

EXTENSIONS OF REMARKS

EXAMPLE 5,734 ON WHY WE NEED NATIONAL HEALTH CARE REFORM

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. STARK. Mr. Speaker, in the last several years, I bet I have read 5,734 or more letters from Americans giving good, specific examples of why we need health care reform.

I've put a score or so in the RECORD—but the examples really are countless. And unless we act, they will be endless.

The following letter is from Mr. Sam Alex Bezanis of Chicago. His monthly insurance was \$489 a month in 1989. In 9 days, it will rise to \$973.10 per month. He desperately needs health insurance—but he also needs to eat and keep a roof over his head. At these ever-inflating insurance rates, it is an impossible task.

Mr. Speaker, we are all in this together as a society, and we should enact open enrollment, community rates insurance so that the Sam Bezanis's of the world—which could be any one of us at a moment's notice—have a fighting chance.

MARCH 9, 1994.

HON. FORTNEY "PETE" STARK,
Chairman, Health Subcommittee, House of Representatives, Washington, DC.

DEAR CHAIRMAN STARK: At 56 years of age I've struggled since age 23 to keep myself alive, well, and a productive member of society and tax payer. I suffer from coronary artery disease and familia hyperclosterterima, an inherited disorder, requiring LDL apherisis once every second week superimposed on a drug regime.

My very existence is now threatened because my insurance coverage which was \$489.00 per month in 1989 is now \$869.10 per month and is increasing by 12% in April of 1994. I do not have the financial resources to continue paying the \$869.10 let alone \$973.10 in April.

This being the case I started looking for alternate types of coverage.

Following are the reasons I cannot buy coverage, pursuant to the insurance and managed care companies:

1. I am an individual—I knew that—not a group and do not belong to a group.
2. I am too old.
3. Two preexisting conditions.
4. Any employer I've talked to about employment will not offer insurance because I'd be a liability to the existing group.

The long and short of it is that I'd have to attain the financial status of poverty disposing of assets etc., in order to be eligible for Federal or state medical insurance and then there would be no prescription drug coverage.

As one of the elected officials serving on this committee I sincerely hope you can put aside party differences and politics and make a significant contribution to the citizens of the United States by drafting a truly equitable and affordable health care plan.

I'd like to hear your thoughts for a solution to my immediate problem and you plans for a comprehensive health care plan.

Sincerely,

SAM ALEX BEZANIS.

TRIBUTE TO FREDERICA GRAY

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mrs. KENNELLY. Mr. Speaker, today I would like to honor an outstanding individual who has made a great contribution to the assurance of rights and opportunities for women in Connecticut and the Nation, Frederica K. Gray.

As executive director of the State of Connecticut Permanent Commission on the Status of Women, Frederica Gray has worked diligently and successfully toward the elimination of sex discrimination and the improvement of economic and social opportunities for all women. She has been instrumental in developing public policy and programs to improve the status of women through numerous boards, commissions, and councils, and has been an effective liaison between the executive and legislative branches of State government.

Frederica Gray has been a strong voice on behalf of women's rights, opportunities, and accomplishments in many forums, including universities, government panels, international conferences, and the media. She has been the recipient of numerous awards at the city, State, and national levels, including a doctorate in humanities honoris causa through Briarwood College. She is the author of numerous publications concerning the status of women.

Frederica K. Gray is a bastion of strength for all citizens of Connecticut and the Nation. I join many others in honoring her accomplishments and in extending my very best wishes for her future endeavors.

TRIBUTE TO WILLIAM H. "BILL" WYNN

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. BONIOR. Mr. Speaker, today, I would like to pay tribute to one of the giants of the labor movement who has recently been forced to step down as president of one of this Nation's great unions due to on-going health problems. William H. "Bill" Wynn, the longtime president of the United Food and Commercial Workers International Union leaves a legacy of unparalleled leadership. Serving as

the UFCW's first—and until his retirement earlier this year—only president, he built this now 1.4 million member union into one of the Nation's largest, most innovative, and effective labor organizations.

Wynn, who was elected international president of the Retail Clerks International Union in 1977, was the principal architect of two key mergers—one that gave birth to the UFCW, and one that consolidated the UFCW's strength in the retail food and food processing industries.

Wynn earned a place in labor history for crafting the landmark merger between the Retail Clerks and the Amalgamated Meat Cutters and Butcher Workmen in 1979 that formed the United Food and Commercial Workers. He was unanimously elected as president of the new union, a post he held from the UFCW's founding until February 3, 1994.

The Retail Clerks-Amalgamated Meat Cutters merger took place on the eve of the Reagan era, when a wave of anti-worker economic and political forces were unleashed on this Nation. These swept through UFCW-represented industries like a hurricane, transforming many once stable, profitable companies to debt-strapped enterprises struggling for their economic lives. The newly formed UFCW was able to fight back forcefully, with strength that neither of the former unions could have generated alone.

Wynn not only engineered the merger between the two unions at a critical time, but he also determined to make it work—and it did. Through tenacity, creativity, and a commitment to problem-solving, the UFCW did more than just survive the 1980's; it grew, thanks to Wynn's determination to aggressively meet the challenges posed by increasing non-union competition—and an unwavering commitment to organizing.

Perhaps his second greatest accomplishment was the 1993 merger between the UFCW and the Retail, Wholesale, and Department Store Union. At the time he described it as a perfect fit. Indeed it is. After all, the UFCW and the RWDSU share virtually identical jurisdictions. Also, and most importantly, this newly formed partnership makes the UFCW the largest private sector union in North America.

But Bill Wynn was more than a labor leader. He dedicated himself to promoting civil rights and affirmative action. His commitment is reflected among the UFCW's leadership ranks and professional staff, as well as in the union's special emphasis on organizing those who need a union most: low-wage and minority workers.

Bill Wynn was a consummate consensus-builder who commanded great respect. He touched the lives of millions of working families and through his leadership those lives have been improved.

For those of us who have long worked with the UFCW, and who came to know and re-

● 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.

spect Bill Wynn, we offer a heartfelt salute and our eternal respect. Bill Wynn is one man whose leadership will be sorely missed.

RECOGNITION OF PROJECT LONG ISLAND

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today on behalf of the members of the Long Island, New York congressional delegation, Congressman PETER KING, Congressman DAVID LEVY, Congressman RICK LAZIO, Congressman GARY ACKERMAN, and myself, in order to recognize a new program now underway on Long Island which will enhance and improve the lives of my constituents.

"Project Long Island: A Century Council Coalition" combines in a unique partnership the efforts of public officials, law enforcement agents, media, and business and civic leaders in combating drunk driving and underage drinking problems. Through their work, Project Long Island's members design, locate, and implement model programs that are useful not only to the people of Long Island, but to the nation as well.

Project Long Island is part of a national program sponsored by the Century Council. The council is a not-for-profit organization that is committed to reducing alcohol abuse in the United States. Originally funded by 17 members of the licensed beverage industry, the Century Council receives support from over 450 brewers, vintners, distillers, and wholesalers.

Drunk driving plagues every community in our country. The battle against it must be fought on all levels. Through grassroots community action and alliance building, Project Long Island is fostering comprehensive public awareness through education initiatives in its quest to stifle this problem.

In this era of limited local resources, this kind of public-private partnership is crucial to solving the problems that affect each and every one of us. My heartfelt admiration and thanks go out to everyone who is helping to make Project Long Island a success. I believe that the work of Project Long Island will serve as an example for other communities to follow.

IN CHALLENGE TO CONGRESS, CLINTON TO ADMIT HIV-INFECTED IMMIGRANTS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. SOLOMON. Mr. Speaker, last May the American public spoke their will and the Congress enacted a law to ban the immigration of individuals infected with HIV, a deadly communicable disease of public health significance. This legislation made it absolutely clear to the White House that HIV-infected immigrants pose a threat to the health and well-being of American citizens.

Well, here it is not even 1 year after the enactment of the ban and President Clinton is poised to run roughshod over the will of people. The Clinton administration is preparing to allow HIV-infected immigrants to enter the United States to participate in the New York Gay Games in June. This directly conflicts with both the spirit and letter of the law and it is outrageous.

With all the efforts being made to prevent the spread of the AIDS epidemic, how can the President knowingly admit new sources of contagious diseases into our country? President Clinton should stop playing politics to win the approval of a few liberal organizations and start using a little common sense.

[From the New York Times, Feb. 25, 1994]

WHITE HOUSE SET TO WAIVE HIV BAN FOR GAY GAMES

WASHINGTON.—The Clinton administration is expected to waive the rule that bars foreigners with human immunodeficiency virus from entering the United States to accommodate athletes and spectators planning to attend the Gay Games in New York in June, officials in several federal agencies said Thursday.

The State Department actually took the first steps toward issuing the visas, but suspended the effort after the Justice Department said it had not yet approved the waiver.

The Department of Health and Human Services and senior officials of the Immigration and Naturalization Service are urging the Justice Department to grant the waiver, after numerous gay groups asked the administration to remove obstacles to the games. Sponsors say they expect 15,000 athletes from more than 40 countries.

Attorney General Janet Reno said Thursday that she had not yet made up her mind on the subject, a matter of great political sensitivity. But several officials said she is expected to give her approval as a way of allowing the administration to make a gesture to gay groups that have attacked Mr. Clinton over his policy on homosexuals in the military and his failure to meet a campaign promise to lift the visa restrictions permanently.

The Immigration and Naturalization Service is already developing plans on the most efficient way to grant the waivers. Under U.S. law, visas are denied to anyone with a "communicable disease of public health significance," a requirement that includes infection with HIV.

Making an already delicate situation something of a public embarrassment, the State Department sent cables on Wednesday to embassies and consulates around the world, telling them to grant blanket 30-day waivers to people attending the Gay Games.

After the Justice Department objected, the State Department said Thursday that the cables went out in error and rescinded the instructions.

"The person over at State who sent that message simply misunderstood the status of things," said Carl Stern, the Justice Department spokesman.

David M. Smith, spokesman for the National Gay and Lesbian Task Force, said, "It was a bureaucratic foulup, but there's no reason to believe that Janet Reno won't ultimately approve this request."

The Gay Games will be held from June 18 through June 25 in conjunction with a cultural festival.

AMTRAK INVESTMENT ACT OF 1994

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. SWIFT. Mr. Speaker, I am pleased to introduce at the request of the administration through the Department of Transportation, legislation to authorize appropriations for fiscal years 1995 and 1996 for the National Railroad Passenger Corporation [AMTRAK]. The legislation reflects the commitment of this administration to intercity passenger rail service, and recognizes the need for capital investment if AMTRAK is to improve upon the services that it supplies to the traveling public.

As Secretary Pena states in his letter of transmittal, "passengers have a right to expect and receive superior service in exchange for their transportation dollar, and the expectations are all the more important because the Federal Government supports AMTRAK financially."

This legislation authorizes necessary capital funding to allow AMTRAK to acquire new and modern equipment in order to upgrade service, and as well, to modernize its maintenance facilities to ensure that current equipment will be maintained efficiently and will perform effectively.

I believe this legislative proposal to modernize and improve our national rail passenger system is both cost-effective and a necessary investment in our national transportation infrastructure. I look forward to working with Secretary Pena and other Members of Congress in furthering these goals.

INVESTIGATE HUMAN RIGHTS ABUSE ALLEGATIONS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. STARK. Mr. Speaker, I am concerned about the recent reports by Amnesty International of human rights abuses by the Mexican Army against the indigenous people in Chiapas, Mexico. Since Mexico is now a signatory to NAFTA with the United States, it has become imperative for a nonbiased commission to investigate these allegations.

On January 1, 1994, several thousand peasants and indigenous peoples in the southern Mexican State of Chiapas rebelled against years of exploitation and racism. The rebels denounced years of undemocratic and corrupt politics of the ruling PRI Party that led them to take direct action to address their grievances. Representatives from United States labor unions were eyewitnesses to a recent union election held in Tijuana, Mexico, exposing the undemocratic and intimidating policies of Mexican labor law which make free trade union elections virtually impossible.

Journalists and respected human rights groups have been denied access to the Chiapas region. There were reports of execution style murders by the army, and indiscriminate bombing and shelling of populated areas.

The United States State Department issued a report on February 1 that charged the Mexican Army with "serious human rights violations."

Since the backers of NAFTA assured the people of the United States that the Mexican Government enforces human and worker's rights, I believe an independent commission should be established to investigate these serious allegations against our newly favored trading partner.

NATIONAL SERVICE ACT

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mrs. KENNELLY. Mr. Speaker, last year, Congress passed the National Service Act, a program conceived by President Clinton to give young people throughout the country an opportunity to provide community service while earning money toward their college tuition. Students who choose to participate in this program have a wonderful opportunity to expand their practical education, and participate in improving the state of our Nation.

In addition to an hourly stipend, participants in this community service program will earn up to \$4,725 a year in educational awards for a maximum of 2 years. The IRS recently ruled that these educational awards will be counted as taxable income. This ruling places an unfair burden on students involved in community service, but more important, this additional taxable income could jeopardize opportunities to receive income-based financial aid such as Pell grants.

The National Service Trust Fund was set up with the goal of providing educational opportunities for individuals who make a substantial commitment to community service. Taxing educational awards could severely hinder this goal. For this reason, I am introducing legislation today to exclude national service educational awards from gross income. I would urge my colleagues to join me and cosponsor this legislation.

THE FUTURE OF DEMOCRACY IN TURKEY

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. BURTON of Indiana. Mr. Speaker, there has been much discussion about the future of democracy in Turkey. In a March 14, 1994, Washington Times editorial, Turkey's Ambassador to the United States points out that Turkey's fight against the terrorist PKK should not be viewed as a threat to democracy. The Marxist-Leninist, PKK has murdered thousands of civilians, many of whom are Kurds who were unwilling to support their terrorist agenda, in an effort to carve a Kurdish state out of the sovereign territory of Turkey.

I also believe that it is important not to confuse Kurds who have been oppressed under the rule of Saddam Hussein in Iraq and those

who reside in Turkey. As Ambassador Nuzhet Kandemir explains in his editorial, "Turkish citizens of Kurdish origin live throughout Turkey and participate without discrimination in all walks of life." "Kurds have served as presidents and prime ministers of the Republic of Turkey" and currently, "they serve in large numbers in Parliament," he adds. While it is natural to be sympathetic to the plight of Kurds in Iraq, I must emphasize that the terrorist activities of the PKK do not have the support of the great majority of Turkish citizens of Kurdish origin.

For those Members of Congress who want a realistic picture of PKK terrorism in Turkey, and who want to know about some of the positive steps which Turkey has taken to benefit its citizens of Kurdish origin, I highly recommend Ambassador Kandemir's editorial.

[From the Washington Times, Mar. 14, 1994]

TURKEY HAS A RIGHT TO PROTECT ITS DEMOCRACY

(By Nuzhet Kandemir)

Recent press commentary, such as Sen. Dennis DeConcini's (Op-Ed, March 8) has expressed anxiety about the future of democracy in Turkey. Democracy has been a rare, precious and often fragile institution throughout human history, so attentive concern for its preservation is always in order. But it is not correct to view Turkey's fight against terrorist criminals as a sign of democracy in danger. On the contrary, true danger would be signified if a democratic government were unwilling or unable to protect its country's territorial integrity or its citizen's human rights from the depredations of a terrorist organization.

A much-misconstrued event has prompted some of the current concerns: The vote of the General Assembly of the Turkish Parliament on March 2 and 3 to lift the immunity of eight Turkish parliamentarians. The vote, taken pursuant to the legal process prescribed in the republic's constitution, occurred in connection with judicial investigations of charges that the eight individuals have engaged in activities against the country's constitutional democratic system and its territorial integrity. The issue is not the political views the parliamentarians have been expressing. None of the individuals have been arrested and none has been stripped of membership in the Parliament. The action regarding their immunity is consistent in principle with the immunity provisions of the U.S. Constitution (Article 1, sections 3 and 6).

The Turkish constitution provides that all citizens have the same political rights and civil liberties which they may exercise equally, without impediment, regardless of ethnic or religious background. Allegations that the immunities of the eight parliamentarians were lifted because of their pro-Kurdish politics are completely unfounded. Turkish citizens of Kurdish origin live throughout Turkey and participate without discrimination in all walks of life; this is a crucial fact that is widely and wildly misunderstood. Kurds have served as presidents and prime minister of the Republic of Turkey. They serve in large numbers in Parliament, belonging to a wide range of political parties. They enjoy full political representation, and all Turkish citizens, including the great majority of citizens of Kurdish origin, do not support Kurdish extremism.

Such extremism manifests itself most virulently in the violence perpetrated by the PKK, an antidemocratic, indeed Marxist-

Leninist, terrorist organization. The violence aims at carving a Kurdish state out of the sovereign territory of Turkey, thereby undermining the peace and stability of the entire region. Since its inception in 1984, the PKK has based its operations on intimidation and extortion. After the Gulf War, the PKK increased its atrocities and intensified its attacks on the human rights of Turkish citizens of Kurdish and non-Kurdish origin. It has killed thousands of civilians, many of whom are Kurds whom the PKK claims to serve and represent. The PKK took full advantage of the post-war power vacuum in the areas of Iraq bordering Southeast Turkey, which became a breeding ground for terror. The U.N. Human Rights Commission, in its March 2 resolution, recognized that terrorist organizations perpetrate grievous human rights violations. It condemned such violations and asked its members to cooperate to fight terrorism, as required in a large number of international agreements and resolutions, including those of the Conference on Security and Cooperation in Europe (CSCE) and NATO.

The Turkish government has accelerated its reform programs for the southeast region. These programs—economic, social and political—have been severely hampered by PKK terror. But the government, operating within the rule of law, is determined to eradicate terror and to continue its reform programs for the region. Economic and social programs claim nearly 17.5 percent of Turkey's total investment capital for enormous development projects in the Southeast, such as the Southeastern Anatolia Project (GAP). GAP alone consumes the equivalent of \$1.7 million daily (at 1992 exchange rates). Turkey invests in the southeast 13 times more than it collects in taxes from the region. In 1993, investment there was 1.6 times greater than investment in the Western regions.

Despite the challenges, democracy in Turkey remains strong. The Turkish democratic system is the foundation for existing open, secular, pluralistic society and an expanding free market economy. Since the republic's establishment, the Turkish people and their successive governments have dedicated themselves to furthering these values.

Supporting a strong democratic Turkey in a generally volatile region has long been recognized as an important interest of the United States. For over half a century, Turkey has been a staunch ally of the United States and NATO. In the evolving new world order after the collapse of Soviet communism, U.S.-Turkish bilateral relations are a major force for good in a vast region stretching from Central Asia through the Middle East to the Balkans. Turkey's heightened strategic importance at the epicenter of important geopolitical changes increases its potential to expand and deepen its "enhanced partnership" with the United States. Military and economic assistance to Turkey should be evaluated with respect to NATO requirements as an investment in bolstering Turkish democracy.

Turkey's local elections on March 27 will be conducted according to law, as appropriate for an open, free and democratic society, notwithstanding any attempts by terrorist organizations to poison the country's political climate. We are vigilant and have the wisdom not to play into the hands of those who would undermine Turkish democracy or damage Turkey's deep-rooted relations with its democratic friends and allies in the United States.

TRIBUTE TO DAVID SCHECHNER

HON. HERB KLEIN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. KLEIN. Mr. Speaker, I rise today to pay special tribute to Mr. David Schechner who is being honored by the village of South Orange for his 25 years of service as the village counsel. I am very proud to join the village president and board of trustees in honoring Mr. Schechner for his accomplishments.

Mr. Schechner has served South Orange in many ways. He is a former president of the Citizens Party League and a founding member of the South Orange Friends of the Library. He is also the past president of the Congregation Ohel Shalom located in South Orange. Moreover, he found the time to be an original trustee of the South Orange-Maplewood YMCA.

Professionally, Mr. Schechner has helped South Orange, too. In addition to his position as village counsel, he has served as acting magistrate and attorney for the planning board. The Legal Education Institutes of the New Jersey Bar Association has also benefited from his talents.

Mr. Schechner has made the village of South Orange a better place, and it is with great pleasure that I ask my colleagues to join me in wishing him continued success.

FANNIE MAE AFFORDABLE HOUSING COMMITMENT

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. GONZALEZ. Mr. Speaker, last week James A. Johnson, chairman and chief executive officer of the Federal National Mortgage Association [Fannie Mae] announced a trillion dollar commitment by Fannie Mae to affordable housing between now and the end of the decade.

This commitment to affordable housing will finance over 10 million homes for households with incomes below the area median income. It will serve minorities and new immigrants, families living in central cities and distressed communities, and people with special housing needs.

As part of this commendable effort, Fannie Mae is seeking to transform the Nation's housing finance system. It will do so by reaching out to every renter in the United States to provide information they need to buy a home; break down arbitrary barriers to getting a home mortgage; and will make every effort to eliminate discrimination the top priority of the mortgage finance system.

Mr. Speaker, I want to commend Mr. Johnson and Fannie Mae for this great effort. Mr. Johnson has aggressively moved forward to implement the affordable housing mission which the Congress created in the Housing and Community Development Act of 1992.

I am including, following my remarks, Mr. Johnson's statement and a summary of the initiatives that Fannie Mae will be taking.

SHOWING AMERICA A NEW WAY HOME

(By James A. Johnson, Chairman and Chief Executive Officer, Fannie Mae)

Good morning and Welcome.

Thank you for being a part of the most important announcement in Fannie Mae's history.

We are very pleased that so many good friends, including the Secretary of Housing and Urban Development, Henry Cisneros, could join us.

Three years ago yesterday, Fannie Mae committed to deliver \$10 billion in housing finance for low- and moderate-income families and others with special housing needs by the end of 1994.

At the time, our commitment was the largest ever made by a shareholder owned company. Some people thought we couldn't do it. Others thought we didn't mean it. But we not only delivered on our commitment—16 months ahead of schedule—we exceeded it.

Now we are ready to do more

Today is the first day of a new commitment, massive in scope and revolutionary in design. We call it "Showing America a New Way Home." Through it, we believe we can help show ten million families who have been shut out of the housing finance system a new way to achieve the American dream of homeownership.

Today, too many minorities are victims of racial bias in lending. Fannie Mae will do everything in our power to make eliminating discrimination the number one priority of every participant in the mortgage finance system.

Today, too many people are unaware of how to buy a home and qualify for a mortgage. Fannie Mae will reach out to every renter in America and provide the information they need.

Today, too many low- and moderate-income families, residents of central cities and rural areas, and people with special needs are denied mortgage credit. Fannie Mae will break down the arbitrary barriers that stand in their way.

Our commitment includes 11 very significant initiatives.

OPENING DOORS TO EVERY AMERICAN

First, Fannie Mae will reach out to open the doors of homeownership to every American. We will launch an unprecedented national consumer education effort, using television, radio, and print advertising, and direct mail, and other techniques to reach out to every renter in the nation. We want to have an ongoing conversation about how to buy a home with everyone who wants to become a homeowner.

We've learned in recent years that millions of people are confused and intimidated by a mortgage process that is often unwelcoming, but they will respond when they are given an invitation, and a map to the front door. When we conducted our consumer outreach effort in just seven cities last year, more than 100,000 people responded. We believe that at least five million motivated households will respond to the outreach effort we are announcing today and take their first step to owning a home.

THE "NEW AMERICANS" CAMPAIGN

Our second initiative is a "New Americans" campaign, targeted to the fastest growing segment of the population—new immigrants. As many immigrants will arrive in the United States in the 1990s as came during the peak immigration years at the turn of the 20th century. They are highly motivated to become citizens, and homeowners. Fannie Mae will use multilingual media to commu-

nicate with millions of these new Americans, and we'll provide them with consumer information as often as possible in their native language. We want the path to citizenship to also be a path to homeownership for as many immigrants as possible.

FANNIE MAE PARTNERSHIP OFFICES

Third, Fannie Mae will open at least 25 Fannie Mae Partnership Offices, beginning with 10 this year, in communities around the country that will form long-term partnerships with us to address a broad range of affordable housing and homeownership needs. The staff of our new offices will work in a practical way with lenders, public officials, housing advocates, and others, to expand Fannie Mae's outreach and service in those communities.

THE HOMEPATH INITIATIVE

The HomePath initiative involves one of the most far-reaching commitments we have ever made. We want to eliminate any final "no" from the mortgage application process. Our goal is for every mortgage application that is denied to get a second look; if it is still denied, the applicant can take it to a third-party review board to be looked at again. For applicants who are still not approved for a mortgage, home buyer counseling will be available. The counseling will give them the information they need to get firmly on a path that can lead to a home of their own.

To reach this goal, Fannie Mae will encourage our lenders to conduct "second look" reviews for minority- and low-income applicants, and we'll help create models for third party review boards made up of community representatives and lenders.

The Fannie Mae Foundation will commit \$5 million over the next three years to increase the effectiveness of home buyer counseling organizations nationwide, many of which are hampered by a lack of resources, capacity, training, tools, and a comprehensive referral system. Our \$5 million in funding will help address those needs.

We will also provide a new computer software program called Desktop Home Counselor, and within 90 days we will begin operating a nationwide toll free number that consumers can call for referrals to counseling agencies. Fannie Mae's Public Information Office will hire counselors to provide counseling services directly to consumers who live in communities where no such agencies exist.

UNDERWRITING FLEXIBILITIES

Our fifth initiative is a commitment we admit is long overdue. We will make sure that our underwriting guidelines are clear and flexible, and are applied equally to everyone. Our lenders have told us they need better guidance on how to use our guidelines. A study conducted by the Federal Reserve Bank of Boston confirms this fact. It shows that some lenders apply the flexibility in Fannie Mae's underwriting guidelines to white mortgage applicants more often than to minority applicants. And a recent report of the Interagency Task Force on Fair Lending, of which Secretary Cisneros is a key member, urged lenders to be aware of "the provisions of the secondary market guidelines that provide various alternative and flexible means by which applicants may demonstrate their ability and willingness to repay their loans."

We assume the full responsibility to make sure our guidelines are understood, and appropriately used, by all our lending partners. To do this:

We will maintain a constant dialogue with our mortgage lending partners to identify

the loan characteristics and underwriting procedures they think need clarification.

We will develop the most comprehensive training program for mortgage industry underwriters in the country.

We will develop easy-to-use reference tools for underwriters, including on-line access to Fannie Mae guidelines.

We will establish regional hotlines that lenders can call for instant guidance on our underwriting.

We will establish an internal Fannie Mae loan review board to review loans initially rejected by our underwriters.

We will make a new automated underwriting system available to lenders very soon that will use artificial intelligence to analyze loans, ensure consistency, and free up time for underwriters to work on complex applications.

UNDERWRITING EXPERIMENTS

A commitment of \$5 billion to conduct experiments in new underwriting approaches is our sixth initiative. We will probe and test ways to underwrite loans that could make credit more accessible to minorities, low- and moderate-income families, central city and rural residents, and people with special housing needs. We will also systematically revalidate the components of our own underwriting guidelines.

INNOVATIONS FOR CHANGE

Our seventh initiative, "Innovations for Change," is the most significant product research and development effort in the history of housing finance. Through it, we will develop at least ten new financing tools to serve the full range of housing needs.

Our efforts will initially focus on rural communities; elderly people who want to stay in their homes; Native Americans living on tribal lands; families who want to make their homes more energy efficient; and those who want to renovate their homes. Because we are also the nation's largest private investor in multifamily housing, Innovations for Change will also find new ways for the private sector to finance rental housing for low-income families; shelter for the homeless; the developmentally disabled; people who suffer from AIDS and other illnesses; as well as the frail elderly and other groups in need of housing and supportive services.

MULTIFAMILY HOUSING

Our eighth commitment is to provide \$50 billion in new financing for multifamily rental housing between now and the end of the decade. This level is double what we provided over the past seven years. Through it, we will help create affordable housing opportunities for people who want to make their homes in rental housing, or who need to live in apartments while they are preparing to buy a home.

USING TECHNOLOGY TO LOWER COSTS

Our ninth initiative is to develop and use advanced technology to reduce the largest barrier to homeownership faced by many families: the cost, complexity, paperwork and time it takes to get a mortgage. By simplifying and streamlining the way mortgages are created and serviced, Fannie Mae can cut the cost of lending and reduce the fees charged to borrowers by at least \$1,000.

We will also provide technology to make it more profitable for lenders to originate loans to buy homes that don't cost very much, because these are the kinds of loans that low- and moderate-income families, and residents of distressed communities, are more likely to seek.

FANNIE MAE FOUNDATION

Our tenth initiative is a commitment to provide more than \$30 million over the next

three years to support non-profit housing efforts around the country. This commitment will make Fannie Mae the most significant source of corporate philanthropic funds dedicated to housing and community development in the country, and one of the top five sources of private and corporate funding in this arena.

COMMITMENT TO FIGHT DISCRIMINATION

Our final, and most important commitment under "Showing America a New Way Home," is to fight racial discrimination in mortgage lending.

We believe all our new initiatives will help ensure that minorities gain equal access to mortgage credit. But sadly, these efforts won't be enough. For reasons that most Americans cannot and will not accept, credit continues to be allocated based on a person's race, rather than on their ability and willingness to pay.

We know Fannie Mae can't singlehandedly eliminate racial discrimination from lending. But today we commit to do everything in our power to make eliminating it the number one priority of every participant in the mortgage finance system. It is our moral obligation, and a core value of our company, to help lead the fight.

We join the Congress, the Administration, and many others in the lending community who want to hold those who discriminate accountable for their actions. We strongly support the renewed vigor with which the federal government is clarifying and enforcing fair lending laws, and we are working with the U.S. Department of Housing and Urban Development, represented here today by Secretary Cisneros, to identify the steps we can take to aid the government's efforts. The "sunshine" of public disclosure must shine on those who would discriminate, leaving them no place to hide.

Our principal role in promoting fair lending is to provide our lenders with the products and services they need to reach minority families and underserved communities. We will do this in a number of ways.

We will provide our lenders with data on how well they are serving minority families and communities.

We will help make the industry more diverse, and more responsive to minority borrowers, by training minorities for positions in mortgage lending.

We will increase the participation of minorities and women in the mortgage industry by providing additional training to current Fannie Mae lenders, qualifying more minority- and women-owned lenders as our seller-servicers, and by helping others establish relationships and financial conduits through which they can deliver their loans to Fannie Mae.

We will pursue business relationships with every community development financial institution that provides residential housing finance in minority and distressed communities.

We will invest \$25 million of seed capital in new and existing community lending institutions.

THE TRILLION DOLLAR COMMITMENT

"Showing America a New Way Home" is our commitment to transforming the housing finance system in America.

We're putting \$1 trillion on the table to back it up.

Between now and the end of the decade, we will provide \$1 trillion to finance 10 million homes for the families and communities that have not been well served by the housing finance system in the past.

We're already on our way to providing some of this financing; the rest will be a stretch. The \$1 trillion in targeted lending we will do in the next seven years is twice the amount of targeted lending we did over the past seven years. It is also twice the amount of financing we provided to all households in the 1970s and 1980s combined. The result of this commitment will be that significantly more than half of all the business we do in the next seven years will be targeted to those who have not been well served in the past.

We will provide \$1 trillion in housing finance, and do all the things I've mentioned, through the genius of a system in which Fannie Mae, as a shareholder owned company, seeks out good and profitable business from markets that have never before been tapped.

Three years ago, when I announced our \$10 billion "Opening Doors to Affordable Housing" initiative, I said "I know we will meet this challenge, as we have met so many in the past, with intelligence, commitment, a sense of fairness, and hard work."

Fannie Mae's employees may have been worried, or skeptical, or just plain thought I was crazy about the new challenge. But you delivered far beyond anyone's greatest expectations. Your performance was a credit not only to Fannie Mae, but also to yourselves, your families, and your nation.

On March 14, 1991 I told you "there will be more to come," and that \$10 billion was "the preface for future programs and initiatives still on the drawing board or only now coming into focus."

Ladies and Gentleman, the future is here. We learned a lot in the past three years. We are ready to put what we learned in to action.

When we're through, Fannie Mae will be a very different place than it was when we started.

It will be stronger, better, more efficient and effective.

The Housing finance industry we lead will be very different than when we started.

It will be more open, fair, diverse and easy to understand.

The nation we love will be different.

It will have more homeowners—and the kind of strong and vibrant communities that homeownership builds.

That is a result that is well worth the effort.

Thank you for all you have done, and all you will do, to make the American dream come true for those who need it most. [Applause.]

It is now my great pleasure to introduce to your the distinguished Secretary of Housing and Urban Development, Henry Cisneros.

IN HONOR OF THE 70TH ANNIVERSARY OF JUDICKE'S BAKERY IN BAYONNE, NJ

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. MENENDEZ. Mr. Speaker, I rise today to celebrate the 70th year of Judicke's Bakery, a cornerstone of the business community in Bayonne, NJ, and a fixture on the corner of Broadway and 34th Street. Since the purchase of the bakery in 1924, the Judicke family has been catering to the sweet tooth of Bayonne,

and the cravings of Bayonne natives as far away as Hawaii and Europe, with their famous donuts, Bavarian creme cakes, and apple turnovers.

Current owners Harold and Ingrid Judicke bought the bakery from Harold's parents, Paul and Frieda, and have kept the business all in the family. Today, daughter Audrey works in the family shop, and manages the store while Harold and Ingrid enjoy a well-deserved vacation, or attend bakers conventions. Judicke's famed sprinkled donuts have been a staple for local customers since Harold first purchased his donut machine, after his service in the Army during World War II.

The bakery has employed as many as 10 bakers and 15 part-time and full-time counter workers, each of whom are like family to the Judickes. Having served Bayonne for 70 years, the family has seen many generations grow up on their favorite treats. The long hours that Harold and Ingrid put in at the bakery are well worthwhile when they see their loyal customers visit again and again, bringing their children, and their children's children, into the store.

Mr. Speaker, when we think of American small businesses, of the Mom and Pop stores that line Main Streets across the country, it is really people like the Judickes that we are thinking of. They are people who have dedicated their lives to their craft, and built more than just a business, more than just a reputation, they have built a community, and a permanent connection between themselves and the people they serve every day. If you are in Bayonne, stop by the bakery and try one of their specialties. You have not been to Bayonne if you have not been to Judicke's.

JOHN O'TOOLE AND BURTCH
DRAKE: ADVERTISING LEADERS

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. MANTON. Mr. Speaker, helping drive our economy, spur competition, and allowing for international competition, the advertising industry is extremely significant in our society. Madison Avenue is every part as much of the American lexicon as Wall Street or Main Street. While the U.S. advertising industry is responsible for the wide variety of commercials and advertisements that promote thousands of different products, the industry can be justly proud of its many public service advertising campaigns. These campaigns point out the need to buckle up for safety, not to drink and drive, say no to drugs, and many other lessons that have taken hold in our society.

Over the past several years, John O'Toole has served this important industry as president of the American Association of Advertising Agencies [AAAA]. John O'Toole has recently stepped down as president of the AAAA. Under Mr. O'Toole's leadership, the AAAA has become an important voice in shaping public policy affecting the advertising industry. His great knowledge and experience of the industry, coupled with a keen understanding of the

political, economic, and constitutional issues of the day, will be sorely missed.

However, Mr. Speaker, the advertising industry is most fortunate to have chosen an able successor, Burtch Drake, to be the new president of the AAAA. Like Mr. O'Toole, Burtch Drake knows the business of advertising as someone who has spent decades in it. Mr. Drake has been executive vice president and chief operating officer of the AAAA since 1989 and has been responsible for implementing many of the AAAA's new programs, including the value and advertising campaign. I am confident that under his leadership the AAAA will continue to make a great contribution in Washington and throughout the country.

TRIBUTE TO MOTHER AFRICAN
ZOAR UNITED METHODIST CHURCH

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. FOGLIETTA. Mr. Speaker, I rise on this occasion to pay tribute to the Mother African Zoar United Methodist Church in Philadelphia on the occasion of its 200th anniversary. This church has a rich and interesting history. Actually born as early as 1792, the church was formed when a group of African-Americans withdrew from Old St. George's Church in protest of patterns of discrimination, and was formally recognized in 1794.

While withdrawing from Old St. George's, they refused to formally separate themselves from the Methodist Church, in recognition of the fact that it was the John Wesley Methodists who had come out against slavery, with John Wesley referring to it as "the sum of all villainies." These early founders chose instead to stay with the church and help to improve it from within.

When it first began, African Zoar occupied an abandoned butcher shop at 4th and Brown Streets, in Philadelphia, as its first place of worship. The church remained there for 89 years until 1883, when it moved to 12th and Melon Streets, where it remains to this day. Mother African Zoar United Methodist has enjoyed a long history of activism in the community. It served as a stop on the underground railroad during the time of its operation, and in 1838 held a public meeting at the church to solicit funds and increase membership for the Vigilant—Fugitive Aid—Association and committee. In August of 1852, under the leadership of Levi Scott, African Zoar hosted the first convention of colored preachers and laymen, the first meeting of its kind among Africans called by the Methodist Episcopal Church in America. In 1864, a general conference was held in Philadelphia which led to the formation of two mission conferences of colored preachers. The 1920's brought the establishment of the Zoar Community Building and Loan Association, founded by Dr. W. Harry Barnes in 1924, and the first church community center under the guidance of Rev. John T. Fletcher in 1926. The community center was home to the first Baby Well Clinic, under the direction of Dr. Barnes, and also served as the meeting place for the Armstrong Association—Urban

League, and housed homemaking and sewing classes. In 1965, in order to further community development and progress, the Zoar Federal Credit Union was organized to provide loans for members and to encourage regular savings.

To this day, Mother Zoar African United Methodist Church continues its role of leadership in the community under the guidance of Rev. Ralph Blanks, one of the great clergy leaders in Philadelphia today. I join with the congregation of Mother African Zoar United Methodist Church and the rest of the Philadelphia community in celebrating the church's 200th year of service to God.

IN HONOR OF ALFRED MCKETHAN

HON. KAREN L. THURMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mrs. THURMAN. Mr. Speaker, I rise today to honor a very special Floridian, Alfred McKethan, for his many years of service to the banking industry and the people of Florida.

Alfred McKethan is a hero and a legend, not only to those people lucky enough to know him personally, but also to the thousands of strangers whose lives have been enriched by his deeds. His belief that "by building your community to build a bank," guided his 71-year banking career and earned him the title "Mr. Florida Banker."

From the helm of the Hernando State Bank and later Sunbank and Trust Company, Alfred McKethan carried out his great vision for Hernando County and Florida. Once a sleepy county of 4,000 citrus growers and farmers, Hernando County is now a thriving community of 125,000 which, despite its growth, has preserved its values and country heritage. And long before water issues dominated the news, Alfred McKethan forced people to think about the future as the first chairman of the Southwest Florida Water Management District.

As a member of the old Road Board, Alfred McKethan used his determination and vision to improve Hernando County roads and chart the future of transportation in Florida. The Sunshine Skyway, State Road 50 from Hernando to the east coast and U.S. 98, and Eckerd College are all projects conceived and carried out by Alfred McKethan. Today, his name graces the University of Florida baseball stadium, owing to his years of financial support, as do many public parks and buildings in his home county.

Pasco-Hernando Community College's Hernando campus might never have been built without the dogged determination of Alfred McKethan. And just recently, Alfred McKethan contributed \$1 million to the school to provide 100 scholarships each academic year.

The best part about honoring Alfred McKethan today is knowing that his legacy is far from complete. As he has said many times, retirement doesn't mean he is going to "fold up."

The people of Hernando County and all of Florida can rest assured that Alfred McKethan will keep working for them, making our State a better and more prosperous place to live, for years to come.

AFGHANISTAN: REMAINS OF THE
COLD WAR**HON. STENY H. HOYER**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. HOYER. Mr. Speaker, 5 years after the last Soviet troops left Afghanistan there is still a war being waged and as we have seen in other parts of the world it is largely innocent civilians who are both the targets and the victims of aggression.

Yesterday, the New York Times published an article by Charles Norchi, executive director of the International League for Human Rights. Mr. Norchi's piece is a telling article that I commend to the attention of my colleagues. He describes a humanitarian catastrophe largely ignored by the international community. Mr. Norchi writes that horrific human rights abuses are being committed by every faction involved in the two decades old war.

The Afghans have been victims of indiscriminate bombing, torture, and mutilation. Restrictions on the rights of women and on freedom of association and expression are on the rise; so is religious intolerance. And nearly 15 million land mines scattered throughout the country continue to maim and kill.

As a result of war, Afghans form the largest refugee group in the world, predominantly women and children. It is estimated that there are almost 1½ million Afghan refugees in Pakistan and 2 million in Iran. This is a country in its death throes. There is widespread destruction, a complete absence of any rule of law, the systematic and routine denial of justice, and a total disregard for civil and political rights that at times rise to the level of open contempt.

Mr. Speaker, the United States helped arm the forces of the radical mujahidin leader Hekmatyar in his war against the Soviet union during the 1980's. Today, although Soviet forces have since withdrawn, this conflict persists and now involves forces from Tajikistan and Uzbekistan as well as factions supported by Iran and others backed by Saudi Arabia. And as Mr. Norchi points out, it has become "fertile ground for the breeding and export of militant Islamic fundamentalism. It is the ideology of a desperate people, and the seeds of desperation are taking root. With the virtual breakdown of law and order, radical fundamentalist training camps have been flourishing."

The United States withdrew its embassy people from Kabul because of security reasons in 1989 and obviously those same security reasons have prevented us from returning. But it is those security reasons that lead Mr. Norchi to conclude that if something is not done to stop the slaughter, "Afghanistan will only produce refugees, radical fundamentalists, and terrorists. Then surely, some day, Afghanistan will again be our war." Mr. Speaker, the United States should actively back United Nations efforts to bring an end to the fighting and speak out forcefully against the horrific abuses that are being carried out daily.

Mr. Speaker, I respectfully request that Mr. Norchi's article be placed in the RECORD.

[From the New York Times, Mar. 21, 1994]

WHOSE WAR IS IT NOW?

(By Charles Norchi)

Bombs are raining on Afghan civilians. Since January, heavy fighting has been spreading across Afghanistan as a militant fundamentalist Prime Minister and a former Communist general wage war with a fundamentalist President. This week, United Nations Secretary General Boutros Boutros-Ghali will dispatch a newly appointed personal envoy to meet with all the factions in an effort to end to the fighting.

The peace effort is long overdue. In Kabul, the Afghan capital, there are house searches, roundups and rapes, many of them by former mujahideen—the "holy warriors" who fought the Soviet-backed Communist regime during the 1980's—who are now allied with one faction or another.

Militia fighters launch rockets behind a barricade of human corpses. A woman escapes her burning home, leaving behind the bodies of her husband and 4-year-old son. A man flees his devastated house where 15 family members died, victims of mortar shells. As they try in vain to reach the Pakistani border, his 8-month-old baby freezes to death. A fundamentalist commander throws 14 people from the roof of a mosque; they were praying incorrectly. Tens of thousands have fled Kabul for refugee camps in Pakistan.

But since January, Pakistan has turned away truckloads of desperate, hungry and shell-shocked Afghans at the border, and they are now camped outside the city of Jalalabad on a harsh, dry and windy plateau near the Khyber Pass. Afghans trained by the United Nations are still removing thousands of land mines and unexploded shells from this desolate place.

Five years after the last Russian troops left, there is still a war in Afghanistan.

Horrible human rights abuses are being committed by every faction. And unlike those in Sarajevo, they are not captured by television cameras. The Afghans have been victims of indiscriminate bombing, torture and mutilation. Restrictions on the rights of women and on freedom of association and expression are on the rise; so is religious intolerance. And nearly 15 million land mines scattered throughout the country continue to maim and kill.

Afghanistan's Prime Minister, Gulbaddin Hekmatyar, is an extremist and a dangerous opportunist who despises the West and for years has cracked the whip in the name of Allah. The United States, and other friends of Afghanistan, gave him that whip by arming him during the 1980's.

For the first time, Afghanistan is becoming fertile ground for the breeding and export of militant Islamic fundamentalism. It is the ideology of a desperate people, and the seeds of desperation are taking root. With the virtual breakdown of law and order, radical fundamentalist training camps have been flourishing.

As well as seeking a solution to the conflict, the U.N.'s new envoy, Ambassador Mahmoud Mestiri, must propose a long-term plan, including disarming irregular forces, creating a salaried Afghan army, stepping up operations to disarm the mines, building schools and hospitals and training Afghan human rights monitors. Eventually, the United Nations must also sponsor free elections.

Afghans are victims of the games superpowers once played: their war was once our war, and collectively we bear responsibility. If something is not done to stop the killing,

Afghanistan will only produce refugees, radical fundamentalists and terrorists. Then surely, some day, Afghanistan will again be our war.

JULIE WILLIS OF GADSDEN IS
ALABAMA WINNER OF VOICE OF
DEMOCRACY CONTEST**HON. TOM BEVILL**

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. BEVILL. Mr. Speaker, it is my pleasure to rise today to congratulate my constituent, Julie Willis of Gadsden. She was selected as the Alabama winner of the Voice of Democracy broadcast scriptwriting contest, sponsored by the Veterans of Foreign Wars of the United States and its Ladies Auxiliary.

Julie's script, entitled "My Commitment to America," is very patriotic and thought-provoking. She did an outstanding job and I am so pleased that her talents have been recognized.

Julie is the daughter of Rev. and Mrs. C. Richard Willis of Gadsden, and an honor student at Emma Sansom High School.

I respectfully submit her script to be printed here in the RECORD.

MY COMMITMENT TO AMERICA

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. What does that mean? Is it just something we say? Is it just a routine we go through? Is it just a bunch of meaningless words? Not to me! To me it is much more! It is my privilege, my duty, my way of life. It is my commitment to America!

I pledge allegiance to the flag. The flag that is a lasting symbol of freedom to all Americans. It has carried us through a Revolutionary War, a Civil War, two World Wars, and most recently the Gulf War. The flag is our banner of truth. It flies proudly over cities all across America and proclaims the stability and constancy of our nation. It displays the rich legacy that we have been given and represents all that our forefathers fought so desperately to preserve! I pledge my allegiance to that flag, the symbol of my freedom.

I pledge allegiance to the Republic. A Republic that is viewed, by many countries, as the greatest nation in the world. But, America is not a perfect nation. After all, perfection is something for which we strive. It is the ideal for which we seek. America is imperfect because people are imperfect. But its people are also what make America great! Brave people, loyal people, determined people, compassionate people. Americans! I pledge my allegiance to that Republic, the Republic of the people.

I pledge allegiance to one nation under God. The prosperity that America has experienced is not a common occurrence. I truly believe that America's fortune is an example of God's Providence. America was founded on the principles of freedom, specifically religious freedom. Our forefathers tried to follow the pathway that they believed had been set before them. I believe that God paved that pathway. I am confident that God's hand has been on this mighty nation for over 200 years, and that He will continue to bless

and lead us if we look to Him for guidance. We must remember that in God we trust.

I pledge allegiance to liberty and justice, for all. Liberty is the right or power to believe and act in the way one thinks. Justice, according to the dictionary, is the upholding of what is lawful.

These two virtues have become a way of life in America. When people think of America, they think of liberty and justice, for all. As Americans we maintain that all men are created equal—equal rights, equal opportunities, and equal justice under the Law. We are convinced that freedom is not a benefit that should be limited to the few. I pledge my allegiance to liberty and justice, for all!

My commitment to America is not just a speech I say every morning at school, it is a sincere feeling within my heart. I did nothing to merit the rich heritage of freedom, liberty and equality that I possess—but I vow to show my deep appreciation for this providential blessing and to preserve it for future generations. As Langston Hughes once said, "Oh let my land be a land where liberty be crowned with no false patriotic wealth but opportunity is real and life is free and equality is in the air we breathe."

THE SOCIAL SECURITY ACT AMENDMENTS OF 1994

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. JACOBS. Mr. Speaker, today Mrs. KENNEDY, Mr. BUNNING, Mr. HOUGHTON, Ms. MEEK, and I are introducing the Social Security Act Amendments of 1994. A section-by-section description of this proposal follows:

THE SOCIAL SECURITY ACT AMENDMENTS OF 1994

SECTION 1: SHORT TITLE

The bill is entitled the "Social Security Act Amendments of 1994."

SECTION 2: SIMPLIFICATION OF EMPLOYMENT TAXES ON DOMESTIC SERVICES

Present Law.—Individuals who hire domestic employees such as baby-sitters, housekeepers, and yard workers are required to withhold and pay employment taxes when the worker's wages exceed certain thresholds. (Individuals who hire independent contractors to provide domestic services are excluded from these requirements.) For Social Security, the wage threshold is \$50 per quarter; for Federal unemployment insurance, it is \$1,000 per quarter. The \$50 threshold was enacted in 1950 and has not changed since that time.

When the \$50 threshold is reached, the employer must file a quarterly report (form 942) with the Internal Revenue Service, submitting with it the required Social Security tax for both employer and employee. The employer must also provide the employee and the Social Security Administration with a Wage and Tax Statement (form W-2) at the end of the year. When the \$1,000 unemployment insurance wage threshold is reached for any calendar quarter, the employer must file a report (form 940) with the IRS at the end of the year, submitting with it the required tax. (Employers who owe more than \$100 in FUTA tax at the end of a calendar quarter must deposit the amount due by the end of the following month.)

Provision.—The provision would:

Raise the threshold for withholding and paying Social Security Taxes on domestic workers from \$50 per quarter to \$1,250 annually in 1995 and index it thereafter for increases in average wages in the economy;

Adjust the Social Security tax threshold retroactively to \$1,150 in 1993 and \$1,200 in 1994. No underpayment of taxes (or any penalty or interest with respect to such underpayment) which is covered by this provision shall be assessed (or if assessed, shall be collected), effective on or after the date of enactment. No tax refunds would be provided;

Require individuals who employ only domestic workers to report on a calendar-year basis any Social Security or Federal unemployment tax obligations for wages paid to these workers and authorize the Secretary of the Treasury to revise the Federal form 1040 to enable such employers to report both taxes on their own Federal income tax returns;

Include domestic employers' Social Security and Federal unemployment taxes in estimated tax provisions, thereby enabling these employers to satisfy their tax obligations through regular estimated tax payments or increased tax withholding from their own wages;

Authorize the Secretary of the Treasury to enter into agreements with States to collect State unemployment taxes in the manner described above; and

Require the Secretary of the Treasury to provide to domestic employers a comprehensive package of informational materials, including all requirements of Federal law and a notification that they may also be subject to State unemployment insurance and workers compensation laws.

Effective Date.—The provision would generally apply to remuneration paid in calendar years beginning after December 31, 1994.

SECTION 3: REALLOCATION OF A PORTION OF THE OLD-AGE AND SURVIVORS' INSURANCE PAY- ROLL TAX TO THE DISABILITY INSURANCE TRUST FUND

Present Law.—Employees and employers each pay a Social Security payroll tax of 7.65 percent on earnings up to a specified ceiling. Of the 7.65 percent, 1.45 percent is allocated to the Hospital Insurance Trust Fund, 5.6 percent is allocated to the Old-Age and Survivors Insurance Trust Fund, and 0.6 percent is allocated to the Disability Insurance Trust Fund. The 15.3 percent tax on net earnings from self-employment is similarly allocated to the HI Trust Fund (2.90 percent), the OASI Trust Fund (11.2 percent), and the DI Trust Fund (1.2 percent). As a result of the 1983 Social Security Amendments (P.L. 98-21), 0.71 percent will be allocated to the DI Trust Fund beginning in the year 2000.

In its 1993 report to Congress, the Social Security Board of Trustees determined that, under its intermediate economic assumptions, the DI Trust Fund will be depleted during 1995.

Provision.—The provision would allocate an additional 0.34 percent of the total the employer and employee Social Security payroll tax rate, each, and 0.68 percent of the self-employment tax rate from the OASI Trust Fund to the DI Trust Fund, effective for 1994 through 1999. As a result, the DI tax would equal 0.94 percent for employers and employees and 1.88 percent for self-employed individuals. The combined OASDI tax rate of 7.65 percent would remain unchanged. Beginning in 2000, the DI tax rate would be reduced from 0.94 percent to 0.90 percent, with a commensurate increase in the OASI tax.

In addition, the Secretary of Health and Human Services would be required to con-

duct a comprehensive study of the reasons for rising costs in the DI program. The study would determine the relative importance of: (a) increased numbers of applications for benefits, (b) higher rates of benefit allowances, and (c) decreased rates of benefit terminations in increasing DI program costs. It would also identify, to the extent possible, underlying social, economic, demographic, programmatic, and other trends responsible for changes in DI applications, allowances, and terminations. No later than December 31, 1995, the Secretary would be required to issue a report to the House Committee on Ways and Means and the Senate Committee on Finance summarizing the results of the study and, if appropriate, making legislative recommendations.

Effective Date.—The provision would apply to wages paid after December 31, 1994, and to self-employment income for taxable years beginning after this date.

SECTION 4. LIMITATION ON PAYMENTS TO CRIMINALLY INSANE INDIVIDUALS CONFINED TO INSTITUTIONS BY COURT ORDER AT PUBLIC EXPENSE

Present Law.—Individuals who are confined to a prison, jail, or other penal institution or correctional facility as the result of a felony conviction are barred from receiving Social Security benefit payments. (Qualified family members of such individuals may continue to receive benefits). An exception is provided for imprisoned felons who are satisfactorily participating in a court-approved program of rehabilitation which the Secretary of Health and Human Services has determined is likely to result in the individual's return to work upon release from prison.

The Social Security Act provides no limitation on benefit payments to individuals who are confined to an institution by court order at public expense pursuant to a verdict that they are not guilty of an offense by reason of insanity.

Provision.—The current limitation on Social Security benefit payments to incarcerated felons would be modified to apply to all individuals sentenced to imprisonment for more than one year. The exception for inmates participating in court-approved rehabilitation would be repealed.

The limitation would also be extended to individuals who are confined to institutions by court order at public expense in connection with an offense punishable by imprisonment of more than one year. The court order must be issued in connection with a verdict of guilty but insane, a verdict of not guilty by reason of insanity, a finding of incompetence to stand trial, or a similar verdict or finding based on similar factors (such as mental disease, mental defect, or mental incompetence). A similar limitation on benefit payments would be imposed under the Medicare program.

To enforce the limitation, the Secretary of Health and Human Services would be authorized to require from institutions the names and Social Security numbers of individuals confined there under the conditions described above.

Effective Date.—The provision would apply to benefits for months commencing after 90 days after enactment and with respect to items and services provided after this 90-day period.

THE MACHTLEY AMENDMENT TO
H.R. 6

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. BATEMAN. Mr. Speaker, I would like to take this opportunity to detail my reasons for supporting the Machtley amendment to H.R. 6 which was debated by this House on March 21, 1994. The Machtley amendment would have reinstated payments for civilian b students within the Impact Aid Program. These payments make impact aid more broad based and compensate localities more fairly for the taxes lost due to the presence of Federal facilities.

The Impact Aid Program compensates localities for four categories of tax loss: residential property taxes; employer property and other business taxes; sales taxes on items purchased tax-free at commissaries; and personal property taxes lost when military personnel keep their boats and vehicles registered in a State where there are no property taxes, rather than the State where they actually reside.

Under the current system, section a payments compensate for all these tax losses. Military b payments compensate for all these categories except loss of residential property tax. But civilian b payments are still necessary to compensate for loss of employer property and business tax losses. The Government does not pay these taxes, but private employers do.

An example of the impact of civilian a payments can be found in my district. On Virginia's Lower Peninsula, roughly the same number of residents work for the Government as work for the area's largest private employer. The private employer pays millions in local and State taxes every year. The Federal installations pay nothing. Clearly these localities should be compensated for those lost tax revenues.

While the Machtley amendment was withdrawn from consideration, I do hope that the final version of H.R. 6 that is enacted will contain civilian b payments under the Impact Aid Program.

TRIBUTE TO GREEN THUMB OF
NEW ENGLAND

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. SWETT. Mr. Speaker, I rise today in recognition of Hire Older Worker Week and Green Thumb Inc., of New England. Green Thumb is a nonprofit organization which provides job training and employment programs for older Americans. It is part of the Senior Community Service Employment Program [SCSEP] and is authorized by title V of the Older Americans Act of 1965.

Founded in 1965, Green Thumb was a program originally designed to enlist the aid of older Americans in the maintenance and beautification of our Nation's parks and high-

ways. Because of the success and subsequent expansion of the program, today Green Thumb has over 18,000 trained older Americans working in a variety of different fields, including local government and nonprofit organizations.

There are many benefits to hiring older workers. They represent all racial, religious, and educational backgrounds. They often bring a rich and varied employment history to their jobs, as well. Green Thumb helps these people—many of whom have recently changed careers and need to receive salaries and benefits—to learn new skills and to adapt to new or different types of jobs.

Green Thumb also provides services that are helpful for retirees who are not yet receiving Social Security benefits and require the financial security that comes with either full- or part-time employment. In addition, many older Americans are involved in the work force to pursue individual interests, develop new skills, or to use their time in a productive way. In short, Green Thumb of New England is an effective and extraordinary program.

The program benefits older Americans by placing them in employment and enhancing their general well-being, but it also provides a valuable resource to communities throughout New England. More specifically, Green Thumb has placed workers in many organizations in my district, including the Boys Club of Nashua, the Crotched Mountain Rehabilitation Center in Greenfield, the Harris Center for Conservation and Education, the Department of Health and Human Services, the Department of Employment Services, and numerous libraries.

Mr. Speaker, I urge my colleagues to join me in congratulating Green Thumb of New England and wishing them continued success in improving the lives of senior citizens across northern New England.

COMMISSION ON SECURITY AND
COOPERATION IN EUROPE'S
PRESENCE IN KOSOVO

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. SMITH of New Jersey. Mr. Speaker, earlier today I met with the distinguished Prime Minister of the Republic of Kosovo, Dr. Bujar Bukoski. The Prime Minister succinctly outlined the range of serious concerns faced by the two million Albanians who make Kosovo their home. I want to highlight one point in particular.

Mr. Speaker, the United States must call for and support the return of the Commission on Security and Cooperation in Europe's long duration missions to Kosovo. Serbia expelled CSCE monitors in July 1993, and there has been a marked deterioration in the human rights situation in Kosovo. Several independent reports of human rights abuse are compelling evidence that an international presence is imperative and critical. I believe international monitors are needed to help counter the abuse perpetrated at the hands of Serbian police and security officers stationed in Kosovo, and they could help prevent the outbreak of further armed conflict in the Balkans.

For the benefit of my colleagues, I would ask that Dr. Bukoski's press statement made yesterday at the United Nations be printed in today's RECORD.

REMARKS PREPARED FOR UNITED NATIONS
PRESS CONFERENCE, MARCH 21, 1994

(By Dr. Bujar Bukoski, Prime Minister of the Republic of Kosovo)

I would like to thank the United Nations Correspondents Association for giving me the opportunity to speak here today.

I have come to United States in the wake of some extraordinary diplomatic developments. A few days ago when the Bosnian and Croatian presidents signed their accord in Washington, the world was given hope that peace in the Balkans could possibly be achieved in the near future.

The two million Albanians of Kosovo also hope that peace can be achieved. We applaud the efforts of the U.N., the United States, the E.U., and Russia which made these recent breakthroughs possible.

We are concerned however, that no true peace can occur until there is an end to the brutal Serbian repression which continues unabated in our Republic and our 90 percent majority retains basic rights and freedoms which have been stripped from us by the Belgrade regime.

In fact as the world witnesses hints of peace in Bosnia, the situation in Kosovo grows worse. For example:

This month there have been renewed movements and deployments of Serbian army units in Kosovo. Moreover, armed Serb police and paramilitary units are killing Albanian civilians in cold blood. Two innocent civilians died this month in what appears to be an orchestrated campaign of killings designed to terrorize the Albanian majority.

The raiding of Albanian homes by Serb police under the pretext of weapons searches has resulted in serious abuses including beatings, confiscation and destruction of property and illegal imprisonments.

Political activists are being harassed, beaten and imprisoned. Serbian extremists have called for the imprisonment of Kosovo's President Ibrahim Rugova and other Albanian leaders who direct our peaceful resistance.

Belgrade has orchestrated an assault on the Albanian economy. Serbian confiscation of property and hard currency is alarming.

The Prishtina airport is closed, preventing desperately needed supplies from entering the Republic.

We are experiencing a new type wave of cultural genocide, as witnessed by the closing of the Institute of Albanian Studies which was forcibly taken by Serb paramilitary forces who beat Albanian professors and students out of its facilities.

In conclusion, Serbia has virtually completed the eradication of institutional life in Kosovo.

Serbia continues to mock the international community by refusing to readmit neutral observers to Kosovo. Belgrade wrongfully claims that Kosovo is an internal matter. It is not. The United Nations charter guarantees protection against the sort of orchestrated aggression that Serbia directs at our entire population.

Despite the horrible situation which I have only briefly described, there is hope for peace in Kosovo and peace in the Balkans if the international community acts immediately.

I am here today to urge the international community to undertake specific actions aimed at ending Serbian oppression in Kosovo and preventing a wider war.

First, we call upon the United Nations, the U.S., the E.U., and Russia to fully include Kosovo in the peace process. For without a settlement of the Kosovo crisis, there will be no peace in the Balkans. The crisis in former Yugoslavia requires not only settlements for Bosnia and Croatia, but a global solution to an international crisis.

Serbs in Knin and Bosnia seem close to achieving their territorial aspirations through armed violence and aggression while Albanians in Kosovo and Macedonia only suffer for their commitment to a non-violent solution. We believe that by not including Albanians in all negotiation the international community sends a dangerous message that aggression will be rewarded and non-violence punished.

Second, we ask for an international presence in Kosovo to prevent Serb abuses from exploding into a wider conflict that would have ruinous consequences for regional peace. Last month in Prague, the CSCE called for the immediate return of a long-term monitoring mission. Without an international presence, the region completely lacks stability and can explode over the smallest incident.

Finally, we urge that international sanctions imposed against Serbia be conditioned on the successful resolution of the Kosovo crisis. The international community cannot forfeit its leverage over the accused war criminals who dominate Kosovo society.

The Kosovo problem is truly an internationally problem. International precedents, international security and international peace hang in the balance. If these logical steps are not taken immediately, I fear that the progress toward peace that has been made in Bosnia will be in vain and the world will have missed an opportunity to prevent a wider war in the Balkans.

Our government's pacifist approach in Kosovo is losing credibility within our population. Meanwhile, this non-violent attitude is viewed by Belgrade as an invitation to increase oppression, and seen by the international community as an excuse to ignore the situation in Kosovo. These alarming trends severely threaten all progress toward peace in the Balkans.

Thank you. I will now take your questions.

TENTH ANNIVERSARY OF THE NATIONAL ENDOWMENT FOR DEMOCRACY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. HAMILTON. Mr. Speaker, Congressman BEN GILMAN joins me today in paying tribute to the National Endowment for Democracy [NED], which is celebrating its 10th anniversary.

NED's founders and many of its friends will gather in the Committee on Foreign Affairs on March 23 to recognize NED's decade of work on behalf of democratic institutions throughout the world. The March 23 event will also give the friends of NED an opportunity to talk to the chairman of the Endowment's board, John Brademas, a former colleague of ours from Indiana, and Carl Gershman, NED's president.

During NED's brief existence, its programs have reached over 80 countries, drawing upon the commitment and expertise of large num-

bers of Americans. NED programs have helped democracies around the world to develop free markets, defend worker rights, establish political parties, organize public policy forums, create independent media outlets, protect the rule of law, and promote interethnic understanding. NED, its core grantees representing labor, business, and the two major political parties, as well as scores of other grantees, have worked hard to build democracy from the grassroots.

NED's work in support of free institutions has earned the praise of the world's leading democrats, among them Vaclav Havel, Lech Walesa, Oscar Arias, Elena Bonner, Fang Lizhi, Frederick Chiluba, Vytautas Landsbergis, the Dalai Lama, Sali Berisha, and many others.

One of NED's most important qualities has been its bipartisanship, initially reflected in the politically diverse group of Americans who came together just over a decade ago to found the Endowment. Indeed, many distinguished Americans have been involved in this effort. Certainly no tribute to the National Endowment for Democracy would be complete without a recognition of the signal contribution of our former colleague, Dante Fascell, NED's "founding father" and first chairman. Dante can take pride that his vision of an organization working to promote America's highest ideals abroad has been more than fulfilled. We also want to commend John Brademas and Carl Gershman for the excellent leadership they are providing the Endowment.

Mr. Speaker, there are, unfortunately, some voices declaring that with the cold war over, we no longer need concern ourselves with the outcomes of struggles for freedom abroad. But one clear message of recent events in Russia, Bosnia, and elsewhere is that supporting democracy remains one of the most effective means of promoting America's national interests. As we salute the National Endowment for Democracy for its 10 years of service to our country, we should also resolve to continue to support NED and other organizations as they carry out their important mandate of promoting democracy, building democratic institutions, and improving respect for the rule of law and human rights.

TRIBUTE TO EUGENE J. LA COLLA

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. TOWNS. Mr. Speaker, I want to bring to the attention of my colleagues the community achievements of Eugene J. La Colla. He graduated from St. John's University, College of Pharmacy. After serving in the military, and upon returning home in 1959, he and his brother, Tom, opened La Colla Bros. Pharmacy in Cypress Hills, Brooklyn, NY.

Mr. La Colla is a former member of the board of directors for the Highland Park/12 Towns YMCA. He is a past member of the board of directors for the Cypress Hills Local Development Corporation and secretary of the board of directors for the Cypress Hills/Fulton Street Senior Center. For 30 years, he has

been a member of the Kiwanis Club of Highland Park where he served as both president and treasurer. He is a lifetime member of Kiwanis International and its Legion of Honor.

Eugene and his wife of 35 years, Carol, are the parents of two children: Lynn Barnsback of Vienna, VA and Eugene G. of Staten Island, NY.

I am honored to introduce Mr. La Colla to my colleagues, and to acknowledge his 35 years of community service.

CLINTON TEAM FUMBLES IN CHINA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. DORNAN. Mr. Speaker, while the Nation's attention focuses on the raging Whitewaters of Arkansas, the world continues to turn and our Nation's foreign policy continues to crumble.

In this still very dangerous world, the Clinton administration's foreign policy missteps, misjudgments, and blunders threaten our credibility and our ability to influence world events. Unlike President George Bush, Bill Clinton and his foreign policy team seem to lack the most basic understanding of our role as a world leader. And the fumbles continue.

I urge my colleagues to read the following editorial from the March 16, 1994, edition of USA Today, which offers some sound advice for the President and his foreign policy advisers.

[From USA Today, Mar. 16, 1994]

CLINTON TEAM FUMBLES AGAIN, THIS TIME IN CHINA

Looks like it's back to George Bush basics for Clinton's foreign policy team.

Secretary of State Warren Christopher's embarrassing stumble this week in China—threatening trade sanctions, then backing down when the Chinese called his bluff—leaves little choice. His team is now 0 for 4 in the big leagues.

Strike 1 was Bosnia, where U.S. bumbling left Serbian aggression unchecked for months. Strike 2 was Haiti, where blustering Clinton policy had to be changed. The Somalia debacle made it a strikeout. So China had little trouble figuring out how to make Clinton whiff on the next pitch.

In each policy snarl, Clinton learned the hard way that Bush may have had it right. And Clinton the candidate had it wrong.

In the campaign, Clinton tried to out-Rambo Bush. Stop Serbian aggression. Don't send Haitian refugees home without a hearing. Don't coddle China.

Clinton retreated on each.

Fear of thousands of Haitians flooding Florida brought a retraction of broad Clinton promises. On Bosnia, European allies rebuked Christopher when he asked them ever so nicely to follow Clinton's lead.

Somalia brought an even more tragic turn on Clinton's learning curve. Eighteen U.S. soldiers died when the mission switched from famine relief to a wild-goose chase for a Somali warlord.

As American soldiers pull out of Somalia, Bush's mission stands accomplished. Clinton's was abandoned.

These snafus earned Clinton's policy team—Christopher, National Security Ad-

viser Anthony Lake and then-Secretary of Defense Les Aspin—a reputation as the gang that couldn't shoot straight. Christopher's China pratfall clinched the moniker.

The secretary went to China when he wasn't invited. He threatened to restrict trade unless human rights improved.

Bluntly and publicly, the Chinese told him to stuff it. And within 24 hours, Christopher wimped.

The result: China's sorry human rights practices may get worse instead of better.

What does all this matter? It matters in credibility.

If the world's big-time thugs like Saddam Hussein and little-league pests like Mohamed Aidid sniff weakness or indecision, they will try to exploit it.

Inexperience explains some of Clinton's problem, but after 14 months in office, it's time he got the message: Don't promise or threaten without accepting the consequences. Develop that so-called vision and get someone on the foreign policy team who can spell it to the rest of the world.

Remember, this ain't Little Rock, Bill.

DRUGS SHOULD BE FOREIGN POLICY CONCERN

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. GILMAN. Mr. Speaker, one of the most serious questions of this administration, more than 1 year into office, is its policy on illegal drugs. The administration's announced intention of focusing on treatment and rehabilitation of hardcore users means that resources will necessarily be diverted from other vital areas, such as interdiction.

I am particularly concerned over administration plans to cut back in the areas of international interdiction and eradication. Proposals such as turning the State Department's Bureau for International Narcotics Matters into an amalgam that includes crime and terrorism—each of which merit attention on their own—will be a clear signal abroad that narcotics is not longer a top foreign policy issue for the United States.

A few days ago, New York Mayor Rudolph Giuliani, spoke to the Washington Times about the importance of placing narcotics at the top of U.S. foreign policy concerns. If anyone, Mr. Giuliani knows from direct experience as the U.S. attorney for New York what is needed to effectively prosecute the never-ending war on narcotics. He also knows, as mayor of the Nation's largest city, the impact of illicit drugs on crime, health care costs, and the very viability of our great cities.

In an article in the Times, Mayor Giuliani said that local government may have a bigger role to play in combating narcotics, but only the Federal Government can provide overall guidance, and to do so properly it has to make the drug problem a matter of foreign policy.

Mr. Speaker, I commend the article to my colleagues and ask that it be printed in the RECORD at this point.

[From the Washington Times, Mar. 16, 1994]

GIULIANI URGES DRUG-WAR PRIORITY

(By Ralph Z. Hallow)

The United States created the world's drug problem and could solve it by putting drugs

at the top of America's foreign policy agenda, New York Mayor Rudolph Giuliani said yesterday.

"What the federal government can do to help New York and other cities is to get seriously engaged in the drug problem," Mr. Giuliani said at a luncheon with editors and reporters of The Washington Times.

Although a Republican, Mr. Giuliani did not single out President Clinton and his Democratic administration in Washington for what he called 25 years of national failure on the foreign policy-drug policy front.

Mr. Giuliani, who defeated incumbent Mayor David Dinkins last year, argued that only the federal government can see every aspect of the problem and therefore have influence over every aspect of illicit drugs.

"It might very well be local government has a bigger role to play, but only the federal government can guide the effort so that you get the benefit out of the various roles the local governments should play," he said.

To guide that effort, the federal government has to make the drug problem a matter of foreign policy. "New York, Los Angeles or Philadelphia can't," he said. "And if the federal government doesn't make that a major aspect of foreign policy, then it can't get done."

Asked why drugs, in his view, have not been a major thrust of foreign policy, he said: "This is something I've struggled with for 25 years. I don't know why."

The former federal prosecutor said: "The exercise of foreign policy is trying to advance the interest of your country, and we understand this in terms of peace and war and international trade. But domestically, one of our great problems is drugs.

He said President Nixon started moving in the right direction on drugs and foreign policy and President Reagan also "did for a while. . . . But it never really entered into the foreign-policy establishment."

Mr. Giuliani, who became the third-ranking member of the Reagan administration's Justice Department, said the State Department's foreign-policy establishment "doesn't consider drugs one of the very important things they're supposed to deal with."

"The only person who can change that is the president—by talking about it, getting it to enter into the minds of the State Department," said Mr. Giuliani, who began as a Democrat in Brooklyn and became a Republican in the mid-1970s.

He said that persuading other countries to stop harvesting poppies—and exporting opium and heroin—is not a question of how much the United States can pay to replace the crops.

"It isn't a matter of cost," Mr. Giuliani said. "There's no solution to any problem that we have enough money for. The world's drug problem was created by the United States on the demand side. We spend so much money on drugs that we draw the drugs to us. . . ."

"We have to show we're serious about reducing that," he said. "It's just as important that we convince foreign countries to cooperate with us. If we were more sophisticated, we could explain to the government of Colombia—independent of whether we give it a penny—why it's in its self-interest to do away with the poppy crop. The economy of Colombia is built on a false base."

Asked why Colombia could not figure that out on its own, Mr. Giuliani said, "They just need a push from us in that direction."

GOVERNOR WHITMAN'S BUDGET ADDRESS TO THE STATE OF NEW JERSEY

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mr. SAXTON. Mr. Speaker, I commend to my colleagues' attention the following address by Governor Christine Whitman to the State of New Jersey, given on March 15, 1994.

Good evening.

Two months ago, I took office promising a new beginning: A government that is committed to fundamental change. A government that is fiscally responsible. A government that uses common sense. And a governor who keeps her promises.

Budgets are more than just numbers. They are the balance sheet of our principles, the ultimate statement of our priorities. This is where government puts its money where its mouth is. Only it's not the government's money. It's your money. That's why I'm here tonight.

This is the first time in memory that a governor has delivered a budget message to a joint session of the Legislature in the evening—during "prime time" when it can be broadcast across the state to families in their homes.

Traditionally, this speech is given at 2 p.m., when few of you have an opportunity to listen. What you get are a few sound bites on the evening news and an article in your local paper. I asked to give this speech at this time because you deserve to hear directly how your tax dollars are being spent and why. I would like to thank the Legislature for agreeing to this change.

This is the beginning of three-and-a-half months of dialogue, debate and discussion between members of my administration, the Legislature, and the various interest groups that have traditionally driven the policy agenda in Trenton. And this time, you—as citizens—must be involved, too.

Fifty years ago, the first computer was built. It was a mammoth machine: One hundred feet long. Ten feet high. Three feet deep. Today, the computer world has changed.

Computers the size of that PC right there have the same capacity as the Supercomputer installed eight years ago that took up two rooms at Princeton's Forrestal Center. Microchips are in—main-frames are out. But not in government.

Government in New Jersey is an expensive-to-run, slow-to-respond, antiquated main-frame. It fills two rooms when it needs to take up a single desk.

With this budget, we begin the process of remaking government. Of making the machinery of government smaller. Smarter. Faster. More responsive to you. And less costly. We have no other choice.

Taxes in New Jersey—the cost of running the machinery of government—are too high. High taxes drive jobs out of New Jersey and discourage new businesses from coming in. They make it hard for young families to buy homes and for senior citizens to keep them. They force our children to look for jobs and opportunities far away from their home.

If we were to follow the pattern set by governors and legislatures over the past quarter-century, state spending would double over the next eight years. The state budget would be 32 billion dollars. Four thousand,

one hundred dollars for every man, woman and child in the state.

Income, sales or business taxes would have to go up \$3 billion every 30 months just to keep up. That cannot happen. You cannot afford it. Our children cannot afford it. You elected me—to prevent this. I will not let it happen. This budget is going to go down! Not up.

There is only one way to cut government spending, and that is to cut the amount of tax dollars that we take out of your pocket. The more money you have to spend, the more the economy will grow. You elected me to cut taxes and government spending in order to create jobs and stimulate economic growth. And that's exactly what my tax cuts will do.

Your Legislature under Senate President Don DiFrancesco and Assembly Speaker Chuck Haytalan launched New Jersey on the road to economy recovery by rolling back the sales tax in 1992 and cutting business taxes last summer.

I am grateful to the Legislature for so quickly approving the 5 percent income tax cut and the corporate tax rollback I called for in my Inaugural Address.

The Senate finished the job today by approving the elimination of all income taxes for the 380,000 New Jerseyans earning less than \$7,500 a year—mostly senior citizens, students and people working their way off welfare.

Those tax cuts are just the first step. I promised you an income tax cut ranging from 30 percent for low- and middle-income families to 20 percent for high-income families by 1997. With this budget, I am asking the Legislature to take the second step. I am calling for a second income tax cut effective January 1, 1995.

This tax cut would give more to the low- and middle-income taxpayers who need tax relief the most. My plan would triple the current income tax cut to 15 percent for families earning less than \$80,000 and individuals making less than \$40,000. The cut would be 7½ percent for families earning between \$80,000 and \$150,000 and individuals between \$40,000 and \$75,000. Those in the highest tax bracket would get a 6 percent cut.

And make no mistake: I will call for a third tax cut next year. For democracy to work, those who ask for your vote must keep their promises. I will keep mine.

Not everyone will be happy with this budget. You will hear complaints about particular cuts, questions about why I kept my promise to cut taxes. But tax cut or no tax cut, we would have had to cut spending this year.

We must cut spending to close a \$2 billion structural deficit caused by a past overreliance on one-shot revenues and by a past failure to limit growth in government spending to the growth in tax revenues. With this budget, we stop spending more money than we take in. With this budget, we reduce our reliance on one-shot revenues by nearly one half.

We are changing the way we fund pensions and health benefits for retirees in a way that will save you more than \$600 million this year and more than 3½ billion dollars over the next four years without affecting benefits for a single retired worker. We are not taking a penny out of the pension system. We will continue to pay for health benefits on an annual basis. We also address a fundamental inequity in our retiree benefits system by requiring teachers and state workers to pay the same amount toward their pensions that police and firefighters and non-government workers already pay.

I know that property taxes concern you. When I urged the Legislature to enact a retroactive income tax cut, I promised that we would not play the shell game of cutting one tax by raising another. I kept that promise.

This budget provides a net increase of more than \$100 million in the resources available to local governments, which I urge them to use to hold down property taxes.

I am recommending the elimination of desegregation aid and a partial phaseout of density aid to municipalities.

I am also proposing a 33 percent reduction in the "transition aid" to 265 school districts that was supposed to expire completely this year under the 1990 law. This will enable us to shift \$28 million more into the 30 poorest school districts. This is a good-faith effort toward complying with the Supreme Court order to close the funding gap between the richest and poorest school districts.

We will write a new school aid law over the next year that defines what a "thorough and efficient education" should mean for every child, no matter where he or she lives.

But you know—and I know—that more money is not the answer for a school system that already spends more per child than any other state. The answer—is accountability.

We must teach children to read in the early grades, so we do not have to spend tens of millions of dollars more on remedial education in high school and college. We need to inject competition into our schools by developing alternatives like magnet schools, charter schools and voucher systems. And we need to understand that salaries and benefits for school personnel are growing so rapidly that they eat up any increase in state aid long before the dollars reach the classroom.

School districts, like municipalities and counties, must find ways to cut costs. If I can find ways to balance my budget while cutting taxes by \$589 million, your schools, counties and municipalities can find ways to balance their budgets without raising taxes!

In fact, I challenge those who are putting so much energy into criticizing my spending cuts to use that energy to find the cost savings in their own budgets that we all know are there. It is not impossible.

I said I would cut spending in the governor's office by 20 percent. And I did it.

Union Township, which I visited last month, spends 15 percent less than the statewide average to educate its children. That's because it pays teachers extra to handle administrative duties than other districts pay vice-principals higher salaries to perform. We all know that municipalities and schools can save money by regionalizing services.

My treasurer is willing to provide efficiency audit teams to help your local governments identify cost savings. But the best way to find savings is to do what we are doing: Set up broad-based citizens groups within your own town and school district to come up with creative ideas to save money that challenge the old ways of doing things.

Participatory democracy works. This budget proves it. Before my administration even took office, a citizens' budget committee co-chaired by Candy Straight and Andrew Chapman identified hundreds of millions of dollars in potential budget savings.

Valuable ideas come in from you—through town meetings, call-in shows and the thousands of letters you sent to the "Our Tax Dollars" program. Nicholas Gordon of Fort Lee, who is with us tonight, wrote in to ask why the state is spending money for a Basic Skills Assessment test for college freshmen that duplicates the test we give to 11th graders. Nicholas, you're right. That test is gone. You just saved the State \$1.2 million a year.

Nancy Burwell of Belleville, who is also in the gallery, called 101.5 while I was on the air to suggest that we bring in a company to audit the state government's phone bills. Good idea, Nancy. We expect to save \$1.5 million, maybe more.

Paul Porreca Jr. of Millville, who is also here, asked why the State of New Jersey was running marinas in competition with private enterprise. Good question. We're going to privatize those marinas in Leonardo and Forked River. Expected sale price? Seven million dollars.

Nobody wrote in to suggest that we can save money by continuing the "Our Tax Dollars" program. But I've managed to figure that one out for myself.

Write me with your ideas. The address is "Our Tax Dollars," CN096, Trenton, New Jersey 08625.

One of the most intriguing letters to come into "Our Tax Dollars" arrived in December from Frank P. Merlo, a graduate professor of education at Montclair State College. Professor Merlo can't be with us tonight because he's teaching a school finance course, but this is what he wrote: "The present autonomy of the state's public higher education institutions makes the Department (of Higher Education) somewhat obsolete and relegates it to a make-work function to justify its existence." Professor Merlo—you're right! As of July 1 the State Department of Higher Education will no longer exist.

I am proposing the creation of a Council of College Presidents to replace the needlessly duplicative oversight now provided by the chancellor's office and the Board of Higher Education. Taxpayers will save millions of dollars by cutting this excessive bureaucracy. But more important, we will put responsibility and accountability for our colleges where it belongs—with the individual college presidents and their boards of trustees.

The 1986 state college autonomy law gave colleges responsibility for greater self-governance and for developing their own unique missions. They have succeeded admirably. Rutgers, NJIT and UMDNJ are stronger than ever. Montclair is about to become the first state college to earn university status. Trenton State is no longer one of the best kept secrets in higher education. Our community colleges are thriving. Our commitment to higher education is stronger than ever.

In fact, tuition increases will be limited to 3½ percent this year—the lowest increase in at least 10 years—because we recognize that education is the cornerstone of our future. We must provide quality education from pre-school to graduate school if New Jersey is to compete in the 21st Century.

The Department of Higher Education isn't the only Cabinet agency that should be eliminated. The Department of the Public Advocate also has outlived its usefulness. We must continue to meet fully this state's constitutional responsibility to provide legal counsel to the poor and to patients involuntarily committed to mental hospitals. We can do so by transferring the Office of the Public Defender and all mental health screening services to the Department of State.

Federally funded programs for the legal protection of persons with disabilities would be privatized and would continue stronger than ever. But the Division of Rate Counsel would be abolished because it duplicates the role of the Board of Regulatory Commissioners.

And we would no longer use your tax dollars to finance lawsuits by one government

agency against another government agency, which then has to use more tax dollars to defend itself in a court system also financed by you. We can find better ways to spend our money.

It is also time to get government out of businesses it should not be running and to give private companies and non-profits the opportunity to compete to provide services at lower cost.

Speaking of better ways to spend our money, public television cannot truly be independent as long as it is funded by government dollars. With this budget, we begin a two-year transition to making New Jersey Network financially and politically independent, like its sister stations in New York and Philadelphia. Government ownership of the media went out with Pravda. I am cutting state aid to New Jersey Network by \$2 million to start the transition from tax dollars to private contributions. I will lend my personal support to New Jersey Network's fund-raising drive.

Privatization makes sense in other areas too. In addition to the two marinas, I plan to turn over six state day care centers to non-profit agencies. I plan to close seven of the state's 39 armories. The Russians are not coming—except, hopefully, as tourists.

Perhaps the most exciting privatization initiative is a plan to establish a community-based drug treatment facility adjacent to the Hudson County Jail 400 medium-security state prisoners. Two-thirds of the 25,000 inmates in our state prison system have drug or alcohol problems, yet the Department of Corrections has just 250 substance-abuse treatment. If we keep releasing prisoners with drug or alcohol problems, we know they'll go right back to crime.

This new medium-security facility, coupled with an expansion of available beds in halfway houses, will give us the opportunity to sent prisoners with drug and alcohol problems to treatment program before they came up for parole. The message will be clear: If you don't get clean and sober, they have no chance of parole. It's as simple as that.

This is just one example of how government needs to get smart about spending a few dollars more now to avoid spending a fistful of dollars later.

Corrections spending has quadrupled since 1980, yet we have been doing very little to prevent youngsters from entering the criminal justice system in the first place and even less to prevent inmates for going back to a life of crime after they are paroled.

My Attorney General and Human Services Commissioner are heading an Advisory Council on Juvenile Justice that will develop boot camps and other alternatives to put first-time offenders back on the right track. I also want to require inmates to get their high school equivalency diploma or improve their reading by three grade levels as a condition for their parole. You can't get a very good job with a seventh-grade reading level, which is the average in our prisons. Those who already have high school diplomas can tutor those who need help.

We need to be smart about funding health care, too. We will save money by moving our Medicaid population to managed care. But more importantly, we can give our poorest families the opportunity to take their children to doctors for regular checkups, instead of having to wait for their children to get sick enough to take them to hospital emergency rooms.

Similarly, advocates for the mentally ill and the developmentally disabled have been pushing for years to expand community-

based services, rather than continuing to pour hundreds of millions of tax dollars into expensive, outmoded institutions. It is time to consider closing some institutions and putting more money into the community to establish a continuum of care.

Throughout this budget, I have tried to invest money now in programs that will pay dividends in the future—money that will multiply and create opportunities in the private and non-profit sectors.

That's why I increased advertising for tourism by \$1 million, knowing that every dollar spent promoting our second-largest industry generates 70 new dollars for New Jersey businesses.

That's why I put an extra half-million dollars into promoting our agricultural industry.

That's why I am devoting \$250,000 to empower the business ombudsman to cut through red tape and prove that New Jersey is a business-friendly state.

That's why I doubled the State Planning Commission's budget to \$1.4 million. And that's why I refused to cut our billion-dollar capital spending program, including the \$565 million we will spend on transportation programs. Oh, yes—and there's \$30 million for counties and municipalities.

I am proud of the work we have done in putting together a smart, forward-looking budget in just two months. I want to particularly thank my treasurer, Brian Clymer, my cabinet and their staffs.

In many ways, this is a transition budget—one put together to close the structural deficit we inherited with the least possible pain.

We did limit the pain: School and municipal aid levels remain virtually unchanged. Homestead rebates are preserved. State worker layoffs caused by program cuts are projected at 600, and the final number could be less.

But just as important, we are starting the process of bringing sanity to government spending here in the State House—and hopefully in your county courthouses, your town halls and in your schools.

Yes, we will have to make tough choices about our spending priorities. But that's what a budget is.

You make those choices every month when you pay your mortgage or rent, buy food, and pay your utility bills first—Then you see if you have enough money left over to go on vacation or out to the movies. I'm talking about common sense—a sense all too uncommon in government. You don't spend more money than you are taking in, Government shouldn't either.

I'm going to keep asking you for your ideas on what you want your government to do. My cabinet members will be reaching out to all New Jerseyans to ask fundamental questions about the programs and services they provide.

Together—working with the Legislature—we can turn this expensive-to-run, slow-to-respond, antiquated main-frame of a government into a smaller, smarter, faster, more responsive and less costly modern machine.

That's how I want us to remake government. Together. In public. In open debate with everyone at the table. That's what democracy is. That's how government should work. We're going to prove it here in New Jersey.

Thank you for listening. Thank you for participating.

God bless you. And good night.

INTRODUCTION OF H.R. 4095

HON. TILLIE K. FOWLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1994

Mrs. FOWLER. Mr. Speaker, yesterday I introduced, H.R. 4095, a bill to repeal a particularly onerous and unnecessary administrative burden on our Nation's employers. This bill would repeal section 13581 of the Omnibus Budget Reconciliation Act of 1993, which established the Medicare and Medicaid Data Bank.

As Congress considers how to increase access to health care, the last thing we need to do is discourage employers from providing health insurance for their employees. Yet that is exactly what is happening as employers realize they must deal with a new and intrusive employer mandate which was a last minute addition to the Omnibus Budget Reconciliation Act of 1993.

Section 13581 of the OBRA established the Medicare and Medicaid Data Bank, and requires all employers who offer health insurance to provide extensive information on current and past employees and their dependents. The rationale for the requirement—that employers can get this information easier than the Government and at little cost—is profoundly flawed. Most employers do not keep the required information on hand. In many cases, the information will have to be compiled manually, costing a great deal of time and money to employers who are already drowning in a sea of Federal regulation. Failure to comply with the requirement will result in up to a \$1,000 fine per violation.

No funding was provided for either the employers or the Health Care Financing Administration, which is responsible for implementing the data bank. The lack of funding for HCFA especially makes it extremely unlikely that the law can be successfully implemented.

The creation of the data bank was intended to prevent the mistaken payment to physicians and hospitals by Medicare and Medicaid when a third party is the primary payer. However, much of the information obtained through the employer requirements is already accessible to HCFA and is not currently being used for that purpose. Further, the employer requirements are so broad that employers must provide information on tens of millions of additional persons who are neither Medicare nor Medicaid enrollees. A preliminary GAO report indicates that only about 2 percent of employees and their dependents are Medicare and Medicaid beneficiaries subject to secondary payer rules.

The current law requires an enormous outlay of time, money, and effort for a miniscule return, and it is one more unfunded mandate on the back of American business. I urge my colleagues to join me in repealing this impractical and intrusive law, by signing on as a co-sponsor of H.R. 4095.

H.R. 4095

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

SECTION 1. REPEAL OF MEDICARE AND MEDICAID COVERAGE DATA BANK.

(a) REPEAL.—

(1) IN GENERAL.—Effective January 1, 1994, section 13581 of the Omnibus Budget Reconciliation Act of 1993 is hereby repealed and any provision of the law amended by such section is restored and shall be applied and administered as if such a section had not been enacted into law.

(b) STUDY AND REPORT.—

(1) STUDY.—The Secretary of Health and Human Services (hereafter in this subsection referred to as the 'Secretary') shall conduct

a study on how to achieve the objectives of the data bank described in section 1144 of the Social Security Act (as in effect on the day before the date of the enactment of this Act) in the most cost-effective manner, taking into account—

(A) the administrative burden of such data bank on private sector entities and governments.

(B) the possible duplicative reporting requirements of the Health Care Financing Ad-

ministration in effect on such date of enactment, and

(C) the legal ability of such entities and governments to acquire the required information.

(2) REPORT.—The Secretary shall report to the Congress on the results of the study described in paragraph (1) by not later than 180 days after the enactment of this Act.