

EXTENSIONS OF REMARKS

THE SHIPBUILDING TRADE
AGREEMENT ACT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 11, 1995

Mr. CRANE. Mr. Speaker, today, I am pleased to introduce, together with my colleagues Mr. GIBBONS and Ms. DUNN, the Shipbuilding Trade Agreement Act. This bill implements the Shipbuilding Agreement signed December 21, 1994, by key shipbuilding nations after 5 years of negotiation under the auspices of the Organization for Economic Cooperation and Development. I congratulate the administration for negotiating this historic agreement which applies to the construction and repair of self-propelled seagoing vessels of 100 gross tons and above and covers approximately 80 percent of the ships engaged in global shipping.

The agreement is scheduled to enter into force 30 days after all signatories deposit instruments of ratification, acceptance, or approval. In the interim, the signatories are in the process of formal ratification. In the United States, legislation must be enacted by Congress to bring U.S. law into compliance with the agreement.

I believe that it is important to implement this agreement as soon as possible because it should help achieve an international environment that gives the U.S. shipbuilding industry the best chance to compete in world markets that are not distorted through subsidization. The agreement will open up trade in shipbuilding by eliminating distortive government subsidies granted either directly to shipbuilders or indirectly through ship operators. In addition, the agreement contains an injurious pricing code to prevent dumping in the shipbuilding industry and includes a comprehensive discipline in Government financing for exports and domestic ship sales as well as a dispute settlement mechanism. I believe that the hearing held by the Trade Subcommittee in July highlighted the benefits that implementation of this agreement will bring.

The bill uses the antidumping remedies of Title VII of the Tariff Act of 1930, as amended, as the model for the provisions applicable to shipbuilding, revised only where necessary to take into account differences between the agreement and the WTO and differences due to the unique nature of vessels. However, although we applied Title VII without change wherever possible, we will review the entire antidumping scheme as it applies to merchandise in general and shipbuilding in particular at some later time.

The Trade Subcommittee will mark up this legislation on Wednesday, December 13. I hope that after that point, the full Committee on Ways and Means will take up the bill as quickly as possible. Unfortunately, the press of

other business has prevented us from considering an implementing bill sooner. However, my commitment to this legislation is solid. I am confident that our trading partners do not doubt our resolve and understand that we will do our best to consider the legislation promptly so that we may implement the agreement as soon in 1996 as possible.

PROPOSED SALE OF ARMY TACTICAL
MISSILE SYSTEM TO TURKEY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 11, 1995

Mr. HAMILTON. Mr. Speaker, on December 1, 1995, the Clinton administration notified the Congress of its proposal to sell 120 Army Tactical Missile Systems [ATACMS], valued at \$132 million, to the Government of Turkey. The Congress has 15 days to review this proposed sale to Turkey, a NATO ally.

Because of many concerns in the Congress about human rights in Turkey, I asked the Department of State to write to me with respect to this weapons system, and whether any human rights issues are raised by this proposed sale. The text of the letter from the Department of State follows:

U.S. DEPARTMENT OF STATE,
Washington, DC, November 17, 1995.

HON. LEE HAMILTON,
House of Representatives

DEAR MR. HAMILTON: I am pleased to respond to your request for further information regarding the Administration's intention to transfer 120 Army Tactical Missile System (ATACMS) missiles to Turkey.

We believe this defensive system is appropriate to the threats faced by Turkey. In particular, with a range of 165 kilometers, ATACMS is designed and tested to be effective against high value targets deep behind the battlefield, including deployed ballistic missile launch sites, surface-to-air missiles and command and control units.

The missile can be launched from the Multiple Launch Rocket System, of which the Turks already possess twelve. This compatibility makes the ATACMS an ideal system for meeting Turkish defense needs. Moreover, the transfer meets NATO defense requirements and it supported by the Commanders-in-Chief of the European Command and Central Command and offers protection against Iran, Iraq, and Syria, all of which have missiles capable of striking Turkey.

We are aware of your concern that arms transfers be used for the uses intended by the U.S. government as stipulated in the Arms Export Control Act and other relevant statutes. We share your concern and wish to emphasize that this is not a weapon likely to be used in the commission of human rights abuses.

First, the high cost of the system, \$750,000 per missile, make it highly impractical as a

counter-insurgency or anti-personnel weapon. Second, it is designed and optimized as an anti-material weapon; the munitions it carries are designed to pierce electronic equipment and other lightly shielded materiel. Third, in view of the characteristics of the missile, the United States has the ability to monitor the use of the system. Fourth, the distinctive debris and damage pattern it produces make it possible to obtain physical evidence that it has been used.

The use of this system against insurgents does not make financial or military sense and its use could be confirmed by observation and physical evidence. You should also know that, unlike some other sub-munitions weapons it has a very low "dud" rate (4 percent or less). Therefore, if it is used in wartime, the risk to civilians from unexploded munitions will be very low.

We need to ensure the Turks do not question our security relationship with them. While we have in fact been exceptionally thoughtful in our transfers, it is important now to demonstrate we are a reliable ally and that Turkey's legitimate defense needs will be met.

Our Embassy in Ankara has commented that it is particularly important to go forward with the ATACMS sale now to reassure Ankara about the reliability of our security relationship.

I hope we have been responsive to your concerns. Please do not hesitate to contact me if we can be of further assistance.

Sincerely,
WENDY R. SHERMAN,
Assistant Secretary Legislative Affairs.

GEORGE LESLIE McCULLEN

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, December 11, 1995

Mr. MONTGOMERY. Mr. Speaker, on Saturday, November 11, 1995, George Leslie McCullen was laid to rest. George was an extraordinarily good and honorable man, a valued friend, and a strong ally.

There is a sweet irony that George was buried on Veterans' Day, the day our Nation sets aside to say "thank you" to those who have served in our Armed Forces. As a veteran of the Korean conflict, George earned our thanks. His service to country did not end, however, when George completed military service. Until his recent retirement, George was employed by the Virginia Department of Education, veterans education. In this capacity, he and his staff were responsible for ensuring that only education programs of the finest quality were approved for veterans using their GI bill benefits. Veteran students receive a superior education in the State of Virginia because of George McCullen's dedication to excellence and commitment to learning.

I noted earlier that George was a strong ally. I first met him during the early days of the

● 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.

battle for the new GI bill. At that time, George was legislative director for the National Association of State Approving Agencies [NASAA], a position he held from 1983 to 1990. Although George worked in Richmond, he never hesitated to make the drive to Washington to participate in one of our many strategy sessions. His suggestions for action were always excellent, and his dedication was a major factor in our ultimate success—the implementation of the new GI bill on July 1, 1985. George was determined that the fine young men and women who serve in our All Volunteer Forces should have the opportunity to earn educational assistance benefits, and his unwavering support and assistance were critical to our success.

After enactment of the GI bill, George continued to share his good advice and wise counsel with me and my staff. He was instrumental in the passage of legislation making the GI bill permanent, measures improving other veterans' education programs, and legislation that protected SAA funding and established a superb training curriculum for SAA McCullen left behind an enviable legacy. His was a life of good works, and I feel honored to have known him. I want to extend my deepest sympathy to George's wife, children, and grandchildren.

IN DEFENSE OF DIRECT LENDING

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 11, 1995

Mr. FRANK of Massachusetts. Mr. Speaker, recently I was discussing Federal policy toward higher education with one of the most thoughtful students of that subject, Father Bartley MacPhaidin, C.S.C., who's president of Stonehill College in Easton, MA. I have long found Father MacPhaidin to be an important source of information on educational policy. I was particularly struck in our conversation by his forceful advocacy of the direct lending program, and of the benefits it provides for the students, whose financial well-being has always been very high on the list of Father MacPhaidin's concerns. He was so cogent and persuasive on the subject that I asked him to share with me in writing some of his thoughts because I believe that providing the best method by which young Americans can receive a college education is a very high priority for us and I think all of our colleagues will benefit substantially from reading Father MacPhaidin's knowledgeable and thoughtful discussion of the benefits of this program as he and his college have experienced them.

IN DEFENSE OF DIRECT LENDING

Stonehill College was one of the 104 colleges chosen to participate in the first year of the new direct lending program for student loans. Today another 1500 institutions are in the program across the country. Based on Stonehill's experience of direct lending, the proposal in Congress radically to curtail or terminate direct lending should be resisted.

In the new program, students and families deal directly and solely with our financial aid office. No longer must borrowers nego-

tiate the often confusing, frustrating and seemingly endless steps in the bank/school/guaranty agency loops to obtain student loans. In direct lending, the College determines eligibility originates loans, provides and processes promissory notes, requests and receives funds directly from the government and credits student accounts. Virtual one-stop-shopping.

Recently, a junior came to the financial aid office seeking funds to pay the rent on his off-campus apartment. The financial aid office immediately originated a Direct Loan, printed the promissory note on line, which the student completed in the office. Within one week, the funds were in the student's account and he received a check to pay his rent.

In the old program, the student would have gone to his bank, obtained a form, completed the form and sent it back to the bank, the bank would send it to the college for certification, the college would send the certified form to the guaranty agency, the guaranty agency would certify the guarantee and notify the bank. The bank would then, finally, cut the check and mail it to the college. The college would notify the student, the student would come to the financial aid office to co-sign the check which would then be deposited to his account.

Of course, he would probably have been evicted for non-payment of rent before this cumbersome process was completed.

Direct Lending helps students manage their debt better, enables them to borrow only as much as they need when they need it. In the past, the cumbersome bank/guaranty agency process has meant that students borrowed the maximum each time to be sure they had the money they needed when they needed it.

The bank/guaranty agency loop has also meant alumni may have confusion in the repayment cycle. Stonehill has an alumna who called recently to resolve a potential default status. She had borrowed each of her four years at Stonehill from the same bank. But that bank had "sold" her loans to three different servicing companies. She was finding it nearly impossible to figure out which bank holds her loans and how she could obtain payment deferments to attend graduate school.

All Direct Lending loans are "bundled" and handled by the same servicer. While Stonehill's current student loan default rate is only 2.5%, the new simpler system will prevent many defaults, here and nationwide.

There is controversy over whether Direct Lending is a savings or a cost to the taxpayer, the difference arising in large part from the use of different accounting principles. The banking lobby is strong and speaks in deafening tones. The only way to truly compare costs is to let the two systems operate side by side for at least ten years, allowing each school to choose the program which works best for it.

Then, using agreed accounting procedures, the true costs to taxpayers for each program can be assessed, the relative default rates compared, and a rational decision made to keep one or both programs. Stonehill urges the Congress to permit such an experiment to take place, allowing market forces to improve both programs while giving ample opportunity for fair comparison. Students, families, and taxpayers can only gain.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4,

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

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

Meetings scheduled for Tuesday, December 12, 1995, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

DECEMBER 13

9:30 a.m.

Environment and Public Works

To hold hearings on proposed legislation authorizing funds for the Clean Water Act, focusing on municipal issues.

SD-406

Labor and Human Resources

Business meeting, to mark up proposed legislation to authorize funds for the Older Americans Act, and to consider pending nominations.

SD-430

10:00 a.m.

Armed Services

To hold hearings on the nomination of H. Martin Lancaster, of North Carolina, to be an Assistant Secretary of the Army, Department of Defense.

SR-222

10:30 a.m.

Special Committee To Investigate Whitewater Development Corporation and Related Matters

To resume hearings to examine certain issues relative to the Whitewater Development Corporation.

SH-216

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

2:30 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold hearings on S. 901, to authorize the Secretary of the Interior to participate in the design, planning, and construction of certain water reclamation and reuse projects and desalination research and development projects, S. 1013, to acquire land for exchange for privately held land for use as wildlife and wetland protection areas, in connection with the Garrison Diversion Unit Project, S. 1154, to authorize the construction of the Fort Peck Rural

Water Supply Sytem, S. 1169, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize construction of facilities for the reclamation and reuse of wastewater at McCall, Idaho, and S. 1186, to provide for the transfer of operation and maintenance of the Flathead irrigation and power project.

SD-366

9:30 a.m.

Energy and Natural Resources
To hold hearings on S. 1271, to amend the Nuclear Waste Policy Act of 1982.

SD-366

Governmental Affairs
To hold hearings to examine Federal Government financial management.

SD-342

CANCELLATIONS

DECEMBER 12

10:00 a.m.

Armed Services
To hold hearings on the nomination of H. Martin Lancaster, of North Carolina, to be an Assistant Secretary of the Army.

SR-222

DECEMBER 14

[Faint, mostly illegible text, likely bleed-through from the reverse side of the page.]

[Faint, mostly illegible text, likely bleed-through from the reverse side of the page.]

[Faint, mostly illegible text, likely bleed-through from the reverse side of the page.]