

HOUSE OF REPRESENTATIVES—Monday, February 10, 1997

The House met at 2 p.m. and was called to order by the Speaker pro tempore [Mr. COLLINS].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
February 10, 1997.

I hereby designate the Honorable MAC COLLINS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

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

As we meditate on all the words we could say about Your graces, O God, and the expressions that we use to describe our relationship to You, we would speak of mercy and justice, of charity and forgiveness, of reconciliation and peace in our hearts. On this day we speak those words that are above all else, those words that make us truly human and mark us as created in Your image, the words of thanksgiving and gratitude. When we ponder our lot in life and when we reflect on Your goodness to us, we express joy and praise for Your mercy to us and for Your steadfast love to all people. With gratefulness and thanksgiving, we offer this prayer to You, gracious God, for Your presence and Your power is ever with us.

This is our earnest prayer. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

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

Mr. UNDERWOOD led the Pledge of Allegiance as follows:

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

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mrs. Sara Emery, one of his secretaries.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair notes that on May 15, 1986, Mrs. Sara Currence Emery was the first woman to appear in this Chamber as the secretary of the President of the United States to deliver a message to the House of Representatives. Today she is delivering her last message. Mrs. Emery is retiring as deputy executive clerk of the White House after serving six administrations over the past 28 years. She has the congratulations and best wishes of the House.

RESIGNATION AS MEMBER OF COMMITTEE ON VETERANS' AFFAIRS

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Veterans' Affairs:

WASHINGTON, DC,
February 4, 1997.

Hon. NEWT GINGRICH,
Speaker, House of Representatives.

DEAR MR. SPEAKER: I hereby resign my appointment to the House Veterans' Affairs Committee.

Sincerely,

DUNCAN HUNTER,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted. There was no objection.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON WAYS AND MEANS

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Ways and Means:

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 5, 1997.

Hon. NEWT GINGRICH,
Speaker, House of Representatives, the Capitol,
Washington, DC.

DEAR MR. SPEAKER: I am forwarding to you the Committee's recommendations for certain designations required by law for the 105th Congress.

First, pursuant to Section 8002 of the Internal Revenue Code of 1986, the Committee designated the following members to serve on the Joint Committee on Taxation for the

105th Congress: Mr. Archer, Mr. Crane, Mr. Thomas, Mr. Rangel, and Mr. Stark.

Second, pursuant to Section 161 of the Trade Act of 1974, the Committee recommended the following members to serve as official advisors for international conference meetings and negotiating sessions on trade agreements: Mr. Archer, Mr. Crane, Mr. Thomas, Mr. Rangel, and Mr. Matsui.

With best personal regards, I am
Sincerely,

BILL ARCHER,
Chairman.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of section 161(a) of the Trade Act of 1974, (19 U.S.C. 2211), and upon the recommendation of the chairman of the Committee on Ways and Means, the Chair announces the Speaker's selection of the following members of that committee to be accredited by the President as official advisers to the U.S. delegations to international conferences, meetings and negotiation sessions relating to trade agreements during the first session of the 105th Congress:

Mr. ARCHER of Texas; Mr. CRANE of Illinois; Mr. THOMAS of California; Mr. RANGEL of New York; and Mr. MATSUI of California.

There was no objection.

APPOINTMENT AS MEMBERS OF PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of clause 1 of rule XLVIII and clause 6(f) of rule X, the Chair announces the Speaker's appointment to the Permanent Select Committee on Intelligence the following Members of the House: Messrs. YOUNG of Florida; LEWIS of California; SHUSTER of Pennsylvania; MCCOLLUM of Florida; CASTLE of Delaware; BOEHLERT of New York; BASS of New Hampshire; GIBBONS of Nevada; DICKS of Washington; DIXON of California; SKAGGS of Colorado; Ms. PELOSI of California; and Ms. HARMAN of California.

There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Mr. UNDERWOOD. Mr. Speaker, by direction of the Democratic Caucus, I offer a privileged resolution (H. Res. 44)

and ask for its immediate consideration.

The Clerk read the resolution, as follows:

HOUSE RESOLUTION 44

Resolved, that the following named Member be, and is hereby, elected to the following standing committee of the House of Representatives:

To the Committee on Standards of Official Conduct: Mr. HOWARD L. BERMAN of California.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
February 10, 1997.

HON. NEWT GINGRICH,
The Speaker, U.S. House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Under Clause 4 of Rule III of the Rules of the U.S. House of Representatives, I herewith designate Ms. Julie Perrier to sign any and all papers and do all other acts for me under the name of the Clerk of the House which she would be authorized to do by virtue of this designation, except such as are provided by statute, in case of my temporary absence or disability.

This designation shall remain in effect for the 105th Congress or until modified by me.

With warm regards,

ROBIN H. CARLE,
Clerk, U.S. House of Representatives.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105-2)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Joint Economic Committee and ordered to be printed:

ECONOMIC REPORT OF THE PRESIDENT

To the Congress of the United States:

Four years ago, we began a journey to change the course of the American economy. We wanted this country to go into the 21st century as a nation in which every American who was willing to work for it could have a chance—not a guarantee, but a real chance—at the American dream. We have worked hard to achieve that goal, and today our economy is stronger than it has been in decades.

The Economic Record

The challenge we faced in January 1993 was to put the economy on a new course of fiscal responsibility while continuing to invest in our future. In the last 4 years, the unemployment rate has come down by nearly a third:

from 7.5 percent to 5.4 percent. The economy has created 11.2 million new jobs, and over two-thirds of recent employment growth has been in industry/occupation groups paying above-median wages. Over the past 4 years inflation has averaged 2.8 percent, lower than in any Administration since John F. Kennedy was President. The combination of unemployment and inflation is the lowest it has been in three decades. And business investment has grown more than 11 percent per year—its fastest pace since the early 1960s.

As the economy has grown, the fruits of that growth are being shared more equitably among all Americans. Between 1993 and 1995 the poverty rate fell from 15.1 percent to 13.8 percent—the largest 2-year drop in over 20 years. Poverty rates among the elderly and among African-Americans are at the lowest level since these data were first collected in 1959. And real median family income has risen by \$1,600—the largest growth rate since the Administration of President Johnson.

The Economic Agenda

Our comprehensive economic agenda has helped put America's economy back on the right track. This agenda includes:

Historic Deficit Reduction. Since the 1992 fiscal year, the Federal budget deficit has been cut by 63 percent—from \$290 billion to \$107 billion in fiscal 1996. As a percentage of the Nation's gross domestic product, the deficit has fallen over the same period from 4.7 percent to 1.4 percent, and it is now the lowest it has been in more than 20 years. In 1992 the budget deficit for all levels of government was larger in relation to our economy than those of Japan and Germany were to theirs. Now the deficit is smaller by that same measure than in any other major industrialized economy. And this Administration has proposed a plan that balances the budget by 2002, while protecting critical investments in America's future.

Investments in Education and Technology. Deficit reduction remains a priority, but it is not an end in itself. Balancing the budget by cutting investments in education, or by failing to give adequate support to science and technology, could actually slow economic growth. To succeed in the new global economy, our children must receive a world-class education. Every child in America should be able to read by the age of 8, log onto the Internet by the age of 12, and receive at least 14 years of quality education: 2 years of college should become as universal as high school is today. And we must make sure that every child who wants to go to college has the resources to do so.

Expanding Markets. We have aggressively sought to expand exports and open markets abroad. In the past 4 years we have achieved two major

trade agreements: The North American Free Trade Agreement and the Uruguay round accord of the General Agreement on Tariffs and Trade, which established the World Trade Organization. Members of the Asia-Pacific Economic Cooperation forum and the proposed Free Trade Area of the Americas have committed to establishing free trade among themselves by 2020 and 2005, respectively. And we have opened new markets abroad by signing more than 200 other important trade agreements. As a result, U.S. exports have boomed, which means higher wages for American workers in export industries—often 13 to 16 percent higher than the rest of the workforce.

Reforming Government. The strength of the American economy lies in the energy, creativity, and determination of our citizens. Over the past 4 years we have worked hard to create an environment in which business can flourish. And as the private sector has expanded, the Federal Government has improved its efficiency and cost-effectiveness. We have energetically reformed regulations in key sectors of the economy, including telecommunications, electricity, and banking, as well as environmental regulation. And we have reduced the size of the Federal Government as a percentage of the workforce to the smallest it has been since the 1930's.

CONTINUING TO CREATE AN ECONOMY FOR THE 21ST CENTURY

America's workers are back at work and our factories are humming. Once again, America leads the world in automobile manufacturing. Our high-technology industries are the most competitive in the world. Poverty is down and real wages are at last beginning to rise. And we have laid the foundations for future long-term economic growth by reducing the deficit and investing in education.

During the past 4 years, we have worked to prepare all Americans for the challenges and opportunities of the new global economy of the 21st century. We have worked to restore fiscal discipline in our government, to expand opportunities for education and training for our children and workers, to reform welfare and encourage work, and to expand the frontiers of free trade. But there is more work to be done. We must continue to provide our citizens with the tools to make the most of their own lives so that the American dream is within the reach of every American.

WILLIAM J. CLINTON.

THE WHITE HOUSE, February 10, 1997.

□ 1415

REPORT ON DEVELOPMENTS REGARDING CONTINUING NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 105-41)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of August 14, 1996, concerning the national emergency with respect to Iraq that was declared in Executive order 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

Executive Order 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a United States person. That order also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. United States persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive order 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution (UNSCR) 661 of August 6, 1990.

Executive Order 12817 was issued on October 21, 1992, to implement in the United States measures adopted in UNSCR 778 of October 2, 1992. UNSCR 778 requires U.N. Member States to transfer to a U.N. escrow account any funds (up to \$200 million apiece) representing Iraqi oil sale proceeds paid by purchasers after the imposition of U.N. sanctions on Iraq, to finance Iraq's obligations for U.N. activities with respect to Iraq, such as expenses to verify Iraqi weapons destruction, and to provide humanitarian assistance in Iraq on a nonpartisan basis. A por-

tion of the escrowed funds also finances the activities of the U.N. Compensation Commission in Geneva, which handles claims from victims of the Iraqi invasion and occupation of Kuwait. Member States also may make voluntary contributions to the account. The funds placed in the escrow account are to be returned, with interest, to the Member States that transferred them to the United Nations, as funds are received from future sales of Iraqi oil authorized by the U.N. Security Council. No Member state is required to fund more than half of the total transfers or contributions to the escrow account.

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order 12722 and matters relating to Executive Orders 12724 and 12817 (the "Executive Orders"). The report covers events from August 2, 1996 through February 1, 1997.

1. In April 1995, the U.N. Security Council adopted UNSCR 986 authorizing Iraq to export up to \$1 billion in petroleum and petroleum products per quarter for 6 months under U.N. supervision in order to finance the purchase of food, medicine, and other humanitarian supplies. This arrangement may be renewed by the Secretary Council for additional 6-month periods. UNSCR 986 includes arrangements to ensure equitable distribution of humanitarian goods purchased with UNSCR 986 oil revenues to all the people of Iraq. The resolution also provides for the payment of compensation to victims of Iraqi aggression and for the funding of other U.N. activities with respect to Iraq. On May 20, 1996, a memorandum of understanding was concluded between the Secretariat of the United Nations and the Government of Iraq agreeing on terms for implementing UNSCR 986. On August 8, 1996, the UNSC committee established pursuant to UNSCR 661 ("the 661 Committee") adopted procedures to be employed by the 661 Committee in implementation of UNSCR 986. On December 9, 1996, the Secretary General released the report requested by paragraph 13 of UNSCR 986, making UNSCR 986 effective as of 12:01 a.m. December 10.

2. During the reporting period, there have been three amendments to the Iraqi Sanctions Regulations, 31 C.F.R. Part 575 (the "Regulations"), administered by the Office of Foreign Assets Control (OFAC) of the Department of the Treasury. The Regulations were amended on August 22, 1996, to add the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104-132; 110 Stat. 1214-1319 (the "Antiterrorism Act")) as an authority for the Regulations (61 *Fed. Reg.* 43460, August 23, 1996). Section 321 of the Antiterrorism Act (18 U.S.C. 2332d), which I signed into law on April 24, 1996, makes it a criminal offense for United States persons, except as provided in regulations

issued by the Secretary of the Treasury in consultation with the Secretary of State, to engage in financial transactions with the governments of countries designated under section 6(j) of the Export Administration Act (50 U.S.C. App. 2405) as supporting international terrorism. United States persons who engage in such transactions are subject to criminal fines under title 18, United States Code, imprisonment for up to 10 years, or both. Because the Regulations already prohibited such transactions, with minor exceptions for transactions such as donations of humanitarian aid, no substantive change to the prohibitions of the Regulations was necessary. This amendment also notes the criminal penalties that may be imposed for violations of the Antiterrorism Act and implementing regulations. A copy of the amendment is attached.

The Regulations were amended on October 21, 1996 (61 *Fed. Reg.* 54936, October 23, 1996), to implement section 4 of the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996, by adjusting for inflation the amount of the civil monetary penalties that may be assessed under the Regulations. The Regulations, as amended, increase the maximum civil monetary penalty provided by law from \$250,000 to \$275,000 per violation.

The amended Regulations also reflect an amendment to 18 U.S.C. 1001 contained in section 330016(1)(L) of Public Law 103-322; 108 Stat. 2147. The amendment notes the availability of higher criminal fines pursuant to the formulas set forth in 18 U.S.C. 3571. A copy of the amendment is attached.

The Regulations were amended on December 10, 1996, to provide a statement of licensing policy regarding specific licensing of United States persons seeking to purchase Iraqi-origin petroleum and petroleum products from Iraq (61 *Fed. Reg.* 65312, December 11, 1996). Statements of licensing policy were also provided regarding sales of essential parts and equipment for the Kirkuk-Yumurtalik pipeline system, and sales of humanitarian goods to Iraq, pursuant to United Nations approval. A general license was also added to authorize dealings in Iraqi-origin petroleum and petroleum products that have been exported from Iraq with United Nations and United States Government approval. The rule also added definitions and made technical amendments. A copy of the amendment is attached.

All executory contracts must contain terms requiring that all proceeds of oil purchases from the Government of Iraq, including the State Oil Marketing Organization must be placed in the U.N. escrow account at Banque Nationale de Paris, New York (the "1986 Escrow Account"), and all Iraqi payments for authorized sales of pipeline

parts and equipment, humanitarian goods, and incidental transaction costs borne by Iraq will, upon approval by the UNSC committee established pursuant to the 661 Committee, be paid or payable out of the 986 Escrow Account.

3. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. Several cases from prior reporting periods are continuing and recent additional allegations have been referred by OFAC to the U.S. Customs Service for investigation. Several OFAC civil penalty proceedings are pending. Investigation also continues into the roles played by various individuals and firms outside Iraq in the Iraqi government procurement network. These investigations may lead to additions to OFAC's listing of individuals and organizations determined to be Specially Designated Nationals (SDNs) of the Government of Iraq.

Since my last report, three civil monetary penalties totaling \$102,250 have been collected from one financial institution and two individuals for violation of the prohibitions against transactions with Iraq. Additional administrative procedures have been initiated and others await commencement.

4. Pursuant to Executive Order 12817 implementing UNSCR 778, on October 26, 1992, OFAC directed the Federal Reserve Bank of New York to establish a blocked account for receipt of certain post-August 6, 1990, Iraqi oil sales proceeds, and to hold, invest, and transfer these funds as required by the Order. On December 13, 1996, OFAC directed the Federal Reserve Bank of New York to transfer the interest accrued on the blocked account to the U.N. escrow account established pursuant to UNSCR 778, to match contributions in excess of \$30 million by other countries.

5. The Office of Foreign Assets Control has issued a total of 653 specific licenses regarding transactions pertaining to Iraq and Iraqi assets since August 1990. Licenses have been issued for transactions such as the filing of legal actions against Iraqi governmental entities, legal representation of Iraq, and the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes, the execution of powers of attorney relating to the administration of personal assets and decedents' estates in Iraq and the protection of preexistent intellectual property rights in Iraq. Since my last report, 23 specific licenses have been issued.

6. The expenses incurred by the Federal Government in the 6-month period from August 2, 1996, through February 1, 1997, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are reported to be about \$1 million, most of which represents wage and sal-

ary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of International Organization Affairs, the Bureau of Political-Military Affairs, the U.S. Mission to the United Nations, and the Office of the Legal Adviser), and the Department of Transportation (particularly the U.S. Coast Guard).

7. The United States imposed economic sanctions on Iraq in response to Iraq's illegal invasion and occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime has failed to comply fully with United Nations Security Council resolutions. Security Council resolutions on Iraq call for the elimination of Iraqi weapons of mass destruction, Iraqi recognition of Kuwait and the inviolability of the Iraq-Kuwait boundary, the release of Kuwaiti and other third-country nationals, compensation for victims of Iraqi aggression, long-term monitoring of weapons of mass destruction capabilities, the return of Kuwaiti assets stolen during Iraq's illegal occupation of Kuwait, renunciation of terrorism, an end to internal Iraqi repression of its own civilian population, and the facilitation of access of international relief organizations to all those in need in all parts of Iraq. Six years after the invasion, a pattern of defiance persists: a refusal to account for missing Kuwaiti detainees; failure to return Kuwaiti property worth millions of dollars, including military equipment that was used by Iraq in its movement of troops to the Kuwaiti border in October 1994; sponsorship of assassinations in Lebanon and in northern Iraq; incomplete declarations to weapons inspectors and refusal of unimpeded access; and ongoing widespread human rights violations. As a result, the U.N. sanctions remain in place; the United States will continue to enforce those sanctions under domestic authority.

The Bagdad government continues to violate basic human rights of its own citizens through systemic repression of minorities and denial of humanitarian assistance. The Government of Iraq has repeatedly said it will not be bound by UNSCR 688. The Iraqi military routinely harasses residents of the north, and has attempted to "Abrabize" the Kurdish, Turcomen, and Assyrian areas in the north. Iraq has not relented in its artillery attacks against civilian population centers in the south, or in its burning and draining operations in the southern marshes, which have

forced thousands to flee to neighboring states.

The policies and actions of the Saddam Hussein regime continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. The U.N. resolutions affirm that the Security Council must be assured of Iraq's peaceful intentions in judging its compliance with sanctions. Because of Iraq's failure to comply fully with these resolutions, the United States will continue to apply economic sanctions to deter it from threatening peace and stability in the region.

WILLIAM J. CLINTON.

THE WHITE HOUSE, February 10, 1997.

SPECIAL ORDERS

STATUS OF GUAM'S QUEST FOR COMMONWEALTH

The SPEAKER pro tempore (Mr. COLLINS). Under the Speaker's announced policy of January 7, 1997, the gentleman from Guam [Mr. UNDERWOOD] is recognized for 60 minutes as the designee of the minority leader.

Mr. UNDERWOOD. Mr. Speaker, I take this opportunity today to share with the American people and the Congress a compelling story about my home island Guam's quest for an improved political status with the United States.

There is no more pressing political issue for the people of Guam and our island than a political status change from the existing unincorporated territorial status to something which we call Commonwealth; a very elastic political term, a term that is used in reference to the Commonwealth of Pennsylvania or the Commonwealth of Massachusetts, but also the Commonwealth of Puerto Rico and the Commonwealth of the Northern Marianas.

The Commonwealth we seek is embodied in a piece of legislation and is one which carries out the principles of democracy, self-governance, and economic stability and fairness. We are on a long journey and our goal is an improved relationship with the United States.

Now this year, 1997, is the year before 1998 which will represent the 100th anniversary of the Spanish-American War, and that of course will finish off the 105th Congress. As many of you will recall from your history classes, Puerto Rico, the Philippines, and Cuba were spoils of that war nearly 100 years ago but, perhaps not often recognized, so was Guam. And for the people of Guam the past 100 years has been representative of a continual colonial status, a status which does not lead to clarity or surety in the final resolution of our relationship with the United States.

How we will commemorate the 100th anniversary of 1898 in many respects will be a measure of how we see ourselves as a society. It is clear that Cuba has been independent for a number of years. The Philippines were independent after World War II. Puerto Rico has a political status, and a defined process may be on the horizon for Puerto Rico as it seeks either independence, continued commonwealth or accession to statehood.

For Guam it is not clear, and for Guam, Guam will then remain the last piece of the puzzle of 100 years that has come from the results of the Spanish-American War.

It is interesting to note that when Spain lost the Spanish-American War, Spain had claims to not only the Philippines but a number of islands in Micronesia, including the Northern Marianas, much of the Caroline Islands, which includes Palau, Yap, and Truk.

Even though the United States had the opportunity to inherit those claims, it chose not to and it only took one island out of the whole Micronesian region, and that island was Guam, and Guam then had the American flag raised over it. The islands to the north of Guam, and which Guam is a part of this chain of islands, the Mariana Islands, and which we are the same ethnic group as those people from the Northern Marianas, subsequently were sold to Germany until the end of World War I. They were then inherited as a League of Nations mandate by Japan as a result of World War I, and then after World War II they became part of the Trust Territory of the Pacific Islands.

It is interesting to note that those islands that went through that entire routing process from Spanish claims to German administration, to Japanese administration under the League of Nations mandate, to American administration under the watchful eyes of the United Nations as a trust territory, have all finally resolved their political status issues. Guam, which has been the longest associated with the United States, since 1898, is the last remaining area of that group which has yet to finally resolve its political status with the United States.

And although there are many benefits to be gained by being associated with the United States for a much longer period of time, apparently resolving the political status box is not one of them. So today our neighboring islands, including the Northern Marianas as now a commonwealth of the United States, a status which is seen as a better status and more autonomous status than the one we have, even though they have only been associated with the United States since the end of World War II, for a little over 50 years.

In addition to that, there are three independent republics that came out of the trust territory which are in free as-

sociation with the United States, namely the Federated States of Micronesia, the Republic of Palau, and the Republic of the Marshall Islands. It is with some sadness that I point this out because it is really the responsibility of the United States to move this process, as well as it is the responsibility of the people of Guam to make clear their desires in terms of their relationship with the United States.

It is particularly incumbent upon this body, in Congress, because Congress is constitutionally mandated to make all decisions regarding material acquisitions and the future political status, rules, regulations, and laws which appertain to those territories.

So that we keep in mind what we are discussing, there are a number of small territories still associated with the United States. They are the Virgin Islands, American Samoa, Guam, the Commonwealth of the Northern Marianas, and of course the Commonwealth of Puerto Rico, which is seen as different not only because it is much larger than the small territories but because it is also often discussed in terms of a statehood option.

For more than 300 years prior to the Americans coming to Guam in 1898, Guam was a Pacific colony of Spain and as such is marked a little bit different than other Pacific islands. We adopted many Spanish customs, we learned to live with Spanish rulers, we adopted primarily Catholicism as our major religion and we incorporated many Spanish spoken words into our native Chamorro language. And as a result of that we are proud to continue to identify ourselves as proud people, indigenous people, of the Pacific islands, but certainly indeed with a great touch of Hispanicization woven into the cultural and societal fabric of our lives.

One hundred years ago, as I pointed out, the United States took Guam from Spain and established a military government of Guam. Now, Guam was considered at that time a possession of the United States, and it is a mark again of the lack of clarity in the relationship between small territories and the Federal Government, the terms that are used.

Sometimes we are referred to as the territory of the United States, the unincorporated territory of the United States. I have seen documents which refer to us as a protectorate, as a possession, as if we were a thing to be owned and moved around, but in reality the actual term and the appropriate legal term is unincorporated territory of the United States.

An unincorporated territory of the United States means that we are owned by the United States but that we are not fully part of the United States. And until we change that status, congressional authority, congressional plenary authority remains in full effect and the Constitution applies to Guam

only to the extent that Congress sees fit to apply it to Guam.

So one of the main elements of great discussion about political theory today and the appropriate relationship between the Federal Government and the local government is the use of the 10th amendment, where certain powers are reserved to the States or the people. And the concept of devolution in that uses, as a core article, obviously faith in the application of the 10th amendment.

Congress of course, in its wisdom, has made sure that the 10th amendment does not apply to territories. So any powers that are forfeited, in a sense, or acknowledged by the Federal Government to be reserved to local authorities or local governance, it is clearly not the case with the territories.

It was not until after World War II that Guam was referred to as an unincorporated territory, with the passage of the Organic Act of Guam. And the Organic Act of Guam is the governing document, and an organic act simply means an act by Congress to organize a government.

The Navy, for the first 50 years of association with the United States, was the primary instrument of government over Guam, and all of the officers, the commanding officer of the naval station of Guam was also the Governor of Guam. The commander of the marines was also the head of the Department of Public Safety. The Navy chaplain was automatically the head of the Department of Education.

They had a kind of a little system devised that virtually treated people as if they were wards, as if they were people who needed a great deal of tutelage before they were even trusted with the most rudimentary forms of government. And of course the citizenship status of the people was the part that was most cloudy. People were not U.S. citizens but they were not aliens. The Navy had an interesting order called Court Martial Order No. 1923 that held while the natives of Guam are not citizens of the United States, nor are they aliens. There were no means by which they could become citizens.

So unlike aliens who have the opportunity to become citizens, the people of Guam were in a kind of permanent anomalous status, if you will. But they were most often referred to as nationals until the passage of the Organic Act in 1950, and the people of Guam became U.S. citizens.

Prior to the Organic Act in 1950, I guess the historical incident which most marks Guam, at least in the consciousness of most people in the United States today, is the experience during World War II. Guam was the only American territory with people in it to be occupied by an enemy during World War II, and, in fact, if you go back into the war of 1812, it has been the only

American territory that has been invaded and occupied by a foreign power and actually had people in it.

I know a couple of the Aleutian Islands were taken during World War II, but all the civilians, all the people were evacuated from those islands. As it was on Guam, the people were not evacuated and the people endured a very horrific occupation for which in many respects the people still bear scars from that experience.

The one thing that united the people in that experience is that people never lost hope in the Americans coming back to relieve them of the burden that they were experiencing as a result of the Japanese occupation, and many, many stories have come from that, not only for the experience of the people who endured the occupation, but certainly for the incoming marines and sailors who performed many heroic deeds in terms of liberating the island from the Japanese.

In 1950, when the Organic Act of Guam was passed by the U.S. Congress, citizenship was passed along to the people of Guam. And the Organic Act granted the people of Guam a limited form of American citizenship, commonly referred to as statutory citizenship, meaning that Congress also has the authority to take it away. Not that it is going to, but that legally it has the authority to take that citizenship away. And this is very unlike others, the vast majority of American citizens who are so-called constitutional citizens.

Certainly unlike the citizens of any of the 50 States or even the District of Columbia, the citizens of Guam do not enjoy all the full protections of the U.S. Constitution. And by being and by remaining an unincorporated territory, in its current form, the United States has broad powers over the affairs of Guam and ultimately the future of the Chamorro people of Guam.

□ 1430

What this relationship has meant is that the United States can continue to enjoy the benefits for which Guam was intended. It was no accident that Guam was picked up in 1898 over the other islands. Guam was the largest island in Micronesia. It had the most contact with outside people at that time, and it also was seen as an adequate coaling station for the level of naval technology at the time. And since that time of course we have seen Guam perform a number of roles as a strategic area. It is a major logistical point today, it can be a forward—an area for forward deployment and projection of American power into Asia and the Pacific, and if the military planners did not have the security of knowledge that Guam over any other location in the Pacific and in Asia is a stable and friendly environment for the projection of American military forces, they

would have more insecurity in their sleep at night.

Guam is sometimes treated as a part of the United States, and at other times it is treated as if it were a foreign country, and that is part of the anomalous status, but most of the time it is not ignored—it is not ignored at all. I always point this out, that in the course of trying to do legislative work here in Congress, frequently when legislation is passed, unless it specifically mentions Guam or it specifically mentions territories, it is normally ignored, and over the course of the 4 years that I have been here I have always asked this question when legislation is being passed, and I will always hear the reply that it was an oversight to not include Guam, forgive me for my oversight in not thinking about the small territories, an oversight.

I have heard this term many, many times, and I always joke back that maybe we ought to have one big oversight hearing over all the oversights that Guam and some of the small territories have experienced.

Well, the next milestone for Guam politically beyond the Organic Act was in 1970. For the first time the chief executive of the island was elected by the people of Guam. So it has only been approximately 27 years since the people of Guam have had the opportunity to elect their own Governor, and in 1972 the people of Guam were afforded an opportunity to have a delegate, a non-voting delegate, in the U.S. House of Representatives, of which I am the third such individual to be elected to this body. Sending a delegate to Congress meant that our interests could be more effectively protected by someone that the people of Guam sent here, and of course electing our own Governor gave us a great sense of control over local affairs.

But Guam's political status as an unincorporated territory continues to prove unsatisfactory, as we have a number of issues of contention with the Federal Government. As a result of this great discussion that we had in Guam in the late 1960's and through the 1970's, a series of political status hearings were held, and there was a great deal of discussion, and there were a number of elections that took place, and the major political status was held in 1982 to determine what general direction Guam wanted to go if the status quo was to be changed. From a list of six status options the people of Guam choose statehood and commonwealth as the two desired options, and those were put together in a runoff, and as a result of the runoff the overwhelming choice was a commonwealth with 73 percent.

So this led to the task then of drafting the Commonwealth Act, what piece of legislation should we present to Congress as the embodiment of our desires? That resulted in 12 separate sections of

the act; each one of those sections were, in turn, ratified by the voters of Guam, and finally in 1988, in February 1988, the Guam Commonwealth Act was given to the leaders of the House and the Senate as well as the executive branch of the Federal Government. And my predecessor, Congressman Ben Blaz, a retired Marine Corps general of whom we are very proud, was the first one to introduce that. He introduced it twice. I have been here three terms; I have had the honor, distinct honor, of introducing it three times. But in all that time since 1988 we have really had only one congressional hearing on the proposal, and that was held in Honolulu in December 1989.

I might add that despite the enormous distances Honolulu is still 3,500 miles away from Guam. Hundreds of our island residents and leaders went to Honolulu to express their hopes and aspirations. At that time congressional leadership said that before they really could address this, since there were a number of complicated provisions to the Commonwealth Draft Act, they suggested that we work with the executive branch in order to narrow the differences and to enter into formal discussions.

Throughout the Bush and the Clinton administrations interagency task forces of Federal officials have tinkered with the draft commonwealth proposal, and we have seen several constitutional arguments raised, and there have been arguments about specific provisions, and for almost 7 years the people of Guam and their representatives through the Commission on Self Determination have met with Guam officials, and the Federal officials continue to raise objections.

Unfortunately, even though there was a little progress during the administration of President Bush, the interagency task force on the last day of the Bush administration issued a negative report on the draft commonwealth proposal, in effect reneging on many important provisions of the draft act.

When I was first elected in 1992 and sworn into office in 1993, the first piece of legislation which I introduced was the Guam Commonwealth Act, and last month I reintroduced the very same bill, which is now known as H.R. 100, hoping to draw a connection between the 100th anniversary of 1898 coming up next year, in which I hope that we will see final resolution of the political status process for small territories, and in particular Guam.

H.R. 100 is now under review by the President's Special Representative for Guam Commonwealth who is Deputy Secretary of Interior John Garamendi, and he is doing this in conjunction with White House officials and Cabinet level officials. Governor Gutierrez, who is the chairman of the Commission on Self Determination, and I have met with a number of White House officials

and various members of the administration on this proposal. It is clear that the manner in which we are approaching this, in which we are hoping to secure the support of the administration, makes the most sense and will clear away most of the problematic provisions, and hopefully it will eliminate many of the objections before we move this legislation here in Congress.

But the people of Guam must not make the mistake of placing their faith in this process without some hope of success. If we do this, we will pursue commonwealth in a manner which will totally frustrate us. The frustration with the current process, since it has gone on for over 7 years, is sapping some of the strength to our commitment to commonwealth and is leading to the unfortunate feeling of a lack of confidence in the Federal Government's sincerity. But I remain confident, and certainly most of the people of Guam do, that we should not give up on commonwealth. Despite the lack of support and clarity of both administrations and from Washington in general, the people of Guam still remain remarkably united behind commonwealth.

The administration negotiations has gone on rather intensely for the past year, and we have seen a number of time deadlines set, but realistically I think the people of Guam have reached the point that if we do not see this make progress by spring, the people of Guam will be in a position to reevaluate whether the current process that we are engaged in is really the way that we want to go about it and whether indeed we want commonwealth or the kind of commonwealth that we propose.

So this is a very critical time in the negotiation process, and while I commend the Clinton administration for their forthrightness in bringing it to this point, and I also want to commend Governor Gutierrez and all the elected leadership of Guam for bringing it to this point, we have been near this point in the past, and we need to get on with it, and we need to get a clear, strong signal from the administration about their sense of what commonwealth for Guam means and whether they agree with our proposal.

Next year will mark the 100th anniversary of Guam being first a possession of the United States and now an unincorporated territory, but this process with the Clinton administration is not really the culmination of the Commonwealth Draft Act because, as most people in Congress know, and certainly I hope all of them will know by the time we deal with this piece of legislation, Congress retains plenary authority over the territories of the United States through the Constitution.

This is really a congressional call. Political status change is really a con-

gressional call. Progress in the territories and the policies which the Federal Government adopts in the territories is really a congressional call. So I am really requesting the Members of Congress, and particularly the leadership of Congress and those who are particularly responsible for the insular areas, both in the House and in the other body, to take a good strong look at the commonwealth proposal of Guam, to make it see the light of day, to allow the debate on its provisions to go forward, to give a clear and sensible answer to the people of Guam why their aspirations to be fuller Americans, Americans with more autonomy over their lives, continues to be frustrated after 7 years of discussions.

We have an opportune time in this Congress. We are facing the 100th anniversary of a war that most of us probably do not think about much. But I am certainly going to bring it to the surface as much as I can. In that war the Treaty of Paris of 1898 specifically entrusted the Congress of the United States with the exact obligation to determine the political status of the native inhabitants of Guam. We have not done that in a clear and concise manner, we have not done that in a respectful manner, and I do not think we have done that in a way that is commensurate with the value that Guam has been to the United States through its strategic location for the intervening 100 years.

I hope that as we see the 100th anniversary of the Spanish American War, I pray that the Members of Congress will bring attention to this issue, as I certainly will in collaboration with the leadership of the other territories, as well as, of course, the Commonwealth of Puerto Rico. The 100th anniversary of the Spanish-American War marks an important time period for the United States to, in a sense, come face to face with its imperial past and come face to face with what hopefully will be in the next century a more perfect union not only for the 50 States and the District of Columbia, but all the people who live under the American flag.

GAMBLING ADVOCATES SHOULD NOT BE PART OF THE NATIONAL GAMBLING IMPACT STUDY COMMISSION

The SPEAKER pro tempore (Mr. COLLINS). Under the Speaker's announced policy of January 7, 1997, the gentleman from Virginia [Mr. WOLF] is recognized for 60 minutes as the designee of the majority leader.

Mr. WOLF. Mr. Speaker, it has recently been reported that the President of the United States and the minority leader of the House are planning to appoint gambling advocates to the National Gambling Impact Study Commission. Should this come to pass, it would prevent a commission from

doing any meaningful work. The President and the minority leader should not appoint individuals with a vested interest in the outcome of the report. They should appoint men and women of good will, able to make an objective and thorough review of gambling.

Why? Because gambling is known to wreak havoc on small businesses, families, and our governmental institutions, and it is time to learn gambling's true impact on the Nation.

As the Washington Post editorialized today, the commissioners were supposed to be appointed on October 2, 1996, prior to the election. Now we have learned that the gambling interests that once gave millions of dollars to both political parties also had a coffee with the President of the United States at some of the infamous White House coffees.

□ 1445

The Wall Street Journal reported last week that the Oneida Nation donated \$30,000 to the Democratic National Committee on the day that Oneida Chairwoman Deborah Doxtator attended a White House coffee event.

This administration is being scrutinized for the campaign contributions it has received in the campaign-related meetings it has had within the White House. Americans are rightly concerned, Americans of both political parties are rightly concerned, about the President meeting with drug dealers in the White House. They are concerned that China's biggest arms merchant, Mr. Wang, head of the Poly Corp. in China, who was trying to sell assault weapons to street gangs in California, was meeting with the President of the United States in the White House. What a disgrace. The president of the corporation that was selling assault weapons and even shoulder missiles to street gangs in California was meeting with the President of the United States.

Their concern was favor-seeking Indonesian businessmen, and as everyone knows, the Lippo Bank in Indonesia, and I just returned from Indonesia 2 weeks ago where we went to the island of East Timor, where the first Catholic Bishop ever in the history of the world, a winner of the Nobel Peace Prize, and I might say he was appointed and recommended by the gentleman from Ohio [Mr. HALL], from this side of the aisle, won the Nobel Peace Prize. The feeling out in Indonesia and now in the United States is that the Lippo Bank, which is an Indonesian bank, through the Riady family, which is close to the Clinton administration, gave money to the Clinton administration, which has now changed their policy on Indonesia. And we know that in Indonesia, in a little island of East Timor where 700,000 people of the Catholic faith are now being persecuted and the military fear that runs through the island as they are

taking young people away in the middle of the night.

So the American people are concerned about this. They are concerned about a reputed Russian mobster, Russian mobster in the White House with coffee, and as this administration says they are concerned about drugs, drug dealers at the White House. So therefore, they are concerned about this whole issue of campaign financing.

Anything the White House does, rightly or wrongly, will be scrutinized in light of these factors.

I call on the President to appoint three honest and decent Americans, people the American people can trust to conduct a credible study of the gambling industry. I urge the President to avoid the charge that his picks are political payola, mere kickbacks for financial support during the election. I agree with the gentleman from New York [Mr. LAFALCE], who urged the President in a February 6 letter in saying, "to place the National Gambling Impact Study Commission above politics and to consider appointments that the public can rely on to conduct a comprehensive and fair review of gambling." Because what we wanted in the commission, since gambling is spreading rampantly through the country, is an objective group of men and women who would study the issue of gambling and to see: has there been a problem on corruption, has there been a problem on crime, has there been a problem on addiction, whereby localities and State legislators and Governors could come to an objective place to see. And now we see that maybe the White House is talking of putting gambling interests on as their appointments.

I am not suggesting, and let me say for the record, that the President should appoint antigambling people to the commission. He ought not appoint antigambling people, but the test should be whether the appointees are objective, whether they are connected to the industry in some way or any way, or are proponents of gambling. The American people are watching; the editorial writers and the newspapers of this country are watching in hopes that the President will do the right thing.

In an October 31, 1995 letter to Senator Paul Simon the President wrote the following:

I deeply appreciate your efforts to draw attention to the growth of the gambling industry and its consequences. Too often, public officials view gambling as a quick and easy way to raise revenues without focusing on gambling's hidden social, economic and political costs. I have long shared your view about the need to consider carefully all of the effects of gambling, and I support the establishment of the Commission for this purpose.

I had an opportunity a year ago to be at the White House, where the President came and said to me he supported completely what we were trying to do

on the National Gambling Commission. If the President was saying what he believes to me and to Senator Simon, why are they now talking appointing people connected to the gambling interest to be on the commission? Is this White House out of control? Does the President not know what his staff is doing? Is the President aware that his staff is making these recommendations? Are these on his desk? Will he speak out? Will he be involved?

Mr. Speaker, I take the President at his word that he supports the need to consider carefully all of the effects of gambling. This can only be done, Mr. President, by an objective group of individuals willing to make a thorough and considered review of gambling. The Congress and the President may join together to establish other commissions in the future, to study issues such as Medicare and Social Security. Those commissions should not be loaded up one way or another so meaningful research is somehow thwarted. They should be above politics.

If the President appoints gambling interests to this commission, can you imagine who he will appoint to the Medicare commission? Can you imagine who he will appoint to the Social Security commission? It will destroy the confidence that the country will have in his ability for objectivity and fairness.

Likewise, the National Gambling Impact Study Commission will not be able to do its job if the panel is stacked with individuals linked to the industry. And it should be above politics.

I urge the President, in the words of a February 5 Dallas Morning News editorial, it says not to "give henhouse guard duty to the foxes." It says, do not "give henhouse guard duty to the foxes."

All the States that are holding referendums on this issue are all turning gambling down but one this last time, and they passed it 51 to 49. The President's own home State of Arkansas has turned gambling down, and now we hear that the White House is thinking of appointing gambling-interest people to this commission.

I also would like to insert in the RECORD the Washington Post editorial where it says,

The big money gamblers are betting a bundle on President Clinton to do their bidding today. Maybe Mr. Clinton will have some second thoughts, and well he should, about stacking a Federal commission established to examine the impact of gambling activities on the country. But that is not a very safe bet, given the background situation.

Start with the guess-who's-coming-to-coffee list at the White House. Last March, for example, one White House coffee guest was the chairwoman of the Oneida Nation, an Indian tribe with gambling interests. On the same day, according to the Wall Street Journal, the Oneida Nation donated \$30,000 to the Democratic National Committee. Coffee guest lists show at least 10 representatives of Indian gambling interests since mid 1995.

Then it goes on to quote Mr. LAFALCE, a supporter of our bill, to set up the national commission, and he wrote to the President last fall urging him to name individuals without vested interests in the outcome of the commission. In the followup letter last Thursday, Mr. LAFALCE expressed his concern about the reported White House list urging the President to place the commission above politics.

This is the end of the Washington Post editorial:

Given the squalid state of money-ordered politics pervading Washington, that would be refreshing news.

Also, Mr. Speaker, in closing, I would like to insert the article from the January 25 Economist magazine where it talks about the reality of dawning in this Nation with regard to what is taking place on the gambling interest. It says,

Many places have failed to understand that casinos, more than other forms of gambling such as lotteries, cause what economists call negative externalities. There is a price to pay in the rising costs of such things as law enforcement, street cleaning, and, some argue, the extra social services needed when gambling leads to the breakup of families. When these additional costs are taken into account, it is far from clear that gambling benefits anyone except the casino operators.

Now the President stands here to address the Nation and talk about families. In fact, if you listen to both political parties, they talk about families and family values. Would it be a family value for the President to appoint three gambling-connected people to the Gambling Commission? Of course it would not be a family value for this administration to do that.

The article goes on to say,

Perhaps one-third of Americans never gamble, reckons Mr. Grinols. Many people who do are cautious, but a small percentage, perhaps 2 to 4 percent of the American adult population, are problem or pathological gamblers. These account for a disproportionately large share of the activity's costs. One study in Minnesota found that 10 percent of bettors, 10 percent of bettors accounted for 80 percent of all the money wagered.

The article goes on to say,

Their numbers may be small, but their impact is not. Problem gamblers have a high propensity to commit crimes, in particular, forgery, theft, embezzlement and fraud. These crimes affect both immediate family and colleagues at work. The American Insurance Institute estimates that 40 percent of white collar crime, 40 percent of white collar crime has its roots in gambling. Gamblers often descend in a spiral of increasingly desperate measures to finance their habit in the hope of recouping their losses. Further, even before they turn to crime, problem gamblers are unproductive employees, frequently absent or late, and usually distracted. A 1990 study in Maryland estimated that the State's 50,000 problem gamblers accounted for \$1.5 billion in lost productivity, unpaid State taxes, money embezzled and other losses.

It ends by saying, and I will insert the whole article in the RECORD,

All this is potent evidence that casinos are a bad bet. But even if the effects of problem gambling are discounted, the fact remains that casinos are not a development tool either. The risk, which everyone was aware of at the outset, is not paying off. Without resorting to moralizing and even without mentioning organized crime, those who would clamp down on gambling can now make a formidable economic case.

In closing, Mr. Speaker, I periodically will get calls from loved ones in a family who call and say, my husband committed suicide or my wife got addicted and committed suicide, and we will also hear from other families. And has the President had the opportunity to sit down and talk to some of the families who have lost loved ones because of this addiction?

□ 1500

He sits down with the Oneida Indian tribe, he sits down with the gamblers from all around the United States, he takes their political money, but he will not sit down with a mom who calls about her son, or the wife who calls about her husband, and all of those who have been impacted.

So I call on the President, I call on the President today to make a commitment to the American people not to appoint anti-gamblers; and let there be no misunderstanding, I personally am not for gambling, but I am not asking that anti-gamblers be on the commission. But I certainly am saying that pro-gamblers and those connected with the gambling interests in any way ought not be on the commission.

When I think of all the good, honest, and decent people in this country, Republican and Democrat, liberal and conservative, who would be outstanding appointments to this commission, I call on the President to find three people like that, who have no connection, to demonstrate that the political contributions in this fall's campaign have had no bearing on it.

Because I will tell the Members, we will scrutinize who is appointed to this commission. We will dig and we will follow it out. We will find out, whether it be through subpoena power or whatever, if there has been any connection. If there is any connection, we will demand that this Congress act, and we will demand that this administration act.

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

The material referred to is as follows:

[From the Washington Post, Feb. 10, 1997]

GAMBLING PAYOFF?

The big-money gamblers are betting a bundle on President Clinton to do their bidding today. Maybe Mr. Clinton will have some second thoughts—as well he should—about stacking a federal commission established to examine the impact of gambling activities on this country. But that's not a very safe bet given the background situation.

Start with the guess-who's-coming-to-coffee list at the White House. Last March, for example, one White House coffee guest was

the chairwoman of the Oneida Nation, an Indian tribe with gambling interests. On that same day, according to the Wall Street Journal, the Oneida Nation donated \$30,000 to the Democratic National Committee. Coffee guest lists show at least 10 representatives of Indian gambling interests since mid-1995.

Last week, the president's short list of choices for three seats on the gambling commission included attorney Tad Johnson, reportedly a registered member of an Indian tribe that has a casino in Minnesota. But according to Saturday's Las Vegas Review Journal, after some critical publicity on the commission appointments, this nomination may be pulled.

Other names that have been topping the Clinton list are former New Jersey state treasurer Richard Leone, who is close to New Jersey Rep. Robert G. Torricelli, a strong supporter of the Atlantic City gambling industry; and Bill Bible, chairman of the Nevada Gambling Control Board. According to the Las Vegas Sun, Sen. Harry Reid of Nevada was assured by a top White House aide last October that Mr. Bible's selection was a "done deal."

The deals for these three commission seats and six others chosen by Senate and House leaders were all supposed to be done by Oct. 2, before the elections. Word last week was that Mr. Clinton would announce his choices today. But if a second look is in progress, that could be good news.

One of Speaker Gingrich's choices is the chairman and CEO of a Las Vegas casino company. House Minority Leader Gephardt, who gets one selection—and whose political committees received at least \$46,500 from gambling interests along with another \$4,500 from the three women listed as homemakers from Las Vegas—reportedly favors the head of a union representing casino employees.

In a letter to House and Senate colleagues, Rep. Frank Wolf of Virginia, a sponsor of the commission bill, calling the gambling leaders' effort to seek "a return on their investment" a "disgrace." Another supporter of the bill, Rep. John J. LaFalce of New York, wrote to President Clinton last fall urging him to name "individuals without vested interests in the outcome of the commission's study." In a follow-up letter last Thursday, Mr. LaFalce expressed his concern about the reported White House list, urging the president to place the commission "above politics." Given the squalid state of money-ordered politics pervading Washington, that would be refreshing news.

THE WHITE HOUSE,

Washington, DC, October 31, 1995.

Hon. PAUL SIMON,
U.S. Senate,
Washington, DC.

DEAR SENATOR SIMON: I deeply appreciate your efforts to draw attention to the growth of the gambling industry and its consequences. Too often, public officials view gambling as a quick and easy way to raise revenues, without focusing on gambling's hidden social, economic, and political costs. I have long shared your view about the need to consider carefully all of the effects of gambling, and I support the establishment of a commission for this purpose.

My Administration is eager to work with you in designing such a commission and ensuring that its work is completed in a timely and effective manner. Your and Senator Lugar's bill, S. 704, and Congressman Wolf's bill, H.R. 497, provide a very sound basis for this process, which I hope will include further discussion of the exact composition of

the commission and the exact scope of its duties and powers.

Again, I applaud your efforts to place this important matter on the nation's agenda.

Sincerely,

BILL CLINTON.

[From the Economist, Jan. 25, 1997]

A BUSTED FLUSH

HOW AMERICA'S LOVE AFFAIR WITH CASINO GAMBLING TURNED TO DISILLUSIONMENT

In 1995, 177m Americans went to watch the baseball, football, hockey and basketball matches, not to mention golf tournaments and car races, that make up what most people think of as away-from-home entertainment. Yet almost as many Americans, 154m of them, walked through the doors of the country's casinos. Americans in 1995 wagered an eye-popping \$550 billion on all forms of gambling, handing the gambling industry a record \$44.4 billion in profits, 11% more than the previous year. Around 40% of that activity took place in casinos. On the face of it, casino gambling has become the most popular leisure activity—well, maybe the second most popular—in America.

It is at least as popular with Wall Street and American business. In the past year or so, Goldman Sachs and Morgan Stanley, two blue-chip investment banks, have set up research and banking teams to serve the "gaming and leisure" industries, as the gambling organisations like to be called. Respectable firms such as Hilton Hotels and ITT have acquired casino operators. Las Vegas and Atlantic City are expanding faster than ever before. To all appearances, casino gambling is a rich, successful and untroubled business.

It may seem strange, then, to argue that America's love affair with casinos is essentially over. Strange, too, to assert that the gambling industry is largely responsible for ensuring its own eventual decline. But there is growing evidence for both arguments. And the irony is that the roots of gambling's failure lie not only where one might expect—in moral objections—but in the consequences, expected and unexpected, of the economic success which helped the casinos' emergence into respectability.

Plenty of people are still willing to roll dice, draw cards and, most of all, play slot machines. But there has been a change of heart among the legislators whose tolerance of casino gambling gave it legal sanction. Since mid-1994, anti-gambling groups, led by the National Coalition Against Legalised Gambling, have helped to defeat more than 30 state legislative or ballot proposals to legalise or expand gambling businesses. Despite spending a fraction of their opponents' budgets on lobbying politicians and voters, the lobby against gambling has proved remarkably effective.

The gambling industry is hitting back. In June 1995 it organised itself into the American Gaming Association; it spends serious money trying to limit further damage to its fortunes. But it is likely to be a bruising and losing battle.

In August 1996 President Clinton signed a law establishing a national commission whose nine members will, for the next two years, study the impact of gambling on American society. That is quite a change for an administration which had previously seemed to look on gambling simply as a source of revenue. In 1994, Mr. Clinton floated the idea of a 4% federal tax on gambling revenues to create a fund for welfare reform. No fewer than 31 state governors replied that

the tax, by lowering their own tax-take, would do great damage to their already stretched state budgets. The proposal was shelved. Now Mr. Clinton, turning the other way, has set up his commission, and most people reckon its questions will make the casino firms squirm.

THE FALSE EXAMPLE

To understand the reason for casino gambling's coming failure, start with the reason for its success. In the 1940s, when Bugsy Siegel turned to Las Vegas as the place to set up a gambling empire, he made a shrewd guess; if you build a casino in the desert, people will flock to it. After a shaky start, the experiment proved a success. That was in part because Las Vegas at the time had a country-wide casino monopoly (the next casinos, in Atlantic City, New Jersey, were not approved until 1976).

The frenzied expansion of Las Vegas in the late 1980s and early 1990s caught the politicians' eyes. So too did the economic impact of casinos on equally isolated Indian reservations. As sovereign nations, tribes were for a long time allowed to run gambling operations when these were forbidden elsewhere. In the early 1990s, the economy of many parts of the country was stagnating, and state politicians were under pressure either to cut services or to raise taxes. Many suddenly had the same idea. Why not legalise casinos, thereby creating employment as well as a firm base for future taxes on the profits of the chosen local monopolist?

Gambling firms were quick to share the idea, promising lavish improvements in the infrastructure of run-down urban centers. Would-be operators of new casinos talked smoothly of repaved streets, splendid shops and thriving "eateries". And the politicians, for their part, found a further way to draw attention to the supposed advantages of legalised gambling. They could earmark gambling-tax revenues for some of the things voters wanted: for example, by 1991 13 states, including New York and California, had allocated some or all of their lottery receipts to education.

Look at Connecticut. Few states have had more bruising battles over whether to extend casino gambling. But since 1992 Connecticut has been home to America's most successful casino, Foxwoods, which sits on land belonging to the Mashantucket Pequot tribe of Indians. Thanks in part to the fact that 22m people live within 150 miles of Foxwoods, the casino gets around 45,000 visitors a day and makes an estimated daily profit of \$1m.

Not surprisingly, other gambling interests have sought a share of the Connecticut pie. In the early 1990s, Steve Wynn, chief executive of the Mirage Corporation, a big casino operator, tried to win casino licenses in Connecticut's state capital, Hartford—which has suffered from the decline of the big insurance firms that once dominated its economy—as well as the decrepit town of Bridgeport. Despite generous spending, and his gleaming vision of what gambling would do for the economy, both of Mr. Wynn's attempts failed. Yet casino operators are still seeking other places to expand. A lively debate is going on at present over proposals to legalize casinos in New York, specifically to draw "the gambling dollar" away from New Jersey and Connecticut.

HOW THE REALITY DAWNED

The trouble, as some New York legislators are pointing out, is that the supposed casino miracle has two big problems in practice. First, with few exceptions, legalizing gambling has failed to stimulate the expected

economic miracle. According to Harrah's Casinos, which publishes an annual survey of the industry, casinos employed 367,000 people in 1995, more than half of them in Nevada. That was a 24% increase since the start of 1994. But the jobs created by the arrival of casinos are too often menial—money-counter, cleaners—and have all too often been cancelled out by the jobs that are lost as the newcomers drive older firms out of business. Moreover, bare statistics that show the growth of gambling jobs ignore the job creation that would have happened in the absence of a casino.

Belatedly, the politicians who welcomed casino gambling for its economic spin-offs have realised that it takes more than a few superficial improvements to revitalise a struggling city centre. Moreover, as more and more casinos have opened, so competition has diminished the amount of business each one can expect. The once-sunny economic projections have faded. In Deadwood, South Dakota, for example, an initial flush of profitability was destroyed by the speedy arrival of dozens of competing casinos, so that bust quickly followed boom.

Second, many places failed to understand that casinos, were more than other forms of gambling such as lotteries, cause what economists call "negative externalities". There is a price to pay in the rising cost of such things as law enforcement, street cleaning and (some argue) the extra social services needed when gambling leads to the break-up of families. When these additional costs are taken into account, it is far from clear that gambling benefits anyone except the casino operators.

Both these problems were predictable. It was naive to extrapolate from the success of Las Vegas a guaranteed economic stimulus for any city that opened its doors to a casino. Robert Goodman, a professor at Hampshire College in Massachusetts who writes on the economics of the gambling industry, argues compellingly that Las Vegas was a misleading model for the rest of America. To experience the seedy glamour of that city in the desert, most visitors have to come from a long distance away. A trip to gamble therefore becomes a full-scale holiday, complete with a stay in a hotel, visits to local restaurants and no doubt a little shopping thrown in. In Las Vegas, casinos genuinely support the service economy.

Contrast this with, say, Atlantic City in New Jersey. The place is a bus ride away from New York city, and perhaps 30m people live close enough to visit its casinos for a day at a time. Many even cut their own sandwiches at home; they are the "brown-bag gamblers". As is all too evident in the seedy downtown area with its paucity of restaurants, Atlantic City collects relatively few non-gambling dollars.

The contrast is greater still in places such as Joliet, Illinois, or Gary, Indiana. There is little in such cities to attract visitors from any distance away. It is the locals upon whom the casinos have to rely. Earl Grinols, an economic professor at the University of Illinois, points out what this means. Because local people are spending money on gambling that they would otherwise have spent of, say, buying clothes or going out for a meal, many non-casino firms suffer from reduced turnover and profits. This not only limits the number of people they employ; it also means that they pay proportionately less tax to local and state governments.

Similarly, many of the people employed by a casino live outside the city where the casino is sited—and spend their money outside

it, too. Nearly 60% of the staff of Joliet's casino live outside the city, and half of those outside the county. This does not mean that nobody benefits. In Joliet, nine people paid some \$7m for the town's casino franchise. Their investment paid for itself in six months, and each now collects a monthly dividend of some \$900,000.

At last, it has started to dawn on the rest of the city's people that the economic benefit from a casino depends largely on where it is. Add the fact that, the more casinos there are, the smaller the share of America's gamblers any one of them will be able to attract, and it is plain how the dreams have been punctured. Even the gambling industry, which used to boast of the market's almost infinite potential, has become more circumspect. Casino firms have begun to consolidate as stronger competitors buy weaker ones. And industry analysts say that these days the growth prospects of many "gambling" firms come more from non-gambling sidelines (such as food, shops and shows featuring well-known crooners) than from gambling itself.

THE PRICE OF GAMBLING

As casinos have failed in many cases to revive local economies, so something else has happened. The old moral doubts about gambling, which were swept under the carpet when it seemed to offer a key to success, have resurfaced. In the process, whatever respectability gambling had recently acquired has been eroded.

Gambling-related social costs are extremely difficult to quantify. Nevada has the highest suicide rate in America; it also has among the highest number of accidents per mile driven, and deplorable crime and high-school drop-out rates. New Mexico, however, which is almost free of casinos, can rank alongside Nevada on all these counts. A causal link between gambling and these indicators is hard to prove. But it is becoming easier to establish that damage is done by gambling in general and by casinos in particular, largely because they contain slot machines, which are highly addictive.

Perhaps one-third of adult Americans never gamble, reckons Mr. Grinols. Many people who do are cautious. But a small percentage, perhaps 2% or 4% of America's adult population, are "problem" or "pathological" gamblers, and these account for a disproportionately large share of the activity's costs. One study in Minnesota found that 10% of bettors accounted for 80% of all money wagered.

Their numbers may be small; but their impact is not. Problem gamblers have a high propensity to commit crimes, in particular forgery, theft, embezzlement and fraud. These crimes affect both immediate family and colleagues at work. The American Insurance Institute estimates that 40% of white-collar crime has its roots in gambling. Gamblers often descend in a spiral of increasingly desperate measure to finance their habit in the hope of recouping their losses. Further, even before they turn to crime, problem gamblers are unproductive employees, frequently absent or late and usually distracted. A 1990 study in Maryland estimated that the state's 50,000 problem gamblers accounted for \$1.5 billion in lost productivity, unpaid state taxes, money embezzled and other losses.

All taxpayers contribute towards the cost of policing, judging and incarcerating criminals. Casino gambling increases those costs. Since the Foxwoods casino opened in 1992, one police chief in a small Massachusetts town two hours' drive away reckons that

local crime related to the casino has cost some \$400,000. Multiply that figure by thousands, and the national impact of casino gambling begins to emerge.

Are casinos alone to blame? After all, gambling in America extends far beyond crap tables and slot machines. State governments themselves encourage gambling by spending millions to advertise lottery jackpots on television. But not all forms of gambling are equal: in Minnesota, for instance, two-thirds of people seeking help for their gambling problems blamed casinos for their addiction. A mere 5% cited lotteries.

The casino industry itself acknowledges its role in the problem. The American Gambling Association helps to finance a national Centre for Problem Gambling. Several firms promote programmes designed to help gamblers kick their addiction, and most casinos post free telephone numbers where people can find help. Gambling interests have also suggested that tax revenues from casinos could be used to pay for treatment for recovering gamblers. But even on conservative measures (reached by assuming that the average casino visitor loses \$200 annually), problem gamblers would account for three-eighths of casinos' revenues. How badly does the industry want to cure them?

All this is potent evidence that casinos are a bad bet. But even if the effects of problem gambling are discounted, the fact remains that casinos are not a development tool, either. The risk—which everyone was aware of at the outset—is not paying off. Without resorting to moralising, and even without mentioning organised crime, those who would clamp down on gambling can now make a formidable economic case.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WOLF) to revise and extend their remarks and include extraneous material:)

Mr. PAPPAS, for 5 minutes, on February 12.

Mr. SAXTON, for 5 minutes, today and on February 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. RANGEL) and to include extraneous material:)

Mr. RANGEL.

Mr. FRANK of Massachusetts.

Mr. LANTOS.

Mr. CLAY.

Mr. TRAFICANT.

Mr. POSHARD.

(The following Members (at the request of Mr. WOLF) and to include extraneous material:)

Mr. THOMAS.

Mr. PETRI.

Mr. WELDON of Pennsylvania.

Mr. GILMAN.

Mr. RILEY.

Mr. BILBRAY.

Mr. LATOURETTE.

(The following Members (at the request of Mr. WOLF) and to include extraneous material:)

Mr. GALLEGLY in two instances.

Mr. WELDON of Florida.

ADJOURNMENT

Mr. WOLF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 1 minute p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, February 11, 1997, at 12:30 p.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1670. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Importation of Fresh Hass Avocado Fruit Grown in Michoacan, Mexico [Docket No. 94-116-5] (RIN: 0579-AA84) received February 6, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1671. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Ports Designated for the Exportation of Animals; Georgia [Docket No. 96-054-2] received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1672. A letter from the Administrator, Farm Service Agency, transmitting the Agency's final rule—Tobacco-Tobacco Loan Program, Importer Assessments (Commodity Credit Corporation) (RIN: 0560-AD93) received February 6, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1673. A letter from the Administrator, Food and Consumer Service, transmitting the Service's "Major" final rule—Child and Adult Care Food Program Improved Targeting of Day Care Home Reimbursements; Correction and Extension of Comment Period (RIN: 0584-AC42) received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1674. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of January 1, 1997, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 105-42); to the Committee on Appropriations and ordered to be printed.

1675. A letter from the Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Application of Berry Amendment [DFARS Case 96-D333] received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

1676. A letter from the Secretary of the Treasury, transmitting a copy of the final report as required by the Mexican Debt Disclosure Act of 1995, pursuant to Public Law 104-6, section 404(a) (109 Stat. 90); to the Committee on Banking and Financial Services.

1677. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule—Regulation H, Expanded Examination Cycle for Certain Small Insured Institutions [Docket No. R-0957] received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

1678. A letter from the Acting General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Public Housing Management Assessment Program [Docket No. FR-3447-1-03] (RIN: 2577-AA89) received February 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

1679. A letter from the Acting General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Fiscal Year 1997 Portfolio Reengineering Demonstration Program Guidelines [Docket No. FR-4162-N-01] received February 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

1680. A letter from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Loan Guaranty: Flood Insurance Requirements (RIN: 2900-AH63) received February 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

1681. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Algeria, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

1682. A letter from the Director of the Office of Legislative Affairs, Federal Deposit Insurance Corporation, transmitting the Corporation's final rule—Forms, Instructions, and Reports (RIN: 3064-AB89) received February 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

1683. A letter from the Federal Register Liaison Officer, Office of Thrift Supervision, transmitting the Office's final rule—Expanded Examination Cycle for Certain Small Insured Institutions [Docket No. 96-114] (RIN: 1550-AB02) received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

1684. A letter from the Secretary of Education, transmitting final regulations—The State Vocational Rehabilitation Services Program, pursuant to 20 U.S.C. 1232(f) GEPA Sec. 437(f); to the Committee on Education and the Workforce.

1685. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's report on the Disability and Rehabilitation Research Projects and Centers Program, pursuant to 5 U.S.C. 801(a)(1)(B); to the Committee on Education and the Workforce.

1686. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's report on the State Vocational Rehabilitation Services Program, pursuant to 5 U.S.C. 801(a)(1)(B); to the Committee on Education and the Workforce.

1687. A letter from the Acting Assistant Secretary of Labor for OSHA, Occupational Safety and Health Administration, transmitting the Administration's final rule—Reporting Occupational Injury and Illness Data to OSHA [Docket No. R-02] (RIN: 1218-AB24) received February 10, 1997, pursuant to 5 U.S.C.

801(a)(1)(A); to the Committee on Education and the Workforce.

1688. A communication from the President of the United States, transmitting a copy of Presidential Determination No. 96-54: Exempting the United States Air Force's operating location near Groom Lake, Nevada, from any Federal, State, interstate, or local hazardous or solid waste laws that might require the disclosure of classified information concerning that operating location to unauthorized persons, pursuant to 42 U.S.C. 6961; to the Committee on Commerce.

1689. A letter from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Substituted Cyclohexyldiamino Ethyl Esters; Revocation of a Significant New Use Rule [OPPTS-50598B; FRL-5580-5] received February 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1690. A letter from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Illinois [IL154-1a; FRL-5685-7] received February 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1691. A letter from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Illinois [IL153-1a; FRL-5685-1] received February 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1692. A letter from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Land Disposal Restrictions: Correction of Tables Treatment Standards for Hazardous Wastes and Universal Treatment Standards [FRL-5681-4] received February 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1693. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Parts 74, 78, 101 of the Commission's Rules to Adopt More Flexible Standards for Directional Microwave Antennas [ET Docket No. 96-35] received February 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1694. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Section 402(b)(1)(A) of the Telecommunications Act of 1996 [CC Docket No. 96-187] received February 6, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1695. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Belview, Minnesota) [MM Docket No. 96-209 RM-8885] received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1696. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Section 203 of the Telecommunications Act of 1996 (Broadcast License Terms) [MM Docket No. 96-90] received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1697. A letter from the Managing Director, Federal Communications Commission, trans-

mitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Avra Valley, Comobabi, Florence, Oracle, Oro Valley, and San Carlos, Arizona) [MM Docket No. 96-127 RM-8676 RM-8726] received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1698. A letter from the Secretary of the Commission, Federal Trade Commission, transmitting the Commission's final rule—Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act ("Appliance Labeling Rule") [16 CFR Part 305] received February 6, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1699. A letter from the Director, Regulations Policy Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Oats and Coronary Heart Disease [Docket No. 95P-0197] (RIN: 0910-AA19) received February 6, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1700. A letter from the Director, Regulations Policy Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Investigational Device Exemptions; Intraocular Lenses [Docket No. 9IN-0292] received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1701. A letter from the Director of the Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule—Fissile Material Shipments and Exemptions [10 CFR Part 71] (RIN: 3150-AF58) received February 6, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1702. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's "Major" final rule—Disclosure of Accounting Policies for Derivative Financial Instruments and Derivative Commodity Instruments and Disclosure of Quantitative and Qualitative Information About Market Risk Inherent in Derivative Financial Instruments, Other Financial Instruments, and Derivative Commodity Instruments [Release Nos. 33-7386; 34-38223; IC-22487; FR-48] (RIN: 3235-AG42, 3235-AG77) received February 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

1703. A communication from the President of the United States, transmitting notification that the Federal Government frequency assignments in the 4635-4660 MHz frequency band have been withdrawn by NTIA in compliance with section 114 of the Act, pursuant to title VI of the Omnibus Budget Reconciliation Act of 1993 (H. Doc. No. 105-43); to the Committee on Commerce and ordered to be printed.

1704. A letter from the Director, Defense Security Assistance Agency, transmitting a report containing an analysis and description of services performed by full-time U.S. Government employees during fiscal year 1996 who are performing services for which reimbursement is provided under section 21(a) or section 43(b), pursuant to 22 U.S.C. 2765(a)(6); to the Committee on International Relations.

1705. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's report entitled "Report on U.S. Government Assistance to and Cooperative Activities with the New Independent States of the Former Soviet Union," pursuant to Public Law 102-511, sec-

tion 104; to the Committee on International Relations.

1706. A letter from the Chairman Pro Tempore, Council of the District of Columbia, transmitting a copy of D.C. Act 11-512, "Recorder of Deeds Recordation Surcharge Amendment Act of 1996" received February 6, 1997, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on Government Reform and Oversight.

1707. A letter from the Chairman Pro Tempore, Council of the District of Columbia, transmitting a copy of D.C. Act 11-525, "Alcohol Beverage Control Act Private Club Exception Amendment Act of 1996" received February 6, 1997, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on Government Reform and Oversight.

1708. A letter from the Chairman Pro Tempore, Council of the District of Columbia, transmitting a copy of D.C. Act 11-526, "Procurement Reform Amendment Act of 1996" received February 6, 1997, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on Government Reform and Oversight.

1709. A letter from the Senior Vice President and CFO, Potomac Electric Power Co., transmitting a copy of the balance sheet of Potomac Electric Power Co. as of December 31, 1996, pursuant to D.C. Code, section 43-513; to the Committee on Government Reform and Oversight.

1710. A letter from the Administrator and Chief Executive Officer, Bonneville Power Administration, transmitting the annual management report and the 1996 annual report, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform and Oversight.

1711. A letter from the Chairman, Board of Directors, Corporation for Public Broadcasting, transmitting the semiannual report on the activities of the Office of Inspector General for the period April 1, 1996, through September 30, 1996; and the semiannual management report for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1712. A letter from the Chair, Foreign Claims Settlement Commission, Department of Justice, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1996, pursuant to 5 U.S.C. 552(b)(j); to the Committee on Government Reform and Oversight.

1713. A letter from the Executive Director, District of Columbia Financial Responsibility and Management Assistance Authority, transmitting the Authority's report entitled "District of Columbia's Procurement System"; to the Committee on Government Reform and Oversight.

1714. A letter from the Executive Director, District of Columbia Financial Responsibility and Management Assistance Authority, transmitting the Authority's report entitled "D.C. Unfunded Pension Liability; Major Findings and Recommendations"; to the Committee on Government Reform and Oversight.

1715. A letter from the Administrator, Panama Canal Commission, transmitting a report of activities under the Freedom of Information Act for the calendar year 1996, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

1716. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Badlands National Park, Commercial Vehicles (National Park Service) [36 CFR Part 7] (RIN: 1024-AC30) received

February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1717. A letter from the Acting Deputy Assistant Administrator, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Florida Keys National Marine Sanctuary Final Regulations [Docket No. 960712192-6192-01] (RIN: 0648-AD85) received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1718. A letter from the Deputy Assistant Administrator of the Office of Diversion Control, Department of Justice, transmitting the Department's final rule—Comprehensive Methamphetamine Control Act of 1996; Possession of List I Chemicals, Definitions, Record Retention, and Temporary Exemption from Chemical Registration for Distributors of Combination Ephedrine Products (Drug Enforcement Administration) [DEA Number 154I] (RIN: 1117-AA42) received February 6, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

1719. A letter from the Chief Executive Officer, Little League Baseball Incorporated, transmitting the Organization's annual report for the fiscal year ending September 30, 1996, pursuant to 36 U.S.C. 1084(b); to the Committee on the Judiciary.

1720. A letter from the Chief Financial Officer, Paralyzed Veterans of America, transmitting a copy of the annual audit report of the Paralyzed Veterans of America for the fiscal year ended September 30, 1996, pursuant to 36 U.S.C. 1166; to the Committee on the Judiciary.

1721. A letter from the Assistant Secretary of Commerce and Commissioner of Patents and Trademarks, Patent and Trademark Office, transmitting the Office's final rule—Interim Guidelines for the Examination of Claims Directed to Species of Chemical Compositions Based Upon a Single Prior Act Reference [Docket No. 970129014-7014-01] (RIN: 0651-xx09) received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

1722. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—National Freight Transportation Policy [Docket No. OST-96-1188] (RIN: 2105-ZZ00) received February 6, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1723. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Seaway Regulations and Rules: Great Lakes Pilotage Rates (Saint Lawrence Seaway Development Corporation) (RIN: 2135-AA08) received February 6, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1724. A letter from the Administrator, Environmental Protection Agency, transmitting the Agency's first report on the drinking water infrastructure needs survey, pursuant to Public Law 104-182; to the Committee on Transportation and Infrastructure.

1725. A letter from the Chairman, Surface Transportation Board, transmitting the Board's final rule—Household Goods Tariffs [STB Ex Parte No. 555] received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1726. A letter from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Dependency and Income [38 CFR Part 3] (RIN: 2900-AI47) re-

ceived February 5, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

1727. A letter from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Spouse and Surviving Spouse [38 CFR Part 3] (RIN: 2900-AI36) received February 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

1728. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Deposits of Excise Taxes [Notice 97-151] received February 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1729. A letter from the Director, Congressional Budget Office, transmitting the CBO's sequestration preview report for fiscal year 1998, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-587); jointly, to the Committees on Appropriations and the Budget.

1730. A letter from the Secretary of Health and Human Services, transmitting notification that the Department of Health and Human Services is allotting emergency funds made available under section 2606(e) of the Low-Income Home Energy Assistance Act of 1981 to all States, tribes, and territories, pursuant to section 2604(g) of the Low-Income Home Energy Assistance Act of 1981; jointly, to the Committees on Commerce and Education and the Workforce.

1731. A letter from the Director, Defense Security Assistance Agency, transmitting a report on deliveries under section 540 of Public Law 104-107 to the Government of Bosnia and Herzegovina, pursuant to Public Law 104-107, section 540(c) (110 Stat. 736); jointly, to the Committees on International Relations and Appropriations.

DISCHARGE OF COMMITTEE

Pursuant to section 518A(e)(5)(A) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, as contained in section 101(c) of the Omnibus Consolidated Appropriations Act, 1997:

H.J. Res. 36. Approving the Presidential finding that the limitation on obligations imposed by section 518A(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, is having a negative impact on the proper functioning of the population planning program.

Committee on Appropriations discharged from further consideration. Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DAN SCHAEFER of Colorado:

H.R. 655. A bill to give all American electricity consumers the right to choose among competitive providers of electricity, in order to secure lower electricity rates, higher quality services, and a more robust U.S. economy, and for other purposes; to the Committee on Commerce.

By Mr. BACHUS (for himself, Mr. YOUNG, of Alaska, Mr. CRAMER, Mr. RILEY, Mr. ADERHOLT, Mr. MICA, Mr. OXLEY, Mr. MCCOLLUM, and Mr. LATOURETTE):

H.R. 656. A bill to amend the Internal Revenue Code of 1986 to provide that distributions from qualified State tuition programs which are used to pay educational expenses shall not be includible in gross income and to include as such expenses the cost of room and board; to the Committee on Ways and Means.

By Mr. BALDACCI:

H.R. 657. A bill to establish a National Center for Rural Law Enforcement, and for other purposes; to the Committee on the Judiciary.

H.R. 658. A bill to provide for the conveyance to the city of Bangor, ME, of unused military family housing located in the city; to the Committee on National Security.

By Mr. BURR of North Carolina (for himself, Mr. SPRATT, Mr. MCINTOSH, Mr. BACHUS, Mrs. KELLY, Mr. WELDON of Pennsylvania, Mr. FROST, Mr. CALVERT, Mr. SESSIONS, Mr. MCKEON, Mr. COLLINS, Mr. DOYLE, Mr. BORSKI, Mr. BARTLETT of Maryland, Mr. OXLEY, Mr. WICKER, Mr. DAN SCHAEFER of Colorado, Mr. GRAHAM, Mr. BARR of Georgia, Mr. EWING, Mr. COBURN and Mr. BARTON of Texas):

H.R. 659. A bill to amend the Clean Air Act and the Superfund Amendments and Reauthorization Act of 1986 to clarify the listing of a unique chemical substance; to the Committee on Commerce, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CANADY of Florida:

H.R. 660. A bill to amend title 28, United States Code, to allow an interlocutory appeal from a court order determining whether an action may be maintained as a class action; to the Committee on the Judiciary.

By Mr. GALLEGLY:

H.R. 661. A bill to make a technical correction to section 214(h) of the Housing and Community Development Act of 1980; to the Committee on Banking and Financial Services.

By Mrs. MEEK of Florida:

H.R. 662. A bill to amend the Immigration and Nationality Act relating to fulfillment by elderly persons of the requirements for naturalization; to the Committee on the Judiciary.

H.R. 663. A bill to amend the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide for an exception to limited eligibility for the supplemental security income program for permanent resident aliens; to the Committee on Ways and Means.

By Mr. SHAYS (for himself, Mrs. KENNELLY of Connecticut, Mrs. JOHNSON of Connecticut, Ms. DELAURO, and Mr. MALONEY of Connecticut):

H.R. 664. A bill to amend title 49, United States Code, relating to the installation of emergency locator transmitters on aircraft; to the Committee on Transportation and Infrastructure.

By Mr. SOLOMON:

H.R. 665. A bill to provide for the award of the Armed Forces Expeditionary Medal to members of the Armed Forces who participate in Operation Joint Endeavor or Operation Joint Guard in the Republic of Bosnia

and Herzegovina; to the Committee on National Security.

By Mr. CHRISTENSEN:

H.J. Res. 46. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. GEPHARDT (for himself, Mr. FRANK of Massachusetts, Ms. DELAURO, Mr. MORAN of Virginia, Mr. CAPPS, and Mr. GORDON):

H.J. Res. 47. Joint resolution proposing an amendment to the Constitution of the United States to limit campaign spending; to the Committee on the Judiciary.

By Mr. GALLEGLY (for himself, Mr. GILMAN, Mr. HAMILTON, Mr. ACKERMAN, Mr. BALLENGER, and Mr. HOUGHTON):

H. Con. Res. 17. Concurrent resolution congratulating the people of Guatemala on the success of the recent negotiations to establish a peace process for Guatemala; to the Committee on International Relations.

By Mr. UNDERWOOD:

H. Res. 44. Resolution designating minority membership on certain standing committees of the House; considered and agreed to.

By Mr. HALL of Ohio (for himself, Mr. WOLF, Mr. FRANK of Massachusetts, Mr. SMITH of New Jersey, Mr. KENNEDY of Rhode Island, Mrs. MORELLA, Mrs. LOWEY, Mr. LANTOS, and Mr. PORTER):

H. Res. 45. Resolution to honor 1996 Nobel Peace Prize recipients Bishop Carlos Felipe Ximenes Belo and Jose Ramos-Horta, and to express support for the process of building a just and lasting peace in East Timor; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

16. By the SPEAKER: Memorial of the House of Representatives of the State of Iowa, relative to House Concurrent Resolution 4: requesting the Congress of the United States to submit to the States for ratification a balanced budget amendment to the U.S. Constitution; to the Committee on the Judiciary.

17. Also, memorial of the Senate of the State of New Jersey, relative to Senate Resolution No. 72: urging the President and the Congress of the United States to reauthorize the Federal Intermodal Surface Transportation Efficiency Act of 1991, and to insure that the respective Federal funding amounts for highway and mass transportation are not reduced below current levels; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1: Mr. KLUG, Mr. KOLBE, Mr. FOLEY, Mr. EHRlich, Mr. DOOLITTLE, Mr. DUNCAN, Mr. COBLE, Mr. HANSEN, Mrs. CHENOWETH, Mr. TAYLOR of North Carolina, Mr. NETHERCUTT, Mr. DICKEY, Mr. DELAY, Mr. WELDON of Florida, Mr. CHRISTENSEN, Mr. BOB SCHAFFER, Mr. ROHRABACHER, Mr. HILLEARY, Mr. SAM JOHNSON, Mr. LATHAM, Mr. BARR of Georgia, Mr. SMITH of Michigan, Mr. DREIER, Mr. DEAL of Georgia, Mr. SCARBOROUGH, and Mr. SNOWBARGER.

H.R. 40: Mr. FORD, Ms. JACKSON-LEE, and Ms. NORTON.

H.R. 55: Mr. KING of New York, Mr. EVANS, and Mr. WALSH.

H.R. 58: Ms. STABENOW, Mr. COBURN, Mr. YOUNG of Alaska, Mr. LAMPSON, Mr. PORTMAN, Mr. HULSHOF, Mr. BAESLER, Mr. BERMAN, Mr. NEAL of Massachusetts, Mr.

MURTHA, Mr. DIXON, Mr. RANGEL, Mr. HEFFNER, Mr. LANTOS, Mr. HINCHEY, and Mr. FROST.

H.R. 96: Mr. ENSIGN.

H.R. 113: Mr. SENSENBRENNER, Mr. ROYCE, Mr. HASTERT, Mr. WELDON of Pennsylvania, Mr. CHRISTENSEN, and Mr. WATTS of Oklahoma.

H.R. 292: Mr. STEARNS and Mr. OXLEY.

H.R. 367: Mr. LEACH, Mr. FROST, Mr. CAMPBELL, Mr. MCINTOSH, Mrs. KELLY, Mr. MANZULLO, Mr. POSHARD, Ms. NORTON, Mr. LIVINGSTON, Mr. BARTLETT of Maryland, Mr. STEARNS, and Mr. PACKARD.

H.R. 426: Mr. BATEMAN, Mr. PICKETT, Mr. BONILLA, Mr. CASTLE, Mr. CANADY of Florida, Mr. PRICE of North Carolina, and Mr. WOLF.

H.R. 471: Mr. MCCOLLUM, Mr. ROHRABACHER, Mr. BRYANT, Mr. HORN, Mr. CONDIT, Mr. TRAFICANT, Mr. ROYCE, Mr. DUNCAN, Mr. SOLOMON, Mr. GOODLATTE, Mr. SHUSTER, Mr. PACKARD, Mr. PITTS, Mr. WELDON of Florida, and Mr. SENSENBRENNER.

H.R. 475: Mr. STEARNS and Mr. ENGLISH of Pennsylvania.

H.R. 498: Mr. DELLUMS, Mr. FATTAH, Ms. NORTON, and Mr. PETRI.

H.R. 500: Mr. CUNNINGHAM, Mr. MEEHAN, Mr. PALLONE, Mr. HORN, and Mr. SHERMAN.

H.R. 600: Mr. STARK, Mr. WEXLER, and Mr. WAXMAN.

H.R. 604: Mr. CANNON.

H.R. 625: Mrs. MORELLA, Mr. LOBIONDO, Mr. ENGLISH of Pennsylvania, Mr. EVANS, and Mr. KENNEDY of Rhode Island.

H.R. 635: Mr. POSHARD, Mr. DEFazio, and Mr. EVANS.

H.R. 647: Mr. PORTER.

H.J. Res. 1: Ms. DUNN of Washington.

H.J. Res. 27: Mr. SMITH of Michigan.

H. Con. Res. 13: Mrs. LOWEY and Mr. FARR of California.