

## EXTENSIONS OF REMARKS

## CRIME BILL

## HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 8, 1994*

Mr. PACKARD. Mr. Speaker, Americans are horrified by crime and the violence that has spread throughout our society. The President promised the American people a "get tough approach" to solving this crisis. But the crime bill now before us fails to deliver.

Law abiding citizens, held hostage by this crime epidemic, agree that violent offenders must be removed from our streets in order to make our neighborhoods prosperous and secure places in which to live.

Statistics illustrate that a small percentage of criminals commit the vast majority of violent crimes. Approximately 4-7 percent of all violent offenders are responsible for committing more than half of all violent crimes. Keeping these people behind bars will reduce the incidence of violent crime.

We know that incarceration works. But this bill underfunds prison construction and waters-down truth-in-sentencing guidelines for State prison funding. Only 40 percent of the prison funds are conditioned on States showing that they are working to enact and enforce longer sentences. There is no guarantee that the remaining 60 percent will be spent on locking up criminals—it can be used for alternative programs.

Mr. Speaker, it is time to stop the charade. The American people need tough sentencing provisions to get these criminals off our streets. Law abiding citizens must have the tools necessary to reclaim our neighborhoods.

"I CAN'T FIND AN INSURANCE  
THAT WILL INSURE ME"

## HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 8, 1994*

Mr. STARK. Mr. Speaker, I just received the following letter from a man in a Western State. His letter is what the health reform debate is all about:

I lost my health insurance when the company I retired from filed for bankruptcy on January 31st in 1993; they were self insured. I had quadruple bypass surgery September 1983 and I can't find an insurance that will insure me. I am 60 years old so still have 5 years till I can get Medicare so in the meantime I am still uninsured. Please keep trying for us.

Mr. Speaker, the Democratic leadership bill will help this man and his family. I urge it passage.

CONDOLENCES TO CHIEF  
WARRANT OFFICER KENNY JONES

## HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 8, 1994*

Mr. SKELTON. Mr. Speaker, today I speak of four soldiers who recently died in the line of duty. This tragedy stands as evidence to the risks that our men and women in uniform face even in times of peace.

On the morning of July 31, 1994, an Army CH-47 Chinook from Olathe, KS, crashed into the Osage River near Wardsville, MO. The helicopter was on a routine training flight from Jefferson City to Cape Girardeau when it apparently hit a cluster of power lines. All four crewmen were killed.

One of the men aboard that Chinook was CWO, U.S. Army Reserve, Kenny Jones. Chief Jones was a resident of my district from Clinton, MO. He is survived by a wife and two daughters. Having served in the U.S. Army Reserve since 1985, Chief Jones was a decorated veteran who served his country honorably in the Persian Gulf war in Operations Desert Shield and Desert Storm.

It is with great sympathy and a strong sense of loss that we extend our condolences to the family of Chief Warrant Officer Jones. America has lost a fine soldier and patriot. Thanks to the hard work and dedication of individuals like Chief Jones, our Army will be trained and ready to fight any and all of our nation's wars.

## BACK HOME AGAIN IN INDIANA

## HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 8, 1994*

Mr. MYERS of Indiana. Mr. Speaker, the inaugural running of NASCAR's Brickyard 400 was run last Saturday at the world-famous Indianapolis Motor Speedway.

Forty-three drivers answered chairman of the board emeritus Mary F. Hulman's call, "Gentlemen, Start Your Engines," with the roar of their engines. After a warmup lap and a parade lap, they received the green flag.

After 3 hours and 160 laps around the 2½ mile oval, more than 300,000 spectators in attendance and millions watching around the world saw the winner cross the yard of brick for the checkered flag. He was the youngest driver in the field, and he was a Hoosier, Jeff Gordon.

The 23-year-old from just 15 miles west of the speedway had visited the track many times as a child, and like many young people, he dreamed of sometime driving there. His stepfather, John Bickford, put him in a go-kart at age 5, and he was off. Jeff later advanced

to midgets, then to sprinters at local tracks, to stocks at the Indiana Raceway Park near his home and also to Daytona. He won USAC's midget championship at 19 and by his 21st birthday Jeff was driving with NASCAR's bigname drivers.

This weekend, there were parades, parties, and excitement in the tiny community of Pittsboro, IN. It was the 1989 Tri-West High School grad who put his community on the map Saturday afternoon by winning NASCAR's biggest and richest race.

Jeff Gordon was back home again in Indiana.

INTRODUCTION OF LEGISLATION  
APPLYING SPENDING CUTS AP-  
PROVED BY THE HOUSE OF REP-  
RESENTATIVES TO DEFICIT RE-  
DUCTION

## HON. NATHAN DEAL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, August 8, 1994*

Mr. DEAL. Mr. Speaker, I rise today on behalf of myself and my fellow fiscal caucus members ERIC FINGERHUT, DAVID MINGE, and MARTIN MEEHAN to introduce legislation that will take a small but important step in our journey toward fiscal restraint by directing that all of the spending cuts that have been passed by the House go to deficit reduction.

One of the greatest frustrations I have had as a freshman Member interested in deficit reduction is the fact that amendments cutting spending in appropriations bills do not reduce the deficit. Over the last 2 years I have offered and supported several successful amendments cutting low-priority spending in appropriations bills, only to see the savings get spent elsewhere.

We will have an opportunity to correct this flaw in the budget process when we vote on lock box legislation that would make it possible to reduce the discretionary spending caps when spending is cut. I strongly support this common sense reform of the budget process. Unfortunately, delays in the consideration of lockbox legislation means that it was not possible to place spending cuts approved in fiscal year 1995 appropriations bills in the lockbox. That is why I am introducing legislation to reduce the discretionary caps by the amount of discretionary spending cuts approved by the House this year. The effect of this legislation would be to treat spending cuts the same way as if lockbox legislation had been in place when we considered appropriations bills earlier this year. This legislation is intended to compliment the lockbox bills that have received strong bipartisan support.

The budget resolution conference report cut discretionary spending for fiscal year 1995 by

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

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

\$500 million. During consideration of appropriations bills, the House adopted 22 amendments cutting an additional \$182 million in spending. The legislation I am introducing tonight would ensure that all of these savings that have been supported by a majority of the House will go to deficit reduction by lowering the caps by \$682 million. This legislation will carry out the will of the House when we voted to cut spending earlier this year.

I intend to modify this legislation based on the outcome of the conferences on appropriations bills and offer it as an amendment when the House considers lockbox legislation later this year. All members who support lockbox legislation should support this legislation to apply the lockbox concept to the spending cuts we have approved this year.

#### ADDRESSING THE ISSUE OF ETHICAL MEDICAL RESEARCH

**HON. THOMAS J. BLILEY, JR.**

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mr. BLILEY. Mr. Speaker, at a time when the search for the sensational is far too frequent in our media, it is essential that there be other voices who inject reason and a concern for the truth into public discourse.

Recently, Eugene Trani, president of Virginia Commonwealth University, appeared before the Advisory Committee on Human Radiation Experiments to address the issue of sensationalism and discuss appropriate and ethical medical research. His remarks are very constructive and I ask that they appear in the RECORD in their entirety.

REMARKS OF DR. EUGENE P. TRANI, PRESIDENT, VIRGINIA COMMONWEALTH UNIVERSITY PRESENTATION TO THE ADVISORY COMMITTEE ON HUMAN RADIATION EXPERIMENTS, PUBLIC COMMENT SECTION, JULY 25, 1994

Madam Chairperson, ladies and gentlemen of the committee, on behalf of Virginia Commonwealth University, I thank you for this opportunity to speak with you today.

Under the auspices of the United States Department of Energy, the Advisory Committee on Human Radiation Experiments has been given a charge of historic and moral significance: to learn of the material and ethical scope of radiation experiments conducted during the Cold War.

We in the academic community must share in your task. Supported by the Atomic Energy Commission and the military, some of this work was conducted on our campuses. That responsibility, however, carries the equally important obligation for all of us to apply the most rigorous standards of intellectual honesty. Otherwise, the risk is too great that your work will be sensationalized out of all proportion to its true intent.

It is that risk that I would like to talk briefly about today.

At Virginia Commonwealth University, we have been learning all we can about radiation studies that took place from 1949 to 1959 in our Medical College of Virginia's burn unit—the first civilian burn unit in the country. Our involvement, however, has come not as a result of being named in the DOE investigation but because of a newspaper article. An essay titled "Burning Secrets: In a Virginia Hospital, A Cold War Time of Strange

Experiments" published by Cliff Honicker, director of the American Environmental Health Studies Project of the Commission on Religion in Appalachia, in the June 19 edition of The Washington Post opens with the following: "Between 1949 and at least 1957, the Medical College of Virginia (MCV) ran a secret metabolic lab whose primary goal was preparation for massive nuclear casualties. Imbued with Cold War zeal and scientific arrogance, doctors conducted a series of potentially dangerous experiments on hundreds of unaware human subjects, most of them poor and African American."

The studies conducted at MCV were neither secret nor dangerous; nor did they take advantage of vulnerable populations. As examples, a radioactive isotope incorporated in one of the studies—chromium-51—is still part of a standard diagnostic test used around the world. In the course of the project, 27 articles were published in nationally recognized scientific journals; it also received coverage in local newspapers. And, in part of the project, African-American and women volunteers were purposely selected so that the research team could study the factors of skin pigmentation and gender in burns.

In all, what resulted from this work were the discoveries that would lead to the protocols used today to treat burn victims.

As bad science and bad history, Honicker's article contributed nothing to the committee's charge to help the real victims of Cold-War radiation studies. It possibly, however, created new victims: our academic community, former patients alarmed by these allegations, and certainly the families of the MCV faculty who worked on these studies.

Here is a way to separate sadistic from humanistic experimentation.

It is true that nationalism—as well as national purpose—fueled the Cold War. It does not necessarily follow, however, that the science and the scientists that benefitted from federal support during this period were inherently unethical.

Having been partners in these radiation studies, the government and the academic community now should work together to ensure that this story is told thoroughly and accurately—and that, in the process, the real victims are helped. Objectivity and a genuine desire for insight must drive our efforts.

We are looking to you, the members of the Advisory Committee on Human Radiation Experiments, to set that vitally important tone.

Thank you.

#### TRIBUTE TO THOMAS R. ETLING

**HON. JAMES M. TALENT**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mr. TALENT. Mr. Speaker, I rise today to pay tribute to Thomas R. Etling, a constituent of mine who has served the people as an Alderman on the Town and Country Board of Aldermen for nearly 9 years.

Perhaps the best way to pay tribute to Tom Etling is to read his farewell statement to the Board of Aldermen at its meeting on April 11, 1994. This is what he said:

This is my final board meeting after eight and one-half years of service (actually eight years and eight months), which I believe is longer than any other Alderman has served.

Five of those years, I served as President of the Board and all that time as Chairman of the Public Works and Stormwater Commission.

During that period, the city changed dramatically. As your Alderman, I was able to initiate many of the changes and participate in all of them. During my term:

Through annexation, the city grew in population by almost fifty percent; the land area increased by almost twenty-five percent;

The city never raised taxes on private citizens. In fact, the only change was a tax cut.

New stormwater ordinances were drafted and implemented to protect the citizens. These ordinances helped contribute to Town and Country's reputation as the most protective community in the county, a title we all wear with pride.

Several million dollars were spent on streets and stormwater control. A great deal of this money came as grants from other government entities. We received this money because we had done an excellent job of advance planning.

The city became and is currently one of the most fiscally sound in the country.

A new municipal center and fire station were built.

Plans were approved and soon construction will begin on a Mormon Temple which may become the architectural focus of the city and will give the name Town and Country world-wide recognition.

A city administrator was added and staff was increased to improve the service to our citizens.

A Chamber of Commerce was founded and is now a vibrant and thriving part of the community.

The Town and Country Cable Education Fund, Inc. was founded. This is a non-profit corporation through which all the schools in Town and Country benefit financially from the franchise fees collected from the cable TV companies.

As a minor item I chaired the group that selected the new city logo. I also gave this building the name of Municipal Center, a name I suggested and which was accepted when nobody offered an alternative.

I also sent a record that I expect will never be broken. In the mayor's absence I chaired a regularly scheduled Board meeting. The meeting lasted thirteen minutes.

In summary, I feel very pleased and proud with my contributions to the city and the accomplishments of the city in the almost nine years that I was privileged to serve.

Many times there were very difficult decisions to be made and it was necessary to rise above parochial interests to do what was best for the city as a whole. I feel comfortable that the right decisions were made. Further, I feel confident in the future of the city because I leave it in a very solid and secure position much better than it has ever been.

I urge the current Board members and those soon to take office that they strive in all they do to be able to make that same statement when their terms of service are complete.

It has been a pleasure serving. For that I thank the four Mayors under whom I served; my fellow Board members; the members of the Public Works and Stormwater Commission, who labor long and hard and are generally unsung; the city staff; the citizens of Ward I who on five occasions selected me to represent them in Town and Country, which I believe is the premier city in St. Louis County; and especially my family and my

wonderful wife, Helen, who supported me all that time and who now says, 'I have my husband back'.

Mr. Speaker, Alderman Etling's presence on the Board of Town and Country will be missed. We all owe him a great debt of gratitude and wish him well in the years to come.

#### FRIENDS, FAMILY MOURN LOSS OF MILTON'S SARAH DIPASQUALE

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mr. SOLOMON. Mr. Speaker, Sarah J. DiPasquale of Milton, NY, recently passed away, leaving a void in the hearts of everybody who had the pleasure of knowing her.

Her contributions were enormous, not only to her community, but to me personally in my campaigns for Congress.

She was a tireless worker in Saratoga County and made valuable contributions to my elections to Congress. But she was best known for her service in a variety of elected and appointed positions, and for her leadership role in projects that made Milton a nicer place to live.

Sarah DiPasquale was the first woman ever elected to the Milton Town Council, where she served on the Committees for Highways and for Parks and Buildings. She was chairwoman for the town of Milton's bicentennial gala and also handled publicity for the event. She also served on the town's planning board.

With the Republican Party, she served as a town committeeman, as secretary of the Saratoga County Republican Committee, and on the board of directors of the Saratoga County Women's Republican Club.

Aside from her official positions, she was the driving force in creating a walkway around the Milton Town Park.

Her selfless dedication to the community was matched by her similar dedication to her family. Mr. Speaker, I've found that this is quite typical of people who are pillars of their communities. People who give of themselves to their communities also give of themselves to their families.

I share her family's grief, because someone like Sarah DiPasquale cannot be replaced. The love she had for her family and friends was reciprocated many times over.

Mr. Speaker, America was made great by the quiet, unheralded contributions of people like Sarah DiPasquale. I ask all members to join me in a posthumous tribute to a remarkable woman I was pleased to call a friend, and in conveying our heartfelt sympathies to her family.

#### CLINTON THROWS A GARDEN PARTY BUT TAX BILL DOESN'T DESERVE IT

### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mr. BEREUTER. Mr. Speaker, this Member commends to his colleagues an editorial which

appeared in the Omaha World-Herald on August 8, 1994.

#### CLINTON THROWS A GARDEN PARTY, BUT TAX BILL DOESN'T DESERVE IT

President Clinton threw a party at the White House Friday to celebrate his 1993 tax bill.

He thanked Democratic congressmen and senators who helped him pass the measure, whose sponsors promoted it as a five-year, \$496 billion reduction of the federal budget deficit.

The president claimed Friday that the package of tax increases and spending controls had, in less than a year, reduced the federal budget deficit, created jobs, kept interest rates low and given the nation economic growth with low inflation.

No one denies that the American economy has improved since the recession that followed the Persian Gulf war. But Clinton didn't bring about the improvement. It started before he took office. As Allen Sinai, a widely respected Boston economist, told the Associated Press, the nation's current economic well-being "should not and can not be solely attributed to the deficit-reduction act." (That's the name Clinton's people gave the tax increase measure, ignoring the fact that any reductions in the budget deficit were projected to be temporary.)

Michael Evans, an economic forecaster from Florida, said the number of new jobs is about what it would have been without the tax increase. Other analysts said deficit spending has come down temporarily because interest rates dropped—and those rates were dropping long before Clinton signed the tax bill into law.

Also bringing down deficit spending is the fact that the government is spending less than projected on the savings and loan bailout. Clinton's policies had nothing to do with that, either. They couldn't have. About 60 percent of the legislation's modest attempts to slow the growth rate of federal spending were pushed back until 1996 and 1997. The president depended on a huge retroactive income tax increase to give his package most of its initial impact.

Clinton defenders now contend that the president has been vindicated and that critics of the measure have been proven shortsighted.

But it's still a bad law. Its defenders are still misrepresenting it. Clinton still pretends that only 1.4 million rich Americans were hit with higher income tax rates. He thereby ignored the two-income professional families whose combined incomes boosted them into one of the new, higher tax brackets. He also ignored as estimated 5.5 million Social Security recipients, most of them middle-income, who are having to come up with an additional \$25 billion in income taxes over the five-year cycle.

The 1993 legislation is not a solution to deficit spending. As Norwest Corp. economists noted recently, borrowing by the federal government is projected to rise sharply again after 1996. Federal spending on entitlements is projected to rise, they said, nothing that "health care reform will create new and uncapped entitlements." The Minneapolis-based banking company's chief economist, Dr. Sung Won Sohn, said pent-up demand for houses and cars played a role in the economic recovery. That demand wasn't caused by anything Clinton did.

Yes, the president deserves credit for passing free-trade legislation. But throwing a party to celebrate the August 1993 tax increase is another matter entirely. The Rose Garden ceremony Friday came off as political posturing.

#### AWARD OF THE PRESIDENTIAL MEDAL OF FREEDOM TO DOROTHY HEIGHT

### HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Ms. NORTON. Mr. Speaker, I am pleased and proud today to congratulate Dr. Dorothy Irene Height, president and chief executive officer of the National Council of Negro Women [NCNW], on being awarded a much deserved Presidential Medal of Freedom—the highest civilian award in the Nation. Dr. Height is honored today for her outstanding achievements as a civil rights leader who has helped Americans of all backgrounds, and especially women, families and young people for over 50 years.

It is impossible to think about African-American women and their progress without thinking of Dorothy Height. There is no aspect of the lives of African-American women that has not been touched by her touch or helped by her help. Today, it has become impossible as well to think about the African-American family without thinking of Dorothy Height. In 1986, she launched the Black Family Reunion Celebration in American cities around the country to bolster the historic strengths and traditional values of the African-American family.

When others lamented and despaired at the fragile state of the African-American family, Dorothy Height filled the leadership void. Her Black Family Celebration throughout America increasingly rallies African-Americans to an understanding that family is central and family is indispensable. These celebrations have provoked thought and action about the necessity for family building.

Similarly, feminism caught many unaware and confused. Dorothy Height's leadership was critical to the understanding of African-American women that they must embrace feminism, and to the understanding of feminists that they must embrace African-American women.

I call Dorothy Height the godmother of African-American women and of the civil rights movement because of the unique role she has played in both these movements. At the important moments in the history in the last 50 years, Dr. Height has been there—her principles, her energy, her voice always pressing the country forward—unafraid, yet balanced and wise.

The Presidential Medal, in honoring Dorothy Height, will encourage the millions who follow her to observe her teachings and her life as an example for us all.

#### CONGRESSIONAL RESEARCH SERVICE REPORTS ON IMPACT OF WAYS AND MEANS BILL ON PHARMACEUTICAL INDUSTRY

### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mr. STARK. Mr. Speaker, in the past year, the pharmaceutical industry has spent about

\$24 billion buying each other out or buying drug distribution companies. The Pharmaceutical Manufacturers Association recently changed their name to Pharmaceutical Research Manufacturers Association—but it would have been more accurate to change it to the Pharmaceutical Monopoly Association. They are spending more money buying market share than they are thinking up new drugs.

They also spend millions of dollars not researching, but complaining that the Ways and Means health reform bill will discourage research.

Following is a memo from the Congressional Research Service of the Library of Congress that points out that the increase in demand for drugs once everyone has health insurance will offset any problems in the cost containment provisions in our bill. In short, the legislation is likely to be a wash in terms of drug company profits: "These findings lead CBO to conclude that the 'general level of R&D in the pharmaceutical industry may not change much as a result' of the Clinton plan. \* \* \* it seems reasonable to expect the Ways and Means version of HR 3600 would provide a marginally stronger stimulus to pharmaceutical R&D in general and the development of new breakthrough drugs in particular than the Clinton plan."

Rather than moaning and groaning, the companies should do the right thing, and work to ensure that every American has access to the medicines they need.

CONGRESSIONAL RESEARCH SERVICE,  
THE LIBRARY OF CONGRESS  
Washington, DC, August 2, 1994.

Subject: Likely Impact on Pharmaceutical Research and Development of H.R. 3600, as Reported by the House Ways and Means Committee.

To: Hon. Pete Stark.

From: Gary Guenther, Analyst In Industry Economics.

In response to your request, the memorandum discusses the likely impact on investment in the development of new drugs of H.R. 3600, as reported by the House Ways and Means Committee. The analytical foundation for the discussion is a recent study by the Congressional Budget Office (CBO) of how the Clinton Administration's health care reform proposal is likely to affect pharmaceutical research and development (R&D). On the whole, the health care reform bill reported by the Ways and Means Committee represents an amended version of the Administration's proposal. Yet the two proposals contain some similar provisions on prescription drugs. As a result, it is reasonable and useful to view the implications of the Ways and Means bill for new drug development as a variation on CBO's main conclusions about the same aspects of the Clinton plan.

#### MAIN CONCLUSIONS OF THE CBO STUDY

The CBO study tackles the question of how the Clinton Administration's health care reform plan—henceforth referred to as the Clinton plan—would affect pharmaceutical R&D by estimating its likely effect on the expected returns from investing in the development of a new drug that clears regulatory review. To the extent that the plan increases expected returns from investing in new drug development, it would likely stimulate increased spending on pharmaceutical R&D.

In the CBO study, estimating the direct effect of the Clinton plan on expected returns from new drug development encompasses

three discrete steps. The first one looks at the plan's provisions that would directly affect total spending on prescription drugs. CBO then analyzes the provisions in the plan that would attempt to contain the cost of prescription drugs. The final step in the analysis entails estimating the net effect of these two sets of provisions on the average expected return from investing in the development of new drugs.

Demand for Prescription Drugs. Two elements of the Clinton plan would directly affect the demand for prescription drugs. One is the creation of a universal entitlement to a comprehensive package of health benefits, including coverage of outpatient prescription drugs. The second element is the creation of an outpatient prescription drug benefit under Medicare, which is the primary source of health insurance of Americans 65 and older. In combination, these two elements would extend health insurance with an outpatient prescription drug benefit to the roughly 77 million Americans who currently have no insurance coverage for most of the prescription drugs they use outside a hospital or nursing home. *CBO estimates that the Clinton plan would increase total spending on prescription drugs by anywhere from 4 to 6 percent.* [Emphasis added]

However, as the study notes, "a high degree of uncertainty underlies these estimates of what economists call induced demand." A primary reason for this uncertainty is that CBO does not take into account the effect that a greater shift to managed health care plans under the Clinton plan would have on the demand for prescription drugs. It is difficult to predict how per capita spending on prescription drugs would respond if a larger share of Americans were to be covered by such plans.

Cost-Control Mechanisms for Prescription Drugs. As the CBO study points out, by extending a comprehensive package of basic health benefits with coverage of outpatient prescription drugs to all American citizens, the Clinton plan "could create a windfall" profit for the pharmaceutical industry. Without any built-in restraints on the added revenues the industry would receive under the plan, it is likely the much of the increase in spending on prescription drugs would further boost the industry's already high profitability. Therefore, to lessen the likelihood of such an outcome and to restrain the cost to taxpayers of providing an outpatient prescription drug benefit to Medicare beneficiaries, the Clinton plan would establish two mechanisms to contain the cost of prescription drugs.

One is a requirement that manufacturers of branded drugs enter into rebate agreements with the Secretary of Health and Human Services (HHS) if purchases of their branded drugs by Medicare enrollees are to be covered under the proposed Medicare prescription drug benefits. Makes of generic drugs would be exempt from this requirement. Under a typical rebate agreement, a manufacturer would have to pay to the Federal Government a minimum rebate of 17 percent of its average prices received from the retail class of trade (mainly wholesalers and retail pharmacies) on all of its branded drugs dispensed to Medicare beneficiaries. This basic rebate would be larger if the manufacturer's average retail price for a given branded drug were more than 17 percent above the average price received by the manufacturer from institutional buyers (e.g., hospitals and health maintenance organizations). Moreover, the basic rebate would be still larger if the manufacturer's average re-

tail price for the same drug were to rise faster than the Consumer Price Index, relative to a common base period.

Manufacturers of branded drugs first marketed in the United States after June 30, 1993 might have to pay special rebates if the Secretary of HHS were to determine that their initial prices were excessive or higher than selling prices in a specified group of developed countries (including Canada, France, Germany and Japan). If a special rebate for such a branded drug could not be negotiated, the Secretary could exclude it from reimbursement by Medicare.

Since the rebates would not apply to drugs used by the non-Medicare population, it is likely that under the Clinton plan unit revenues for the same outpatient branded drug would be lower in the 65-and-older population than in the under-65 population. However, the loss of unit revenues because of the Medicare rebates would be offset to a minor extent by the repeal of the rebates that drug companies currently pay to the Federal Government on all drugs purchased through Medicaid. CBO estimates that unit revenues for outpatient prescription drugs would rise by 2 percent if the Medicaid rebates were eliminated.

The second cost-control mechanism for prescription drugs included in the Clinton plan is an Advisory Council on Breakthrough Drugs. The Advisory Council would have the authority to review the "reasonableness" or initial or "launch" prices for breakthrough drugs, which are new drugs offering significant therapeutic advances over available drug therapies. Unlike the findings of Medicare price investigations for new drugs, the findings of the Advisory Council would be made public, and they would pertain to all users of a breakthrough drug. Nonetheless the Advisory Council's findings would lack the power of price controls because they would not be legally binding.

Expected Return on New Drug Development. The stage is now set for assessing how the Clinton plan would affect pharmaceutical R&D. It is clear that the plan would affect expected returns on new drug development because it would alter the amount of drugs (branded and generic) that a company could expect to sell and the unit revenues it could expect to receive. They key question in both cases is to what extent.

CBO estimates that "when averaged among all drugs, returns (on new drug development) would increase slightly—less than 3 percent of total (current) estimated returns from drug development—under the Administration's proposal." Mainly because the proposed Medicare rebate would result in relatively lower unit revenues on drug purchases by people 65 and older, CBO further estimates that returns from drugs developed largely for those 65 and older would decline, whereas the returns from drugs developed primarily for those under 65 would increase. (In practice, this distinction may be of little value since most prescription drugs are used by people from both age groups—although the age mix varies by drug.) In making these estimates, CBO assumes that drug manufacturers would not try to increase the prices of existing drugs or set launch prices for new drugs higher than they otherwise would to offset the revenue effects of the Medicare rebates. *These findings lead CBO to conclude that the "general level of R&D in the pharmaceutical industry may not change much as a result" of the Clinton plan.* [Emphasis added]

PHARMACEUTICAL PROVISIONS OF H.R. 3600, AS REPORTED BY THE HOUSE WAYS AND MEANS COMMITTEE

There are significant differences between the provisions related to prescription drugs

in the comprehensive health care reform bill reported by the House Ways and Means Committee (H.R. 3600) and those in the Clinton plan. Like the Clinton plan, the Ways and Means bill would create a universal entitlement to a comprehensive package of health benefits, including coverage of outpatient prescription drugs. In addition, both proposals would create an outpatient prescription drug benefit under Medicare, and both would try to contain the cost to taxpayers of providing such a benefit by requiring manufacturers of branded drugs to pay rebates to the Federal Government for purchases of their branded drugs by Medicare beneficiaries in exchange for having purchases of their branded drugs reimbursed by Medicare. And like the Clinton plan, the Ways and Means bill would abolish the existing rebates on prescription drugs dispensed under Medicaid. But the parallels go no further.

With one exception, the Ways and Means bill would seem to impose fewer constraints on the cost of prescription drugs. This difference is manifest in two ways. First, unlike the Clinton plan, the Ways and Means bill would not create a Federal council with the authority to monitor and pass judgment on the initial prices of breakthrough drugs. Second, the Ways and Means bill would set the minimum Medicare rebate at 15 percent of the manufacturer's average retail price for branded drugs, as opposed to a 17-percent minimum rebate in the Clinton plan. And unlike the Clinton plan, the Ways and Means bill would not grant the Secretary of HHS the power to negotiate special rebates for new drugs; rather all approved drugs would be subject to the same minimum rebate. However, unlike the Clinton plan, the Ways and Means bill would lower the cost to Medicare of dispensing outpatient generic drugs to beneficiaries by requiring manufacturers to pay a flat rebate of 10 percent of the average retail price in exchange for having their drugs covered by Medicare; the Clinton plan would exempt generic drugs from any Medicare rebate requirements. As a result, the Ways and Means bill arguably does more to encourage the use of generic drugs by Medicare beneficiaries than the Clinton plan. Greater use of generic drugs can generate substantial cost savings because generic drugs typically are priced about 50 percent below their brand-name equivalents within two years of entering the market.

THE HOUSE WAYS AND MEANS COMMITTEE VERSION OF H.R. 3600 AND INVESTMENT IN NEW DRUG DEVELOPMENT

Using CBO's analysis of the implications of the Clinton plan for pharmaceutical R&D as a model, it can be argued that Ways and Means version of H.R. 3600 would offer a slightly stronger financial incentive for increased investment in new drug development than the Clinton plan. What is more, the former would appear to place fewer administrative constraints on the pricing of new breakthrough drugs, raising the possibility that expected returns on investment in the development of these drugs might be greater under the Ways and Means bill than the Clinton plan.

The main reason for these stronger investment incentives in the Ways and Means bill lies in the differences between the two proposals in their cost-control mechanisms for prescription drugs. Of notable importance here is the two-percentage-point difference between the two in minimum Medicare rebates for branded drugs. *All other things being equal, manufacturers of branded drugs could expect to receive slightly higher unit revenues on purchases of their branded drugs by Medicare*

*beneficiaries under the Ways and Means bill than under the Clinton plan.* [Emphasis added]

Thus, because the vast share of new drugs are developed by makers of branded drugs, it seems reasonable to expect that the Ways and Means version of H.R. 3600 would provide a marginally stronger stimulus to pharmaceutical R&D in general and the development of new breakthrough drugs in particular than the Clinton plan. [Emphasis added]

TRIBUTE TO WINTHROP "WINK" AND ANNE ASHWORTH ON THEIR 50TH WEDDING ANNIVERSARY

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mr. MYERS of Indiana. Mr. Speaker, I rise today to salute Winthrop "Wink" and Anne Ashworth of Randolph Center, VT, on the occasion of their 50th wedding anniversary.

On August 13, the date of their anniversary, the Ashworth's five children, Pamela Jones, Stephanie Krauss, Elizabeth Ashworth-Shaw, Winthrop Ashworth, Jr. and Jonathan Ashworth, will honor the occasion with a reception for friends and family.

Mr. Speaker, the Ashworths' half century of devotion to each other should be commended, and I join their family and friends in wishing them many more happy years together.

D-DAY OBSERVANCES IN FRANCE AT UTAH BEACH

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mr. SKELTON. Mr. Speaker, I had the privilege of hearing the Honorable Jesse Brown, Secretary of Veterans Affairs, speak at the 50th anniversary of D-day ceremonies on June 6, 1994, at Utah Beach, France. I believe that these are encouraging remarks concerning how to deal with the challenges facing our future based on our experiences in history. I value his insight and advice. Secretary Brown's remarks follow:

D-DAY OBSERVANCES IN FRANCE AT UTAH BEACH

(By the Honorable Jesse Brown, Secretary of Veterans Affairs)

Good morning, ladies and gentlemen.

It is a great honor to be with you on this historic occasion.

I stand here representing the 27 million living veterans of the United States of America.

The veterans of our nation and those of our allies have accomplished feats that were written by fire in the pages of the history of the world.

No praise for them is too great; no words can convey the debt America and the world owe to them.

There is an inscription in the chapel in the American cemetery at Colleville.

It reads: "These endured all and gave all that justice among nations might prevail, and that mankind might enjoy freedom and inherit peace."

Yes, some gave all at Normandy. Some died in the hedge country; some died on the beaches. Some died in the landing boats without ever setting foot in Europe.

But they will always be remembered. They will always be in our hearts. We will never forget them.

Today, as the world watches, we proclaim that the past, the present and the future belong to the free.

We remember that we are free today because of the sacrifices of the brave men and women we honor here.

The evil forces of tyranny and oppression were powerful, cunning, cruel and ruthless.

But the United States and its allies fought the enemy with all its determination, resources and strength. We fought for security, progress, peace and freedom—not only for ourselves but for all citizens of the world—not only for one generation, but for all generations.

We have seen and experienced, first hand, the price of freedom.

We have seen it in the graves of the brave Americans who rest in honored glory.

We have seen it in the faces of our veterans, who continue to bear the costs of war as a result of wounds and disabilities.

And all of these things have taught us the true lesson of World War II.

The lesson is that aggression and extremists must be challenged in both war and peace.

Our resolve on the battlefield and on the home front brought us victory in World War II; it brought us victory in the cold war.

We must now summon the same resolve to meet the challenges of today and the future.

Americans have never taken freedom for granted; indeed, many have given their lives for the freedom of other nations.

And their ultimate sacrifice was not in vain. Their sacrifice has woven the fabric of history for the good of mankind and world peace.

It is clear, by deed alone, that our veterans did not forget the world; and the world should not forget them.

Thomas Payne was right when he said:

"God and the soldier, all men adore;  
In times of danger and not before;  
When the danger is passed and all things righted;  
God is forgotten, and the soldier slighted."

The United States, the Republic of France, and all our Allies—have not forgotten God.

Nor have we forgotten our brave servicemen and women and veterans, to whom we owe so much.

We shall never forget our heroes.

Thank you so very, very much.

At this time, ladies and gentlemen it is my great privilege to introduce to you one of the heroes we honor here today.

He was born in San Jose, California.

As a member of the 359th Infantry Regiment, 90th Infantry Division in Europe, he was aboard a ship that was sunk in the D-day invasion.

He served throughout the Normandy campaign, in the Central European campaign, and in Czechoslovakia.

During his time in Europe, he rose from platoon leader to battalion commander.

He continued to serve during the Korean Conflict. And in Vietnam, he commanded the First Infantry Division.

Among the many awards he received are the Purple Heart, the Distinguished Flying Cross, the Silver Star, and the Distinguished Service Medal.

Ladies and gentlemen, a true American hero—Lieutenant General Orwin Clark Talbott.

PRESSURE INDONESIA TO END  
OCCUPATION OF EAST TIMOR

**HON. NITA M. LOWEY**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mrs. LOWEY. Mr. Speaker, I rise today to share with my colleagues testimony I recently submitted to the United Nations Special Committee on Decolonization in behalf of the people of East Timor.

It is now 19 years since Indonesia seized control of East Timor and began its systematic oppression of the people of that territory. The East Timorese are denied the basic freedoms we almost take for granted: The right to speak, to freely assemble, and to have a say in their own governance.

In my testimony, I called upon the United Nations to take a strong position against the Indonesian occupation and the abuse of human rights that has sustained it.

I note here that the Foreign Operations appropriations bill that recently emerged from conference and passed the House takes a strong stand against the occupation and for the people of East Timor. It continues the ban on IMET [International Military and Education Training] funding for Indonesia, a ban put in place to protest human rights violations in East Timor. It also bans the transfer of light arms to Indonesia (arms that could be used in the repression of the Timorese) until the Secretary of State is able to report significant progress toward eliminating human rights abuses.

Moreover, House Appropriations Committee Chairman DAVID OBEY announced at the conference that unless the situation in East Timor improves, he will push for even harsher sanctions against Indonesia next year. In short, the U.S. Congress has taken a strong stand on this basic issue of human rights. I hope that the Government of Indonesia is paying attention.

TESTIMONY BEFORE THE UNITED NATIONS  
SPECIAL COMMITTEE ON DECOLONIZATION

Mr. Chairman, members of the Committee of 24, thank you for this opportunity to address the Special Committee on Decolonization.

The fundamental right of a people to choose its own government has always had strong resonance for Americans. The principle of self-determination is rooted in the idealism of Woodrow Wilson, and codified in the Charter of the United Nations. Coupled with decolonization, it has been a major force of democratization around the world.

It is clear that the people of East Timor have never known this right; they have never had the opportunity to elect their own officials or to determine their own futures. They were freed in 1975 from Portugal's colonial control only to be burdened with Indonesian domination less than a year later. Numerous human rights abuses now add greatly to the outrage we must feel at their situation.

As a United Nations member and a world leader, the United States must help to enforce the U.N. Charter. As a democracy, we take particular interest in its self-determination provisions. In both of these roles, we must take a strong and coherent stand against the Indonesian repression in East Timor.

In the past, the United States has opted for a balancing act; we have weighed economic and military goals against humanitarian ones, hoping that cooperation with the Indonesian government would induce it to expand human rights. Administrations since 1975 have taken this approach, and it has failed. According to reports from international human rights groups including Amnesty International and Asia Watch, the Indonesian government has not seriously investigated human rights claims or moved toward compliance with 1993 recommendations of the United Nations Commission on Human Rights in East Timor.

Mr. Chairman, the United Nations must now take a stronger stand. Rather than allowing ourselves to be put off by the possible consequences of antagonizing Indonesia, we should recall the successful stands we have taken against repression elsewhere. Our stubborn insistence on human rights guarantees have in many instances let us watch as governments changed and their people reclaimed their rights.

As the Commission on Human Rights has done in the past, we must continue to urge Indonesia to open East Timor to investigators and journalists. Their reports are invaluable in pointing out to the rest of the world the Indonesian government's weaknesses and lack of support at home.

Indonesia is clearly concerned with its public image; a judge sentenced Fernando Araujo in 1992 to nine years imprisonment for "disgracing the nation in the eyes of the international community." We must make clear to Indonesia that the way to eliminate embarrassing criticism is not to suppress the critics but to reform treatment of the accused and prisoners.

Reports alone are not enough, though they help to rally international support. We must also be willing to press hard to ensure that Indonesia's leaders act on the Commission's recommendations, that they are not only aware of their failings but also working to correct them. They must recognize the rights of the Timorese people, and we must oblige them to do so. As the United States House Appropriations Committee has urged, we must put force behind our words, for example, by completely cutting off arms sales until they comply.

As the imprisoned leader of the East Timorese independence movement, Xanana Gusmão said, "The so-called Indonesian provisional government was formed over the corpses of the Timorese massacred," in December 1975. Despite the Indonesian government's claims to the contrary, there has been no valid act of Timorese self-determination. Nor can "cultural differences" obscure the government's abuses. Detention of prisoners without legitimate trials and government complicity in massacres is criminal wherever in the world they occur.

We must solidify our position. Indonesia must be made to recognize that the human rights of the Timorese, and of its own citizens, are non-negotiable. Only a referendum among the East Timorese themselves can legitimately determine their status. Until the people's votes are counted and their voices heard, the international community and its principle of self-determination cannot be satisfied.

Mr. Chairman, I appeal to this Committee and to the rest of the World to recognize the clear danger to universal human rights that Indonesia's flagrant violations present. In standing up for the rights of the East Timorese, we will be standing for the rights of all free peoples.

CONSENSUS FOR CHANGE  
BROCHURE

**HON. ESTEBAN EDWARD TORRES**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mr. TORRES. Mr. Speaker, enclosed is a brochure entitled "A Consensus for Change" which I submit for the benefit of Members.

A CONSENSUS FOR CHANGE—FINAL REPORT OF  
THE GLOBAL POLICY PROJECT

EXECUTIVE SUMMARY

As issues of foreign economic policy come to the fore, policy-makers and citizens alike ask how the quest for new markets can be fulfilled at the same time as the challenges of protecting the environment and providing for the well-being of the poor are met. Members of 50 UNA-USA Chapters, Divisions, and affiliated organizations nationwide formed community study panels, invited local experts to advise their discussions, and, guided by a briefing book (*The World Economy in Transition*), wrote community reports on these issues. This brochure summarizes recommendations put forward in *A Consensus for Change*, the final report of the Global Policy Project of the United Nations Association of the USA.

While differences of opinion naturally emerged within and among the groups participating in this project, the aim was to develop varied suggestions for future action by U.S. and U.N. policy-makers. Aided by an expert National Advisory Panel, these citizens call for greater openness to business and nongovernmental organizations (NGOs) on the part of multilateral development banks as well as U.N. policy forums and programs. They call for creative partnerships to develop environmentally sound technology, to meet the needs both of small-scale businesses and of larger corporations, and to foster public commitment to reform global trade and industrial policies. On the eve of the U.N.'s fiftieth anniversary, their recommendations present the end of one study, and the beginning of future efforts in policy analysis and public education on sustainable development—that is, development that meets the needs of the present without compromising those of future generations.

UNA-USA wishes to acknowledge the continued support of the John D. and Catherine T. MacArthur Foundation and the Ford Foundation.

SUMMARY OF RECOMMENDATIONS

1. The Policy-making Framework: From  
Decisions to Dollars

To increase the efficiency and enhance the impact of the U.N.'s work in the economic and social spheres, the United States and other member nations should strengthen and streamline discussion of these issues in the U.N. General Assembly and the U.N. Economic and Social Council (ECOSOC). Rationalizing the division of labor among the U.N.'s various development programs and specialized agencies—and reviewing program mandates and funding for each—is critical. Governments should make a greater commitment to funding U.N. and other international development programs, and should enlist the private sector in supporting human development efforts. Members of nongovernmental organizations and citizens' groups must be recognized as important players in carrying these programs out.

The U.S. and other U.N. member states should concentrate efforts systemwide on

building social safety nets and encouraging the integration of sustainable development principles into the economic development process—both in industrial and in developing nations. In particular, member states of the Organization for Economic Cooperation and Development (OECD) should ensure that aid reporting by the OECD's Development Assistance Committee (DAC) is not divorced from analysis and presentation of data on other economic resource flows—such as trade, foreign direct investment, debt payments, and employment remittances from workers abroad—all of which affect the development process.

#### 2. Trade Trials and Tribulations—Triumphs at Hand?

Member states of the General Agreement on Tariffs and Trade (GATT) should ensure that the soon to be established World Trade Organization (WTO) sustain the process of creating a more open trade and investment environment. It should do so by developing strong functional linkages to the World Bank and the International Monetary Fund, and by improving ties with agencies and programs of the U.N. system engaged in trade and development activities, such as the U.N. Conference on Trade and Development, the International Labour Organisation, the U.N. Commission on Sustainable Development, and the U.N. Environment Programme. The role and effectiveness of such institutions in this area will depend on their credibility and capability in pursuing sound policy goals. Within the new WTO, the U.S. and other GATT members should pursue changes in both the GATT's general rules of procedure and in dispute-resolution procedures to facilitate input and participation, where appropriate, by relevant and competent nongovernmental and other experts. Members of the GATT should make WTO resolutions (as well as the rationale for disputed decisions) readily available to the public.

To ensure that environmental and labor concerns are properly addressed in future trade negotiations, GATT members should support the work of the GATT's Committee on Trade and the Environment—particularly efforts by its members to integrate trade liberalization and sustainable development objectives. The existing body of international environmental law, evolving standards, and agreements should be considered as environment-related trade disputes are debated and decided, including: the U.N. Framework Convention on Climate Change and the U.N. Convention on Biological Diversity (both signed by the United States, the latter still unratified), Agenda 21, and the decisions of the Commission on Sustainable Development. Similarly, as GATT members consider ways to incorporate worker rights and labor standards into the program of work of the WTO, both the ILO and the OECD should continue their respective efforts at standard-setting and review—focusing in particular on standards covering forced labor, freedom of association, and equality of treatment among workers.

Members of the GATT should continue to employ the existing General System of Preferences (GSP) to allow poor nations access to international markets—while leaders in government and the private sector should support renewed efforts to eliminate corruption in the public and private sectors of countries, rich and poor. In this regard, the U.S. should lead member states of the United Nations in supporting a draft U.N. "International Agreement on Illicit Payments," as well as other anticorruption standards and recommendations put forward by the OECD and by relevant NGOs.

#### 3. MAKING CHANGE: REFORMING DEVELOPMENT AND FINANCE INSTITUTIONS

As a major donor to the World Bank, the U.S. should sustain its support for these institutions. It should also lead efforts to enhance transparency in the Bank's operating procedures and to ensure representation of nongovernmental and private-sector interests on its newly established complaint review panel. Likewise, the U.S. should encourage the IMF to institute procedures for disclosing select documents, for involving experts from the private and nongovernmental sectors in evaluation of social and environmental impacts of its work, and for reviewing complaints regarding the immediate and long-term effects of loan policies on recipients.

Within the U.N. proper, the U.S. should lead other member states in encouraging UNDP to emphasize rigorous development analysis as its first priority; at the country-program level, UNDP should seek a strengthened interagency coordinating role. Technical support efforts should center on capacity-building in high impact areas (such as programs involving women), as well as enhanced coordination with humanitarian assistance programs. Similarly, UNICEF should focus on addressing the most critical needs of poor children and mothers—its area of comparative advantage—and should increase efforts to bolster the work of national-level counterpart agencies in key sectors, such as health and education.

UNEP should develop means to involve representatives of government, business, labor, and nongovernmental groups in defining international environmental standards and in building the political and public support to translate those standards into practice. Member states should thus consider the creation of a discussion forum within UNEP to involve these groups—along with enhanced funding for UNEP, targeted to support efforts at compliance with international standards on the part of poor nations.

#### 4. Strategic Signposts on the Path to Sustainable Development

Collaboration among official development institutions, private-sector groups, and NGOs will only occur if the time and resources each invests in joint ventures can be demonstrated to yield concrete benefits. The challenge is to make economic development both sustainable and cost-effective; full-cost accounting procedures offer one way to demonstrate the complete costs and benefits of varying approaches. With the release of a comprehensive, revised System of National Accounts (SNA) in early 1993—the result of collaborative work by the World Bank, the OECD, and key U.N. agencies—policy-makers worldwide have gained a significant tool. The U.S. should encourage all member states to implement the SNA (and, with it, "satellite accounts" on environment and gender). Private corporations should be encouraged to revise annual accounting practices and to evaluate production decisions to reflect more fully the environmental and social costs of economic activity.

At the same time, U.N. member states should support efforts to promote the development and transfer of environmentally sound technology—with special emphasis on a new role for the private sector in this form of development cooperation. In this connection, the World Bank and UNDP should collaborate with key private-sector financial institutions and nongovernmental organizations to create financing vehicles for small-business and microenterprise development efforts—such as a revolving loan fund within

a restructured Global Environmental Facility (GEF). Government representatives to the GEF's Universal Assembly and Executive Council, along with official and nongovernmental representatives to the GEF's Participants Assembly, should develop means for formalizing NGO accreditation procedures to the Facility.

The U.S. and other donors to the multilateral development and finance institutions should encourage the development of innovative means to involve NGOs in policy discussions and program work, and should undertake similar efforts within their individual bilateral development and finance institutions. In the context of ongoing review of the rules for participation by NGOs in ECOSOC debates, the U.S. should lead member states in encouraging broader participation by NGOs—and should use the Commission on Sustainable Development and other public forums, including U.N. conferences, to focus the attention of consumers from wealthy and developing nations alike on the shared challenge of developing sustainable consumption patterns.

United Nations Association of the United States of America (UNA-USA)

The United Nations Association of the United States of America is a national organization dedicated to strengthening the U.N. system and to enhancing U.S. participation in that system.

The Association provides information and educational services on the work of the U.N. and on other global issues for students, scholars, Congress, business leaders, and the media.

#### THE ELECTRONIC FREEDOM OF INFORMATION ACT OF 1994

HON. MARIA CANTWELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Ms. CANTWELL. Mr. Speaker, today I am introducing legislation that I believe will improve public access to Government under the Freedom of Information Act and make the Federal Government more accountable to the American people. Representatives CONDIT, ESHOO, FINGERHUT, SHEPHERD, and WOOLSEY join me today as original cosponsors of this bill.

The Freedom of Information Act [FOIA] was enacted in 1966. When he signed the Freedom of Information Act into law on July 4, 1966, President Lyndon Johnson said:

This legislation springs from one of our most essential principles: A democracy works best when the people have all the information that the security of the Nation permits. No one should be able to pull curtains of secrecy around decisions which can be revealed without injury to the public interest.

Since 1966, FOIA has been used to provide citizens with information on how Government works and how decisions are made. An informed electorate is best able to hold Government accountable and root out waste, fraud and abuse of power in Government. For example, FOIA was recently used to uncover the human radiation experiments conducted under Government auspices in the decades after World War II.

Over the past 20 years, information management and maintenance have dramatically changed. New guidelines are needed to reflect the computer revolution that has occurred in this country. It is important to clarify that Government has an obligation to respond to FOIA requests for information maintained electronically. This legislation makes clear that FOIA covers Government information in any format.

It's time to bring FOIA into the computer age and reduce the delays that have plagued the current system. The Electronic Freedom of Information Act accomplishes these two important objectives by making Government information more accessible to the American people through the benefits of information technology and implementing improvements to alleviate delays in processing requests for information.

The Electronic Freedom of Information Act of 1994 makes Government more accessible to the public by: Clarifying that FOIA requirements apply to records regardless of form, including agencies' electronic records; requiring that agencies provide records in requested form if records are maintained in that form, and make reasonable efforts to provide information in the form requested, even where such records are not usually maintained but are available in that form; requiring that agency regulations, opinions, and policy statements be accessible on an on-line basis or if not available by other electronic means such as CD-ROM or on disc; requiring that a list of all FOIA released records be accessible on-line or if not available, by other electronic means, and that copies of FOIA released records that are subjects of repeated requests be accessible on-line or if not available, by other electronic means; requiring agencies to public on-line indexes of all major information systems used or maintained in electronic form and descriptions of any new major information systems; and requiring agencies to indicate the place and extent to which deletions are made in electronic records, so requesters will be able to know how much information has been deleted.

This bill also will improve Government response to citizen requests for information by: Providing incentives for agencies to meet statutory deadlines—agencies can retain half of the fees they collect if they respond to requests within the deadlines established in the act; increasing the time allowable for responding to requests for information from 10 to 20 days, which will help agencies reduce their backlogs of requests; allowing a court to award, in addition to attorneys' fees and litigation costs permitted under current law, expenses to a requesters where agencies fail to comply with the time limits set by the act; authorizing agencies to handle simple requests—those for which a determination on whether to comply with the request can be made in less than 10 days—and complex requests—those requiring more than 10 days to determine whether to comply—on two tracks, and; providing for expedited access to requesters that demonstrate—under penalty of perjury—a compelling need for a speedy response—less than 20 days.

As Federal agencies increasingly move to computers for information management, this legislation will ensure that Government is

open, accessible and operating efficiently. I urge my colleagues to cosponsor and support the Electronic Freedom of Information Act of 1994.

#### NO MORE PAPER

### HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1994

Mr. GINGRICH. Mr. Speaker, I rise today to discuss an issue that is becoming increasingly prevalent as the health care reform debate continues. Health care providers are inundated with paperwork. If this trend does not stop, we will need separate buildings just for the paper. We must do something.

Why do we have all this paper? Let me share with you my experience. A few weeks ago, at the behest of the Georgia Chapter of the Healthcare Financial Management Association and the Georgia Hospital Association, I had the opportunity to visit Kennestone Hospital, which is located in my district. This time, instead of limiting my visit to the patient care areas, I went through the hospital's business office. I got to see everything that goes on in that office—all the steps it takes to process a patient's bill starting from before admission to after the patient is released. What I learned on this tour was truly overwhelming.

Mr. Speaker, I wonder if my colleagues realize that just about every health care payer has its own variation of a health care claim form, with minimal standardization across payers. Even Medicare's standardized form is not used uniformly; intermediaries may require different formats and/or attachments. Now the health care provider is essentially struck—if they want to get paid, they have to comply with the demands of the payer, including Medicare.

Mr. Speaker, this is a waste. It's a waste of human resource, and it's a waste of money. We need to fix this and we need to do it this year. We have the opportunity to do just that. Representatives SAWYER and HOBSON have spent many months—working with health care provider groups such as the Healthcare Financial Management Association, computer companies and insurers—developing a legislative proposal to simplify and unify the health care administrative system.

H.R. 3137, the Health Care Information Modernization and Security Act of 1993, would mandate that all providers and payers conform to a uniform form. Further, everything would be processed electronically. No more paper. Patient privacy would be protected; appropriate timelines would be set for a smooth transition to this new system.

The electronic superhighway is the wave of the future. Health care claims processing is an area that would greatly benefit from getting on board that highway.

Mr. Speaker, I encourage my colleagues to visit a hospital in their district and see what's going on in the business office. Hear their perspective. Moreover, I encourage you to give serious consideration to H.R. 3137. Patients, our constituents, will benefit most from this bill. This is a bill that can be enacted this year and

produce significant savings, both financially and in terms of human resources.

#### SENATE COMMITTEE MEETINGS

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

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

Meetings scheduled for Tuesday, August 9, 1994, may be found in the Daily Digest of today's RECORD.

#### MEETINGS SCHEDULED

##### AUGUST 10

9:00 a.m.

##### Labor and Human Resources

Business meeting, to mark up S. 1821, authorizing funds to provide a comprehensive program for the prevention of fetal alcohol syndrome, S. 1781, to make improvements in the Black Lung Benefits Act, S. 1037, to eliminate the provision in the Civil Rights Act of 1991 that would exempt the employer and employees involved in the Wards Cove Packing Co. versus Atonio case, and to consider pending nominations.

SD-430

Office of Technology Assessment Board meeting, to consider pending business.

EF-100, Capitol

9:30 a.m.

##### Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

10:00 a.m.

##### Foreign Relations

To hold hearings to examine the current status of the Law of the Sea Convention.

SD-419

##### Indian Affairs

Business meeting, to mark up S. 2269, to protect Native American cultures and to guarantee the free exercise of religion by Native Americans, S. 2036, to specify the terms of contracts entered into by the U.S. and Indian tribal organizations under the Indian Self-Determination and Education Assistance Act, S. 2150, to establish a Native Hawaiian housing program, S. 2259, to provide for the settlement of Confederated Tribes of the Colville Reservation claims concerning their contribution to the production of hydropower by the Grand Coulee Dam, and S. 2329, to provide for the settlement of certain Mohegan Indian land claims within the

State of Connecticut; to be followed by hearings on pending nominations.

SH-216

10:30 a.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

1:30 p.m.

Small Business

Business meeting, to mark up S. 2060, authorizing funds for fiscal years 1995 through 1997 for programs of the Small Business Administration.

SR-428A

2:00 p.m.

Armed Services

To hold hearings on the nominations of Walter B. Slocombe, of the District of Columbia, to be Under Secretary for Policy, Jan Lodal, of Virginia, to be Deputy Under Secretary for Policy, Joseph Nye, of Massachusetts, to be Assistant Secretary for International Security Affairs, Sandra K. Stuart, of North Carolina, to be Assistant Secretary for Legislative Affairs, Judith A. Miller, of Ohio, to be General Counsel, and Philip Edward Coyle III, of the District of Columbia, to be Director of Operational Test and Evaluation, all of the Department of Defense.

SR-222

Foreign Relations

To hold hearings on Richard Holbrooke, of New York, to be Assistant Secretary of State for European and Canadian Affairs, Eileen A. Malloy, of Connecticut,

to be Ambassador to the Kyrgyz Republic, and James W. Swihart, Jr., of Virginia, to be Ambassador to the Republic of Lithuania.

SD-419

AUGUST 11

8:30 a.m.

Agriculture, Nutrition, and Forestry  
Agricultural Research, Conservation, Forestry and General Legislation Subcommittee

To hold hearings on the Administration's proposed legislation on meat and poultry inspection.

SR-332

9:30 a.m.

Commerce, Science, and Transportation

To hold oversight hearings on the activities of the Olympic Committee.

SR-253

2:00 p.m.

Armed Services

To hold hearings to examine the military implications of the Convention on Chemical Weapons.

SR-222

Environment and Public Works

To hold hearings on proposed legislation authorizing funds for programs of the Economic Development Administration.

SD-406

Judiciary

To hold hearings on pending nominations.

SD-226

AUGUST 12

8:30 a.m.

Agriculture, Nutrition, and Forestry  
Agricultural Research, Conservation, Forestry and General Legislation Subcommittee

To continue hearings on the Administration's proposed legislation on meat and poultry inspection.

SR-385

10:00 a.m.

Judiciary

Patents, Copyrights and Trademarks Subcommittee

To hold joint hearings with the House Committee on the Judiciary's Subcommittee on Intellectual Property and Judicial Administration on the implementation of the intellectual property provisions of the General Agreement on Tariffs and Trade (GATT).

2237 Rayburn Building

POSTPONEMENTS

AUGUST 12

2:00 p.m.

Veterans' Affairs

Business meeting, to consider the nomination of Linda Marie Hooks, of Georgia, to be an Assistant Secretary of Veterans' Affairs (Acquisition and Facilities), and to mark up pending legislation.

SR-418