for the FAA research programs and deficit reduction.

The recommended increase in FY 1996 is directed toward increasing the activities in each of the specific program areas. The Conferees note the Airport and Airway Improvement Act (as amended by P.L. 1001-223 Section 105(b)(3)) provide authority for the transfer of funds up to 10% in any fiscal year of the amount authorized for that fiscal year, which gives the FAA flexibility to address new areas, if needed in the future. The balance of this Section describes the areas where the Conferees place special emphasis.

The Conferees note that the FAA has established a Civil Tiltrotor Advisory Committee, as required by P.L. 102-581. Some have suggested that this new technology could offer one means of addressing future capacity and delay problems. The Conferees encourage continuation of this effort.

The Aviation Centers of Excellence were established by Section 9209 of Public Law 101-508. The legislative intent of the Aviation Centers of Excellence program was that it would be a valuable means of fostering the continued advance of the aviation technology base. By partnering with institutions

possessing existing expertise, selected by a peer review process that is based on the scientific merits of the potential center, the government gains significant leverage for the federal investment and access to the interdisciplinary base of knowledge that is critical to the effective continued advance of aviation technologies. The first Center was jointly established in 1993 at Rutgers University and the Georgia Institute of Technology and marked a positive beginning for this program.

Areas of research and development for which the next Center should be able to make important contributions include crashworthiness, aging aircraft, flight safety, human factors, and propulsion. Advances in these areas are important to the long-term improvement in aviation efficiency and safety. To maximize the impact of each dollar invested, the Administrator is encouraged to select an institution that has existing expertise in these areas such as the National Institute for Aviation Research at Wichita State University, North Carolina State University, Embry-Riddle Aeronautical University, Northwestern University, or other qualified universities as originally discussed in Committee Report 101-585 to accompany P.L. 101-508.

The Conferees' authorization provides funding for an additional Aviation Center of Excellence. Because of the existence of excellent ongoing university aviation research programs, FAA should not delay selecting an additional center. The Conferees would anticipate such selection during calendar year 1994.

Public Law 100-591 mandated that not less than 15 percent of FAA's research budget be directed toward long-term research projects. The definition of long-term research projects refers to those that are unlikely to result in final rulemaking within 5 years or in initial installation of operational equipment within 10 years after the date of the beginning of the projects.

The Conferees reaffirm their position that 15 percent of research funding be for long-term research projects.

Public Law 101-508 established an Aviation Research Grant program in Section 9205. The provision establishes merit review procedures for awarding of grants to universities. Section 9202 of P.L. 101-508 mandates that not less than three percent of the total research funds shall be available for university grants.

The Conferees direct FAA to continue the university grants program and to make at least three percent of the total research funds available for university grants.

Section 4 of the Aviation Safety Research Act of 1988, Public Law 100-591, requires an annual research, engineering and development plan to be prepared by the Federal Aviation Administration and submitted to Congress. The most recent version, May 1994, is both professionally done and contains extensive information.

In the research provisions of this legislation that require a report, such as Section 304(e) dealing with Cabin Air Quality, it is expected that the report will become part of the annual "Federal Aviation Administration Plan for Research, Engineering and Development."

However, the managers believe that this and future reports can be simplified, improved and more cost-effective. Therefore, we request that in the future, the report for the research plan be modeled after the FY 1995 R,E&D Budget Justification, which has the following sections:

"I. Program Description" including Budget Item Number; Project Number; Project Title; and Program Manager.

"II. Funding" including two years prior and four years beyond the budget requested. The budget being requested should be broken down into in house and contractor funding.

"III. Contractor Activities" including each contractor, the item/description and funds.

"IV. Major Budget Year Milestones."

"V. Major Prior/Current Year Accomplishments."

H.R. 2739 SECTION 303

Present law

No provision.

Senate bill

No provision.

House bill

Direct the Administrator, in consultation with the heads of other federal agencies, to establish a coordinated program to conduct research on technologies that enhance aviation competitiveness.

Conference agreement

The Conferees strongly agree that the Administrator, in consultation with the heads of other appropriate Federal agencies, establish a coordinated program to conduct research on aviation technologies that enhance U.S. competitiveness.

The Conferees direct the FAA to work jointly with other appropriate Federal agencies, to conduct research on aviation technologies that enhance aviation, provide direct and indirect industry involvement, and also focus on technology that can be used by, not transferred to, the private sector. Candidates for joint research programs include: (1) next generation satellite communications, (2) advanced airport and airplane security, (3) environmental technologies such as noise and air pollution, (4) advanced aviation safety programs, and (5) technologies to improve airport and airway capacity. These areas were among the highest priorities presented in witness testimony and from other independent studies.

The FAA R,E&D programs contain several research efforts that have civilian and military applications. As such, the FAA has an opportunity to work with both the private sector and the defense sector to improve U.S. aviation technology and competitiveness. There are numerous examples of dual use technologies that would fall into this category. One of those with the greatest potential payoff is satellite-based radio navigation technology such as the Global Positioning System (GPS). The GPS was developed by the military, but could be utilized by the civilian aviation sector. However, many technical issues remain to be resolved before the system is 100 percent reliable.

One estimate is that a fully functional civil GPS navigation program could save the aviation industry hundreds of millions of dollars per year. Because GPS is more accurate than existing navigation systems, the savings would come from increased capacity and reduced fuel use as the result of reduced route separation standards, instrumented approaches to all runways, and optimum routing. There are several other similar examples.

It is the Conferees intent that the aviation industry, including those in the defense sector, be provided the opportunity to receive FAA grants to conduct aviation research. This program would enable the industry to make the transition from defense to the civilian markets, and accelerate the availability of useful civilian aviation technology.

The Conferees also direct the FAA and other appropriate agencies involved to develop procedures for contracts and grants that would not be an impediment to the research programs. There are instances in Federal Government programs where mandated paperwork and procedures take a significant funding portion of the research grant. The intent is to develop procedures for administering contracts and grants, including those to industry, that will not impede joint FAA-industry research programs.

Funds for this program shall come from the totals authorized in Section 302 and shall not constitute increased funding over those levels.

H.R. 2739 SECTION 304

Present law

No provision.

Senate bill

No provision.

House bill

Direct the Administrator to establish a research program in cabin air quality.

Conference agreement

The Conferees direct the Administrator, in consultation with the heads of other appropriate agencies to establish a research program to determine if any cabin air conditions currently exist on domestic aircraft that could be harmful to airline passengers and crew, and to study the risk of contracting infectious diseases during flights.

The Conferees are aware of concerns that the current practice of reducing the ratio of fresh to recirculated air in the cabin could cause the symptoms of ill health described by witnesses at House Science Committee hearings. Therefore, in the research program established, FAA is to examine the health impact of increasing the supply of fresh cabin air at levels between 50 percent fresh air and 100 percent fresh air. This represents intermediate levels between the existing procedures (50:50 mixture fresh to recirculated) and those of several years ago (100:0 fresh to recirculated). Experts have indicated that higher levels of fresh air circulation using other ratios are important to include in testing. In conducting the research program, the Committee directs FAA to work with other Agencies, including the Center for Disease Control (CDC).

The Conferees also establish the research goals of the program: (1) to determine what current cabin air conditions could be harmful to passengers and crew health; (2) to determine what changes in cabin air conditions would reduce or eliminate the risk of illness or discomfort; and (3) to conduct a long-term research program. In conducting the program, the Administrator is encouraged to examine all phases of cabin occupancy from enplanement to disembarkation, including consideration of cabin conditions while the aircraft is on the ground.

The Conferees urge the Administrator to encourage the airlines to review, monitor, and appropriately revise cabin operation to assure the comfort and protection of the health of passengers and crew. The Conferees also urge the Administrator to establish a system of reporting that would facilitate the collection of data and assist in the timely and scientific identification of possible problems to health or comfort.

The Conferees direct the FAA to work with the aviation community in carrying out the cabin air research programs and to submit a report to Congress within six months. The bill, as reported, directs that the funds to carry out the study shall come from those authorized in Section 302.

H.R. 2739 SECTION 305

Present law

No provision.

Senate bill

No provision.

House bill

This provision limits the funds authorized to be appropriated in the Act and states that these funds are not authorized to be appropriated after fiscal year 1996.

Conference agreement

The Conferees agree to accept the Senate position.

H.R. 2739 SECTION 306

Present law

No provision.

Senate bill

No provision.

House bill

This provision prohibits the fraudulent use of "made in America" labels and directs the head of each office within FAA that conducts procurement to ensure that such procurements are conducted in compliance with the "Buy American Act."

Conference agreement

The Conferees agree to accept the House language.

H.R. 2739 SECTION 307

Present law

No provision.

Senate bill

No provision.

House bill

This provision expresses the sense of the Congress that any recipient of a grant by this Act should purchase, when available and cost-effective, American made equipment and products.

Conference agreement

The Conferees agree to accept the House language.

TITLE IV. EXPENDITURES FROM AIRPORT AND AIRWAY TRUST FUND

Present law

The present Airport and Airway Trust Fund ("Trust Fund") (sec. 9502(d) of the Internal Revenue Code) authorizes amounts to be paid out of the Trust Fund for obligations incurred under the previous airport and airway authorization Acts from 1970 and 1944 (as those Acts were in effect on the date of enactment of the Airport Improvement Program Temporary Extension Act of 1994). Also, amounts are authorized to be paid out of the Trust Fund for obligations incurred under the Federal Aviation Act of 1958, as amended, which are attributable to planning, research and development, construction, or operations and maintenance of air traffic control, air navigation, communications, or supporting services for the Federal airway systems. In addition, administrative expenses of the Department of Transportation attributable to Trust Fund-related activities described above are authorized from the Trust Fund.

Amounts in the Trust Fund are available (as provided by Appropriations Acts) for making expenditures before October 1, 1995.

House bill

The House bill extends the Trust Fund expenditure authority through September 30, 1996, and allows expenditures from the Trust Fund for obligations incurred under the House bill's airport and airway authorizing Act.

Senate amendment

The Senate amendment allows expenditures from the Trust Fund for obligations incurred under the Senate amendment's airport and airway authorizing Act.

Conference agreement

The conference agreement extends the Trust Fund expenditure authority through September 30, 1996, and allows expenditures from the Trust Fund for obligations incurred under the conference agreement's airport and airway authorizing Act. The conference agreement also makes technical, conforming changes to reflect the codification of the airport and airway Acts referred to in section 9502(d) of the Internal Revenue Code.

SECTION 601—PREEMPTION OF INTRASTATE TRANSPORTATION OF PROPERTY

House bill

No provision.

Senate amendment

The Senate provision preempted State and local law regarding trucking rates, routes and services of "intermodal all-cargo air carriers". Intermodal all-cargo air carriers included: air carriers, indirect air cargo air carriers, motor carriers that are affiliated with an air carrier through common controlling ownership and motor carriers which, as principal or agent, utilize or are affiliated through common controlling ownership with, companies that utilize air carriers at least 15,000 times annually.

Conference substitute

The provision preempts State regulation of prices, routes and services by air carriers and carriers affiliated with a direct air carrier through common controlling ownership in subsection (b) and all other motor carriers in subsection (c). The purpose of this demarkation is (1) to as completely as possible level the playing field between air carriers on the one hand and motor carriers on the other with respect to intrastate economic trucking regulation, and (2) to recognize that air carrier express package delivery companies may differ in corporate form, but operate in the same manner. Thus, this provision includes carriers affiliated with a direct air carrier through common controlling ownership in a new paragraph added to Section 41713(b) of Title 49, United States Code, the former section 105 of the Federal Aviation Act. Motor carriers are deregulated with a new subsection (h) added to section 11501 of Title 49 (the Interstate Commerce Act).

Subsection (a) enumerates Congress' findings and purposes in enacting Section 601.

Subsection (b) preempts State regulation of air carriers and carriers affiliated with direct air carriers through common controlling ownership by the addition of a new paragraph (4)(A) to Section 41713(b) of Title 49, United States Code, which is the recodified former Section 105(a) of the Federal Aviation Act. Paragraph (4)(A) preempts State regulation for this entire class of carriers in an identical manner to the preemption provision passed in 1978 contained in the former Section 105.

The central purpose of this legislation is to extend to all affected carriers, air carriers and carriers affiliated with direct air carriers through common controlling ownership on the one hand and motor carriers on the other, the identical intrastate preemption of prices, routes and services as that originally contained in Section 105(a), 49 U.S.C. App. 1305(a)(1), of the Federal Aviation Act.

However, Congress has recently enacted a recodification of certain subtitles of Title 49.

This recodification has changed the language used in the original section 105. For clarity and consistency, we will follow the recodification language in amendments to both the Interstate Commerce Act and Federal Aviation Act. In substituting the word "related" for the prior word "relating" and the word "price" for the word "rates" we are intending no substantive change to the previously enacted preemption provision in Section 105 of the Federal Aviation Act and do not intend to impair the applicability of prior judicial case law interpreting these provisions. In particular, the conferees do not intend to alter the broad preemption interpretation adopted by the United States Supreme Court in *Morales v. TransWorld Airlines, Inc.*, 504 U.S. , 199 L.Ed. 157, 112 S.Ct 2031 (1992).

The conferees understand that in recodifying Title 49, Congress made no substantive change to the Statute. Section 1(a) of P.L. 103-272 states "[c]ertain general and permanent laws * * * are revised, recodified and enacted * * * without substantive change * * *". Furthermore, page 5 of the Report accompanying P.L. 103-272 states the following: "As in other codification bills enacting titles of the United States Code into positive law, this bill makes no substantive change in the law. It is sometimes feared that mere changes in terminology and style will result in changes in substance or impair the precedent value of earlier judicial decisions and other interpretations. This fear might have some weight if this were the usual kind of amendatory legislation when it can be inferred that a change of language is intended to change substance. In a codification law, however, the courts uphold the contrary presumption: the law is intended to remain substantively unchanged." The following authorities affirm this principle: (For a complete list of citations, see Report to Accompany H.R. 1758, P.L. 103-272 [Report number 103-180] at 5.)

Thus, the Conferees have used the term "price, route and service" rather than "rate, route and service" in both the Aviation subtitle and the Motor Carrier subtitle. The intention in using the identical term "price" in both areas is to create uniformity in the preemptive language and to create consistency with the earlier preemption provision. The use of this term is not intended to alter any meaning or affect any judicial interpretation.

To ensure that no meaning is altered or changed by the recodification, the definition of "price" in subtitle VII that was created as part of the recodification of Title 49 has been amended to strike that definition's reference to air transportation. The conferees believe that the recodification's creation of a definition of "price" created a circumstance which would have defined the word in a manner inconsistent with its intended use and meaning in this section and therefore have made this conforming change. In doing so, the conferees intend no substantive change to existing law, just as the recodification itself is deemed to have made no substantive change in existing law. The substantive meaning and the continuity of case law continue uninterrupted and unaltered from the old section 105 of the Federal Aviation Act, through the recodified version, to the modifications made by this section.

Paragraph (4)(B) emphasizes that State authority to regulate safety, financial responsibility relating to insurance, transportation of household goods, vehicle size and weight and hazardous materials routing of air carriers and carriers affiliated with a direct air carrier through common controlling owner-

ship is unchanged, since State regulation in those areas is not a price, route or service and thus is unaffected. (This provision is identical to the new subsection 11501(h)(2)(A) discussed below.) This list is not intended to be all inclusive, but merely to specify some of the matters which are not "prices, rates or services" and which are therefore not preempted.

The conferees do not intend the regulatory authority which the States may continue to exercise (partially identified in section 41713(b) and under section 11501(h)) to be used as a guise for continued economic regulation as it relates to prices, routes or services. There has been concern raised that States, which by this provision are prohibited from regulating intrastate prices, routes and services, may instead attempt to regulate intrastate trucking markets through its unaffected authority to regulate matters such as safety, vehicle size and weight, insurance and self-insurance requirements, or hazardous materials routing matters. The conferees do not intend for States to attempt to de facto regulate prices, routes or services of intrastate trucking through the guise of some form of unaffected regulatory authority.

There has been further concern raised that new sections 41713(b)(4)(B) and 11501(h)(2)(A) may be construed as granting States additional authority to regulate in those enumerated areas rather than simply stressing that the preemption provisions do not apply to those areas. The conferees emphasize that nothing in these new subsections contains a new grant of Federal authority to a State to regulate commerce and nothing in these sections amends other Federal statutes that govern the ability of States to impose safety requirements, hazardous materials routing matters, truck size and weight restrictions or financial responsibility requirements relating to insurance or any other unenumerated authority not preempted by these sections.

For example, if a State exercises authority over the routing of hazardous materials shipments by motor carriers, it must exercise that authority consistent with Federal standards issued on routing pursuant to Federal law governing transportation of hazardous materials (49 U.S.C. Sections 5101-5127). The intention of the conferees is solely to identify certain areas that are not preempted by the preemption provision.

New paragraph (4)(C) of Section 41713(b) states that the preemption provision added to Section 41713(b) does not modify any earlier provisions of the current Section 41713(b) or the former Section 105 of the Federal Aviation Act, including that applicable to the State of Alaska.

Subsection (c) of Section 601 preempts State regulation of prices, routes and services of motor carriers by adding a new subsection (h) to section 11501 of Title 49, United States Code. The preemption provision, new subsection (h)(1), is identical to the preemption provision deregulating air carriers and carriers affiliated with a direct air carrier through common controlling ownership and is intended to function in the exact same manner with respect to its preemptive effects. The intention is to create a completely level playing field between air carriers and carriers affiliated with a direct air carrier through common controlling ownership on the one hand and motor carriers on the other.

New subsection (h)(1) contains a parenthetical limitation which states that this section applies to motor carriers other than those

carriers affiliated with a direct air carrier through common controlling ownership. This parenthetical is merely intended to ensure that no carrier affiliated with a direct air carrier through common controlling ownership would be covered by both preemption provisions.

Furthermore, neither preemption provision would preempt the ability of a State to issue a certificate or other documentation (in written or electronic form) demonstrating that the carrier complies with State requirements which are not preempted by these sections and nothing in this amendment is intended to change the application of State tax laws to motor carriers.

The conferees further clarify that the motor carrier preemption provision does not preempt State regulation of garbage and refuse collectors. The managers have been informed by the Department of Transportation that under ICC case law, garbage and refuse are not considered "property". Thus garbage collectors are not considered "motor carriers of property" and are thus unaffected by this provision.

The term motor carrier as used in new subsection (h) of section 11501 has a broad connotation. The term covers the transportation of property by motor carriers of passengers. Thus, when a motor carrier of passengers is transporting property in intrastate commerce, there is no jurisdiction by the State regulatory body over price, route or service for any of the property being transported. The latter is true even if the property is being transported in the same vehicle that moves passengers.

The term motor carrier covers contract carriers and common carriers of property. Also included in the term is a motor carrier that handles express shipments. The law also applies to private motor carriers, that is, carriers that are pursuing their own business interests or interests of any corporate affiliate.

New subsection (h)(2) emphasizes that State authority to regulate safety, financial fitness and insurance, transportation of household goods, vehicle size and weight and hazardous materials routing of motor carriers is unchanged since State regulation in those areas is not a price, route or service and thus is unaffected. This subsection is identical to section 41713(b)(4)(B), described above.

New subsection (h)(3) permits continued State regulation over four enumerated standard transportation practices in an optional manner. This section does not confer any new authority to a State, but merely confirms that these four areas are not preempted. These four areas are uniform cargo liability rules, uniform bills of lading or receipts, uniform cargo credit rules and anti-trust immunity for interlining, classifications and mileage guides. This permitted State regulatory authority is limited in two respects. First, a State may only regulate in these four areas in a manner that is no more burdensome than a Federal regulation on the same subject matter. Second, none of these regulations shall apply to any carrier that does not wish to be subject to such regulations.

The purpose of new subsection (h)(3) is to permit carriers that want to follow State standard transportation practices to be subject to State-wide regulatory schemes in these four areas only. Any carrier which so chooses does not have to elect to be subject to such regulation.

New subsection (h)(3) also contains a provision that permits carriers affiliated with a

direct air carrier through common controlling ownership, which by the explicit terms of new subsection (h)(1) are not subject to the terms of that provision, to elect to be subject to State regulation in any of the four areas enumerated in new subsection (h)(3). This sentence was included to allow a carrier affiliated with a direct air carrier through common controlling ownership to be subject to State regulation in these four areas if it so chose.

Subsection (d) provides that all subsections of Section 601 will take effect on January 1, 1995, except that any regulation of motor carriers operating in the State of Hawaii preempted by subsection (c) of Section 601 shall not be affected for three years from the date of enactment. The conferees directed the difference in the effective date for the State of Hawaii at the request of the State. The State had requested the conferees to totally exempt Hawaii from the preemption provision based on Hawaii's unique geographic circumstance, as the only State that is non-contiguous to the mainland since the State is totally surrounded by water. Therefore, all regulation of motor carrier transportation in the State of Hawaii is regulated by the State of Hawaii. Though the conferees were not willing to exempt Hawaii from the preemption provisions, they were convinced that due to these special circumstances the State should have additional time before preemption goes into effect.

Background and statement of purpose

Currently, 41 jurisdictions regulate, in varying degrees, intrastate prices, routes and services of motor carriers. The jurisdictions which do not regulate are: Alaska, Arizona, Delaware, District of Columbia, Florida, Maine, Maryland, New Jersey, Vermont and Wisconsin.

Typical forms of regulation include entry controls, tariff filing and price regulation, and types of commodities carried. Not all 41 States regulate each of these aspects nor do they all regulate them in the same manner or to the same degree.

Entry controls at the State level vary from liberal to strict. Strict entry controls often serve to protect carriers, while restricting new applicants from directly competing for any given route and type of trucking business. About 26 States strictly regulate trucking prices. Such regulation is usually designed to ensure not that prices are kept low, but that they are kept high enough to cover all costs and are not so low as to be "predatory". Price regulations also involves filing of tariffs and long intervals for approval to change prices. A company which wants to change its prices often must go through a costly and lengthy hearing proceeding in each State in which it operates.

The need for section 601 has arisen from this patchwork of regulation and in a June 25, 1991 9th Circuit Court of Appeals decision (*Federal Express Corporation v. California Public Utilities Commission*, 936 F.2d 1075 (9th Cir., 1991), cert. denied, 112 S.Ct. 2956 (1992)) in which Federal Express challenged California's authority to regulate the company's motor carrier operations. The court found that intrastate economic regulations for motor carriers did not apply to Federal Express because it was preempted by the Airline Deregulation Act of 1978, by virtue of the fact that it is an air carrier. Although several of its competitors conduct similar operations, they are not organized as air carriers. For example, United Parcel Service remained regulated, because it is organized as a "motor carrier", putting it at a competitive disadvantage in a number of States.

In light of the inequity created by the 9th Circuit Court Decision, California enacted legislation in October of 1993, which extended the exemption enjoyed by Federal Express as a result of its court victory to its competitors that are motor carriers affiliated with direct air carriers. The California legislation denied this exemption, however, to those using a large proportion of owner-operators instead of company employees, thereby denying the exemption to Roadway Package System, even though the Roadway holding company includes an air operation. Likewise, the Texas Attorney General has applied the 9th Circuit decision to Texas and broadened it to include other intermodal air ground carriers with similar operations. The Texas Railroad Commission has accepted the Attorney General decision. However, competitors whose operations are not integrated are still regulated. Likewise, Kentucky enacted legislation in May 1994 exempting from its regulation the carriage of packages weighing less than 150 pounds, by motor carriers affiliated with either direct or indirect air carriers.

Despite the movement toward deregulation by some individual states, the conferees believe preemption legislation is in the public interest as well as necessary to facilitate interstate commerce. State economic regulation of motor carrier operations causes significant inefficiencies, increased costs, reduction of competition, inhibition of innovation and technology and curtails the expansion of markets. According to Department of Transportation estimates, preemption of State economic regulation could eventually yield \$3-8 billion per year in savings. Other estimates put the savings as high as \$5-12 billion. The sheer diversity of these regulatory schemes is a huge problem for national and regional carriers attempting to conduct a standard way of doing business. In hearings held on this issue, numerous examples have been cited in which rates for shipments within a state exceed rates for comparable distances across state lines. In the small package express business, companies frequently ship goods across state lines and back into the state of origin to avoid the higher rates for purely intrastate shipments. Lifting of these antiquated controls will permit our transportation companies to freely compete more efficiently and provide quality service to their customers. Service options will be dictated by the marketplace, and not by an artificial regulatory structure.

The provision is supported by the Clinton Administration. Its statement of administration policy during floor consideration of S. 1491 reads: "The Administration particularly supports the Amendment's provision which addresses the problem of inconsistent regulation of intermodal all-cargo air carriers. Enactment of this provision would be an important step in resolving conflicting laws that interfere with efficient intermodal cargo movements."

After years of official policy against intrastate motor carrier deregulation, the American Trucking Association issued a positionpaper on June 24, 1994 which stated that "ATA will no longer oppose Federal preemption of state regulation of motor carrier rates and entry based on economic factors," with some conditions that would allow regulatory protection to continue for non-economic factors, such as liability rules, anti-trust immunity to publish documents, insurance, safety, leasing and cargo credit rules. The conferees have attempted to address these conditions in Section 11501 of title 49 as amended by this provision.

It is important to note that the Senate provision created some ambiguity as to which carriers would be able to avail themselves of the preemption. In the version agreed to by the conferees, it is clear that all air carriers and carriers affiliated with a direct air carrier through common controlling ownership, motor carriers and motor private carriers involved in the transportation of property are covered by the preemption. The conferees believed it was patently unfair to create a level playing field for most of the industry, while leaving an unfortunate few still bound by economic regulatory controls.

The conferees are well aware that in recent years there has been considerable litigation with respect to the status of certain carriers, specifically as to whether they are air carriers or are motor carriers, and whether they are covered by the Railway Labor Act or the National Labor Relations Act. The purpose of this section is to preempt economic regulation by the States, not to alter, determine or affect in any way whether any carrier is or should be considered either an air carrier or a motor carrier for any purpose other than this section, whether any carrier is or should be covered by one labor statute or another, or the status of any collective bargaining agreement.

During the hearing on preemption of State regulation held by the House Committee on Public Works and Transportation on July 20, 1994, concerns were raised regarding the devaluation of operating rights and its effect on motor carriers, as a result of preemption of State authority to regulate the price, route, or service for intrastate transportation. Some motor carriers have purchased or paid to acquire the authority to operate trucks in many States. These operating rights for many motor carriers, especially small carriers, are an important part of their net business assets. The conferees recognize that this will eliminate the asset value of the operating authority of those affected motor carriers.

From the Committee on Public Works and Transportation, for consideration of titles I and II of the House bill, and the Senate amendment (except secs. 121, 206, 304, 415, 418 and title VI), and modifications committed to conference:

NORMAN Y. MINETA,
NICK RAHALL,
JAMES L. OBERSTAR,
ROBERT A. BORSKI,
BOB CLEMENT,
BUD SHUSTER,
BILL CLINGER,
THOMAS E. PETRI.

From the Committee on Banking, Finance and Urban Affairs, for consideration of title VI of the Senate amendment, and modifications committed to conference:

HENRY GONZALEZ,
STEVE NEAL,

From the Committee on Education and Labor, for consideration of sec. 418 of the Senate amendment, and modifications committed to conference:

WILLIAM D. FORD,
MAJOR R. OWENS,
HOWARD "BUCK" MCKEON,

From the Committee on Education and Labor, for consideration of sec. 208 of the House bill, and modifications committed to conference:

WILLIAM D. FORD,
BILL CLAY,
PAT WILLIAMS,

From the Committee on Foreign Affairs, for consideration of sec. 415 of the Senate amendment, and modifications committed to conference:

LEE H. HAMILTON,
TOM LANTOS,
GARY L. ACKERMAN,
HOWARD L. BERMAN,
ENI FALEOMAVAEGA,
BENJAMIN A. GILMAN,
BILL GOODLING,
JIM LEACH,

From the Committee on Science, Space, and Technology, for consideration of title III of the House bill, and secs. 206 and 304 of the Senate amendment, and modifications committed to conference:

GEORGE E. BROWN, Jr.,
TIM VALENTINE,
DAN GLICKMAN,
PETE GEREN,
JANE HARMAN,
ROBERT S. WALKER,
TOM LEWIS,
CONSTANCE MORELLA,

From the Committee on Ways and Means, for consideration of title IV of the House bill, and secs. 121 and 122 of the Senate amendment, and modifications committed to conference:

SAM GIBBONS,
DAN ROSTENKOWSKI,
J.J. PICKLE,
PETE STARK,
BILL ARCHER,
PHIL CRANE,

Managers on the Part of the House.

ERNEST HOLLINGS,
WENDELL FORD,
JAMES EXON,
JOHN C. DANFORTH,
LARRY PRESSLER,

Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BOUCHER (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. CLEMENT (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. FORD of Tennessee (at the request of Mr. GEPHARDT), for today, on account of personal business.

Mr. GOODLING (at the request of Mr. MICHEL), for today, on account of attending a funeral.

Mr. DIAZ-BALART (at the request of Mr. MICHEL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DREIER) to revise and extend their remarks and include extraneous material:)

Mr. LIVINGSTON, for 5 minutes, today.
Mr. MICA, for 5 minutes, today.
Mr. GINGRICH, for 5 minutes, today.
Mr. DELAY, for 5 minutes, today.
Mr. WELDON, for 5 minutes, today.
Mr. GOSS, for 5 minutes each day, on August 8, 9, 10, 11, and 12.

(The following Members (at the request of Mr. McCLOSKEY) to revise and

extend their remarks and include extraneous material:)

Mr. McCLOSKEY, for 5 minutes, today.
Mr. HOYER, for 5 minutes, today.
Ms. NORTON, for 5 minutes, today.
Ms. PELOSI, for 5 minutes, today.
Mr. OWENS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DREIER) and to include extraneous matter:)

Mr. SANTORUM.
Mr. GOODLING in two instances.
Mr. CRANE.
Mr. BOEHLERT.
Mr. GILLMOR.

(The following Members (at the request of Mr. McCLOSKEY) and to include extraneous matter:)

Mr. HILLIARD in six instances.
Mr. UNDERWOOD.
Mr. BROOKS.
Mr. MANN in two instances.
Ms. ESHOO.
Ms. LLOYD.
Mr. BEVILL.
Mr. ENGEL.

(The following Members (at the request of Ms. MCKINNEY) and to include extraneous matter:)

Mr. SANDERS.
Mr. BARCA of Wisconsin.
Mr. PALLONE.
Mr. BECERRA.
Ms. PELOSI.
Mr. GOODLING.
Mr. GILMAN.
Mr. FILNER.

SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 617. An act to authorize research into the desalination of water and water reuse and to authorize a program for States, cities, or any qualifying agency which desires to own and operate a desalination or water reuse facility to develop such facilities; to the Committee on Natural Resources, the Committee on Science, Space, and Technology, and the Committee on Public Works and Transportation; and

S.J. Res. 194. Joint resolution to designate the second week of August 1994 as "National United States Seafood Week"; to the Committee on Post Office and Civil Service.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On August 4, 1994:

H.J. Res. 374. Joint resolution designating August 2, 1994, as "National Neighborhood Crime Watch Day";

H.R. 868. An act to strengthen the authority of the Federal Trade Commission to protect consumers in connection with sales made with a telephone, and for other purposes; and

H.R. 2457. An act to direct the Secretary of the Interior to conduct a salmon captive broodstock program.

ADJOURNMENT

Ms. MCKINNEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 20 minutes p.m.), under its previous order, the House adjourned until Monday, August 8, 1994, at 10:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3647. A letter from the Secretary of the Treasury; transmitting the annual report on the operations of the Exchange Stabilization Fund [ESF] for fiscal year 1993, pursuant to 31 U.S.C. 5302(c)(2); to the Committee on Banking, Finance and Urban Affairs.

3648. A letter from the Acting Director, Office of Thrift Supervision, transmitting the 1993 annual report on enforcement actions and initiatives, pursuant to 12 U.S.C. 1833; to the Committee on Banking, Housing and Urban Affairs.

3649. A letter from the General Counsel, Department of Transportation, transmitting the views of the Department concerning H.R. 4422; to the Committee on Merchant Marine and Fisheries.

3650. A letter from the Chairman, Physician Payment Review Commission, transmitting a copy of the Commission's report on the fee update and Medicare volume performance standards for 1995, pursuant to Public Law 101-239, section 6102(a) (103 Stat. 2176); jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BONIOR: Committee on Rules, House Resolution 509. Resolution providing for consideration of a joint resolution and a bill relating to most-favored-nation treatment for the People's Republic of China (Rept. 103-673). Referred to the House Calendar.

Mr. BROWN of California: Committee on Science, Space, and Technology. H.R. 4908. A bill to authorize the hydrogen and fusion research, development, and demonstration programs and the high energy physics and nuclear physics programs, of the Department of Energy, and for other purposes (Rept. 103-674). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Natural Resources. H.R. 4230. A bill to amend the American Indian Religious Freedom Act to provide for the traditional use of peyote by Indians for religious purposes, and for other purposes; with an amendment (Rept.

103-675). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Natural Resources. H.R. 4653. A bill to settle Indian land claims within the State of Connecticut, and for other purposes; with an amendment (Rept. 103-676). Referred to the Committee of the Whole House on the State of the Union.

Mr. MINETA: Committee of Conference. Conference report on H.R. 2739. A bill to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations for fiscal years 1994, 1995, and 1996, and for other purposes (Rept. 103-677). Ordered to be printed.

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. SPRATT:

H.R. 4906. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to limit consideration of non-emergency matters in emergency legislation; to the Committee on Rules.

H.R. 4907. A bill to reform the concept of baseline budgeting; jointly, to the Committees on Government Operations and Rules.

By Mrs. LLOYD (for herself, Mr. BOUCHER, Mr. BROWN of California, Mr. WALKER, and Mr. BOEHLERT):

H.R. 4908. A bill to authorize the hydrogen and fusion research, development, and demonstration programs, and the high energy physics and nuclear physics programs, of the Department of Energy, and for other purposes; to the Committee on Science, Space, and Technology.

By Mr. DICKS (for himself, Mr. MILLER of California, and Mr. SWIFT):

H.R. 4909. A bill to amend the Elwha River Ecosystem and Fisheries Restoration Act to provide greater flexibility in the expenditure of funds, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, Natural Resources, and Energy and Commerce.

By Mr. ENGEL (for himself, Ms. LOWEY, Mr. GILMAN, and Mr. FISH):

H.R. 4910. A bill to designate the U.S. courthouse under construction in White Plains, NY, as the "Thurgood Marshall United States Courthouse"; to the Committee on Public Works and Transportation.

By Mr. INSLEE:

H.R. 4911. A bill to authorize extension of the time limitation for a FERC-issued hydroelectric license; to the Committee on Energy and Commerce.

By Mr. MINETA (for himself and Mr. MCDADE):

H.R. 4912. A bill to require the Secretary of the Treasury to mint coins in commemoration of the 150th anniversary of the founding of the Smithsonian Institution; to the Committees on Banking, Finance and Urban Affairs.

By Mr. STENHOLM (for himself, Mr. PENNY, and Mr. KASICH):

H.R. 4913. A bill to ensure that no extraneous items are included in any bill containing an emergency designation; jointly, to the Committees on Government Operations and Rules.

H.R. 4914. A bill to reform the concept of baseline budgeting; jointly, to the Committees on Government Operations and Rules.

By Mr. STUPAK (for himself, Mr. BARCIA of Michigan, Mr. CONDIT, and Mr. HORN):

H.R. 4915. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to add States to the governmental entities eligible for reimbursement for emergency removal actions and to clarify authority to take such actions at illicit drug laboratories; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

Mr. BURTON of Indiana (for himself, Mr. FLAKE, Mr. McNULTY, Mr. BARRETT of Nebraska, Mr. GOODLATTE, Mr. BARTON of Texas, Mrs. FOWLER, Mrs. VUCANOVICH, Mr. JOHNSON of Georgia, Mr. HOKE, Mr. HOCHBRUECKNER, Mr. JEFFERSON, Mrs. MEEK of Florida, Mr. COX, Mr. DORAN, Mrs. MORELLA, Mr. MORAN, and Mr. BARRETT of Wisconsin):

H.J. Res. 398. Joint resolution to establish the fourth Sunday of July as "Parents' Day"; to the Committee on Post Office and Civil Service.

By Mr. ACKERMAN (for himself and Mr. SKAGGS):

H. Con. Res. 278. Concurrent resolution expressing the sense of the Congress regarding United States policy towards Vietnam; to the Committee on Foreign Affairs.

By Mr. MENENDEZ (for himself, Mr. DIAZ-BALERT, Ms. ROS-LEHTINEN, Mr. TORRICELLI, Mr. SMITH of New Jersey, Mr. GILMAN, Mrs. MEEK of Florida, Mr. GUTIERREZ, Mr. OBERSTAR, Mr. HASTINGS, and Mr. DEUTSCH):

H. Con. Res. 279. Concurrent resolution condemning the July 13, 1994, sinking of the "13th of March", a tugboat carrying 72 unarmed Cuban citizens, by vessels of the Cuban Government; to the Committee on Foreign Affairs.

By Mr. LANTOS (for himself and Mr. GINGRICH):

H. Res. 510. Resolution to express the condolences of the House of Representatives to the victims of recent terrorist attacks, to condemn acts of terrorism, reaffirm support for the Middle East peace process, and express the sense of the House of Representatives that the President should convene an international conference to develop more effective means to deal with the serious and growing threat of international terrorism; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

456. The SPEAKER presented a memorial of the Legislature of the State of California, relative to natural disasters; jointly, to the Committees on Banking, Finance and Urban Affairs and Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 127: Mr. CANADY, Mr. ABERCROMBIE, Mr. DEUTSCH, and Mrs. MEEK of Florida.

H.R. 193: Mr. DELAY, Mr. FIELDS of Texas, Mr. LUCAS, Mr. PARKER, Mr. SMITH of Texas, and Mr. WILSON.

H.R. 214: Mr. COMBEST and Mr. CALVERT.

H.R. 216: Mr. COX.

H.R. 326: Mr. SCOTT, Mr. PETERSON of Florida, Mr. YOUNG of Alaska, and Mr. MURTHA.

H.R. 739: Mr. BARLOW.

H.R. 830: Mr. LUCAS.

H.R. 963: Mr. COPPERSMITH.

H.R. 1079: Ms. MOLINARI.
H.R. 1110: Mr. MCCOLLUM.
H.R. 1126: Mr. SCHIFF.
H.R. 1171: Mr. SPRATT.
H.R. 1277: Mr. MCKEON.
H.R. 1671: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 1887: Mr. SCHIFF.
H.R. 1999: Mr. HALL of Texas.
H.R. 2004: Mr. DERRICK, Mr. FRANK of Massachusetts, Mr. PRICE of North Carolina, and Mr. WATT.

H.R. 2088: Mr. CALVERT and Ms. KAPTUR.
H.R. 2418: Mr. RAMSTAD.
H.R. 3293: Mr. INHOFE.

H.R. 3523: Mr. PETE GEREN of Texas and Mr. WILSON.

H.R. 3526: Ms. SCHENK and Mr. MINETA.

H.R. 3619: Mr. JACOBS.

H.R. 3739: Mr. PACKARD.

H.R. 3892: Mr. KLUG.

H.R. 3949: Mr. LIGHTFOOT, Mr. HYDE, and Mr. HAMILTON.

H.R. 3978: Mr. EMERSON and Mr. MCCANDLESS.

H.R. 3990: Mr. HERGER and Mr. LAFALCE.

H.R. 4026: Mr. HASTINGS.

H.R. 4051: Mr. BACCHUS of Florida and Mr. RAHALL.

H.R. 4198: Mr. BATEMAN.

H.R. 4345: Mr. SERRANO and Mr. JEFFERSON.

H.R. 4353: Mrs. MEYERS of Kansas.

H.R. 4410: Mr. ARCHER.

H.R. 4411: Mr. TOWNS.

H.R. 4412: Mr. PETE GEREN of Texas.

H.R. 4483: Mr. BARTLETT of Maryland.

H.R. 4517: Mr. TOWNS and Mr. KILDEE.

H.R. 4570: Mr. FOGLIETTA, Mr. KOPETSKI,

Mr. CASTLE, and Mr. HASTINGS.

H.R. 4592: Mr. TALENT.

H.R. 4667: Mr. CALVERT and Mr. FINGERHUT.

H.R. 4698: Ms. SHEPHERD and Mr. ANDREWS of Texas.

H.R. 4708: Mr. PASTOR.

H.R. 4739: Mr. NEAL of North Carolina.

H.R. 4789: Mr. BORSKI.

H.R. 4791: Mr. POMBO.

H.R. 4802: Mr. JACOBS, Mr. CAMP, Mr. FROST, Mr. HASTINGS, Mrs. LLOYD, Mr. COPPERSMITH, and Mr. KLINK.

H.R. 4805: Mr. FILNER.

H.R. 4826: Mr. DORNAN, Mrs. MEYERS of Kansas, Mr. FROST, Mr. GALLEGLY, and Mr. HASTINGS.

H.R. 4831: Mr. CANADY, Mr. SHAYS, and Mr. BATEMAN.

H.R. 4858: Mr. BILIRAKIS, Mr. HASTERT, Mr. BOUCHER, Mr. LEHMAN, Mr. HALL of Texas, Mr. McMILLAN, Mr. BLILEY, Mr. BRYANT, Ms. MARGOLIES-MEZVINSKY, Mr. GILLMOR, and Mr. MANTON.

H.R. 4883: Mr. MCHUGH, Mr. GREENWOOD, Mr. DOOLITTLE, Mr. MILLER of Florida, and Ms. MOLINARI.

H.R. 4893: Mr. SHAYS.

H.J. Res. 184: Mr. BOEHLERT, Mr. BROOKS, Mrs. COLLINS of Illinois, Mr. GILMAN, Mr. HILLIARD, Mr. JOHNSON of South Dakota, Mr. KINGSTON, Mr. LIPINSKI, Mr. LIVINGSTON, Mr. MCINNIS, Mr. MCCLOSKEY, Mr. MEEHAN, Mrs. MEEK of Florida, Mr. MICHEL, Mr. RIDGE, Mr. SHARP, Mr. SMITH of Iowa, Mr. STOKES, Mr. WASHINGTON, and Mr. WILSON.

H.J. Res. 332: Mr. GRANDY, Mr. MINGE, Mr. PETE GEREN of Texas, and Mr. SHAW.

H.J. Res. 338: Mr. MEEHAN, Mr. ROSE, Mr. QUILLEN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HASTINGS, Mr. LIPINSKI, and Mr. BUNNING.

H.J. Res. 358: Mrs. ROUKEMA, Mr. MEEHAN, Mr. CALLAHAN, Mr. DINGELL, Mr. SMITH of Iowa, Mr. KLECZKA, Mr. HASTINGS, Mr. HAMILTON, Mr. MYERS of Indiana, and Mr. CLYBURN.

H.J. Res. 362: Mr. WYNN, Mr. SLATTERY, Mrs. MORELLA, Mr. VOLKMER, Mr. ACKERMAN, and Mr. HASTINGS.

H.J. Res. 381: Mr. PETE GEREN of Texas, Mr. EVANS, Mr. FRANKS of Connecticut, and Mr. HASTINGS.

H.J. Res. 385: Mr. KREIDLER.

H.J. Res. 387: Mr. ABERCROMBIE, Mr. ANDREWS of Maine, Mr. BATEMAN, Mr. BLUTE, Mr. BREWSTER, Ms. DELAURO, Mr. DEUTSCH, Mr. DIAZ-BALART, Mr. EDWARDS of Texas, Mr. FRANK of Massachusetts, Mr. JEFFERSON, Mr. KINGSTON, Mr. KOPETSKI, Mr. LANCASTER, Mrs. MINK of Hawaii, Ms. MOLINARI, Mr. MURPHY, Mr. ORTIZ, Mr. PACKARD, Mr. PASTOR, Mr. PETERSON of Florida, Mr. REED, Mr. SARPALIUS, Ms. SNOWE, Mr. STUDDS, Mr. SYNAR, Mr. TAUZIN, Mr. TAYLOR of North Carolina, Mr. THOMPSON, Mr. TORKILDSEN, Mr. WELDON, and Mr. WOLF.

H. Con. Res. 148: Mr. SENSENBRENNER.

H. Con. Res. 166: Mr. MCCOLLUM and Ms. KAPTUR.

H. Con. Res. 254: Mr. SERRANO.

H. Con. Res. 274: Mr. DERRICK, Mr. BONIOR, Mr. FLAKE, and Mr. McNULTY.

H. Con. Res. 276: Mr. MAZZOLI, Mr. TRAFICANT, Mr. COOPER, Ms. DANNER, Ms. KAPTUR, Mr. KASICH, Mr. FRANK of Massachusetts, Mr. HALL of Texas, Mr. DEFazio, Mr. REGULA, Mr. SAXTON, Mr. SENSENBRENNER, Mr. STARK, Mr. COPPERSMITH, Mr. MILLER of California, Mr. DEAL, Mr. McHALE, and Mr. EDWARDS of California.

H. Res. 247: Mr. LUCAS.

H. Res. 270: Mr. CAMP.

H. Res. 432: Mr. LANTOS.

H. Res. 472: Mr. PORTMAN, Mr. GOODLATTE, Mr. HERGER, and Mr. ISTOOK.

H. Res. 496: Mr. McNULTY, Mr. MCCLOSKEY, Mr. MATSUI, Mr. PALLONE, Mr. ABERCROMBIE, Mr. DEUTSCH, Mr. MEEHAN, Mr. KLEIN, Ms. ROS-LEHTINEN, Mr. COOPER, Mr. BATEMAN, Mrs. BYRNE, Mr. ENGEL, Mr. FRANK of Massachusetts, Mr. MANN, Mr. KYL, Mr. SHAYS, Mr. SMITH of New Jersey, Mr. LAZIO, Mr. LEVY, Mr. BARRETT of Wisconsin, Mr. SAXTON, Mr. MILLER of California, Mr. SHAW, Mr. GUTIERREZ, Mrs. MEYERS of Kansas, Mr. SCHUMER, Mr. FOGLIETTA, Mr. LAFALCE, Mrs. SCHROEDER, Mr. HASTINGS, Mr. WILSON, Mr. EVANS, Mr. RUSH, Mr. SABO, and Mr. JOHNSON of South Dakota.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4658: Mr. HILLIARD.

H.R. 4841: Mr. HILLIARD.

PETITIONS, ETC.

Under clause 1 of rule XXII:

116. The SPEAKER presented a petition of the National Association of Attorneys General, Baton Rouge, LA, relative to State health care fraud control units; to the Committee on Energy and Commerce.

DISCHARGE PETITIONS

Under clause 3 of rule XXVII, the following discharge petitions were filed:

Petition 25, August 3, 1994, by Mr. CONDIT on House Resolution 489, was signed by the following Members: Gary A. Condit, Peter G. Torkildsen, Mel Hancock, Rod Grams, Bill Orton, John R. Kasich, Timothy J. Penny, Christopher Shays, Peter Hoekstra, John L. Mica, Bob Livingston, Peter Blute, Tom DeLay, Larry Combest, Wayne Allard, Dana Rohrabacher, David A. Levy, Robert F. (Bob) Smith, William H. Zeff, Jr., Jay Kim, Glenn Poshard, Collin C. Peterson, Cliff Stearns, Ron Packard, Craig Thomas, Richard H. Lehman, William M. Thomas, Christopher Cox, Howard P. "Buck" McKeon, John T. Doolittle, Ken Calvert, James A. Hayes, Calvin M. Dooley, David L. Hobson, Peter J. Goss, Charles T. Canady, David Dreier, Bob Stump, Randy "Duke" Cunningham, Jack Kingston, Terry Everett, James M. Inhofe, John A. Boehner, Charles H. Taylor, Rob Portman, Duncan Hunter, Sonny Callahan, Deborah Pryce, Steve Gunderson, Frank D. Lucas, Bill Emerson, Michael D. Crapo, Pete Geren, Bill Baker, Robert S. Walker, J. Dennis Hastert, Joel Hefley, Rick Santorum, Fred Grandy, Wally Herger, Jim Kolbe, Ron Lewis, E. Clay Shaw, Jr., Don Sundquist, Jim Bunning, F. James Sensenbrenner, Jr., Amo Houghton, Bob Franks, Jay Dickey, John J. Duncan, Jr., Donald A. Manzullo, Cass Ballenger, Barbara

F. Vucanovich, Scotty Baesler, Paul E. Gillmor, Alfred A. (Al) McCandless, Stephen Horn, James A. Barcia, Michael Bilirakis, Thomas W. Ewing, Dan Miller, Dan Burton, Joe Barton, Toby Roth, Spencer Bachus, Sam Johnson, Don Young, Philip M. Crane, Richard W. Pombo, Bill K. Brewster, Tillie K. Fowler, Susan Molinari, Bill Paxon, Charles W. Stenholm, William F. Clinger, Roscoe G. Bartlett, Joe Knollenberg, Fred Upton, Carlos J. Moorhead, Jim Lightfoot, Robert H. Michel, Gary A. Franks, Dan Glickman, Steven Schiff, Nancy L. Johnson, Jim Ramstad, Bob Goodlatte, Doug Bereuter, Jon Kyl, Scot McInnis, Michael Huffington, Martin R. Hoke, Dan Schaefer, Michael G. Oxley, Pat Roberts, Michael N. Castle, Bob Inglis, Joe Skeen, Olympia J. Snowe, Pat Danner, J. Alex McMillan, Dick Zimmer, Henry Bonilla, Ralph M. Hall, Nathan Deal, W.J. (Billy) Tauzin, Mike Parker, Earl Hutto, Lamar S. Smith, and James A. Traficant.

Petition 26, August 5, 1994, by Mrs. FOWLER on House Resolution 472, was signed by the following Members: Tillie K. Fowler, Wayne Allard, Jennifer Dunn, Dick Zimmer, David Dreier, Nick Smith, Howard P. "Buck" McKeon, Dan Miller, John Linder, Duncan Hunter, Peter Hoekstra, J. Alex McMillan, Charles T. Canady, Bob Franks, Susan Molinari, Stephen Horn, Lamar S. Smith, Deborah Pryce, Barbara F. Vucanovich, Randy "Duke" Cunningham, Steve Gunderson, Jay Dickey, Christopher Shays, and Porter J. Goss.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 12 by Mr. TRAFICANT on H.R. 3261: Gary A. Condit.

Petition 15 by Mr. BILIRAKIS on House Resolution 382: Bob Livingston and Jim Chapman.

Petition 19 by Mr. EWING on House Resolution 415: John Edward Porter.

Petition 23 by Mr. TAUZIN on H.R. 3875: Jennifer Dunn and Toby Roth.